



Western Cape
Government

FOR YOU

Mobility

WESTERN CAPE
MOBILITY DEPARTMENT
GOVERNMENT
MOTOR TRANSPORT
TRADING ENTITY

ANNUAL REPORT

1 APRIL 2024 TO
31 MARCH 2025



Western Cape Mobility Department

Annual Report

Government Motor Transport Trading Entity

01 April 2024 to 31 March 2025

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Part A

GENERAL INFORMATION



General information

1 Trading entity's general information

Country of incorporation and domicile	South Africa
Registration number	Not applicable
Nature of business and principal activities	Government fleet management
Business address	3 Rusper Street Maitland Cape Town 7405
Postal address	PO Box 352 Maitland 7404 or Private Bag X9014 Cape Town 8000
Telephone number	0800 092 468
Fax number	021 467 4777
Email address	GMT.Communications@westerncape.gov.za
Web address	www.westerncape.gov.za
Bankers	Nedbank
Bank address	Fifth Floor, Nedbank Clock Tower Campus Clock Tower Precinct Cape Town 8001
Auditors	Auditor-General of South Africa
Auditors' address	Auditor-General of South Africa 17 Park Lane Building Park Lane Century City 7441
Accounting Officer	Hamida Fakira
Organisation Secretary	Riaan Wiggill

2 Acronyms and abbreviations

4IR	Fourth Industrial Revolution	ICE	Internal combustion engine
AARTO	Administrative Adjudication of Road Traffic Offences	ICT	Information and communication technology
AGSA	Auditor-General of South Africa	IESBA	International Ethics Standards Board for Accountants
AI	Artificial intelligence	IGRAP	Interpretation of Standards of GRAP
AIDS	Acquired immunity deficiency syndrome	ISAs	International Standards on Auditing
AIDC	Automotive Industrial Development Centre	IoT	Internet of Things
AO	Accounting Officer	IT	Information technology
App	Mobile application	ITS	Intelligent Transport System
APP	Annual Performance Plan	IYM	In-year monitoring
ASB	Accounting Standards Board	LEMS	Life Events Management System
BAIC	Beijing Automotive Industrial Corporation	LRA	Labour Relations Act, 1995
BAS	Basic Accounting System	LOGIS	Logistical Information System
B-BBEE	Broad-based black economic empowerment	MEC	Member of the Executive Council
BEV	Battery-powered EV	MOA	Memorandum of agreement
CCC	GMT Client Care Centre	MSaaS	Mobility solutions as a service
CCCDP	Departmental Critical Competencies and Career Development Plan	MTEC	Medium-Term Expenditure Committee
CCGMT	Coordinating Committee for GMTs	MTEF	Medium Term Expenditure Framework
Ce-I	Centre for e-Innovation (Department of the Premier)	MTP	Massive Transformative Purpose
CFO	Chief Financial Officer	NDP	National Development Plan
CIPC	Companies and Intellectual Property Commission	NEV	New Energy Vehicle Strategy
CNG	Compressed Natural Gas	NQF	National Qualifications Framework
COTO	Committee of Transport Officials	NT	National Treasury
CSD	Central Supplier Database	OCJ	Office of the Chief Justice
DCGIP	Departmental Corporate Governance Improvement Plan	OCR	Optical character recognition
DEDAT	Departments of Economic Development and Tourism	OEM	Original equipment manufacturer
DOA	Department of Agriculture	PAA	Public Audit Act, 2004
DOH&W	Department of Health and Wellness	PAC	Provincial Assessment Centre, DotP
DOI	Department of Infrastructure	PAIA	Promotion of Access to Information Act, 2000
DotP	Department of the Premier	PAJA	Promotion of Administrative Justice Act, 2000
DORA	Division of Revenue Act	PERMIS	Performance Management Information System
DPSA	Department of Public Service and Administration	PERSAL	Personnel and Salary System
DTIC	Department of Trade, Industry and Competition	PFMA	Public Finance Management Act, 1999
ECM	WCG Electronic Content Management system	PFS	Provincial Forensic Services
EE	Employment equity	PILIR	Policy and Procedure on Incapacity and Ill Health Retirement
EHW	Employee health and wellness	PPE	Property, plant and equipment
EHWP	Employee Health and Wellness Programme	PPPFA	Preferential Procurement Policy Framework Act, 2000
eNATIS	National Traffic Information System	PPRs	Preferential Procurement Regulations
EPWP	Expanded Public Works Programme	PSCBC	Public Service Coordinating Bargaining Council
ERM	Enterprise risk management	PSP	Provincial Strategic Plan
ERMCO	Enterprise Risk Management Committee	R&D	Research and development
ERP	Enterprise Resource Planning system	RT57	Transversal government procurement contract
ERT	Energy Resource Task Team	RWOPS	Remunerative Work Outside the Public Service (application)
EV	Electric vehicle	SAPS	South African Police Service
FFSS	Future-fit Skills Strategy	SARB	South African Reserve Bank
FleetMan	Fleet Management ERP System	SCM	Supply Chain Management
FMPPi	Framework for Managing Programme Performance Information	SDIP	Service Delivery Improvement Plan
FPS	EMS Forensic Pathology Services	SHERQ	Safety, health, environment, risk and quality
GAP	Gap Analysis Project	SMS	Senior Management Service
GG	Government Garage	STI	Sexually transmitted infection
GMT	Government Motor Transport trading entity	TB	Tuberculosis
GRAP	Generally Recognised Accounting Practice	VAT	Value-added tax
HCT	HIV and AIDS counselling and testing	VIP	Vision Inspired Priority/ very important person
HIV	Human Immunodeficiency Virus	WCG	Western Cape Government
HOD	Head of Department	WCBD	Western Cape Bid Document
		WCMD	Western Cape Mobility Department
		WCSEB	Western Cape Supplier Evidence Bank

3 Foreword by the Provincial Minister

DRIVING SERVICE EXCELLENCE THROUGH CO-CREATED INNOVATION

It is with great pride and appreciation that I present the 2024/25 Annual Report of Government Motor Transport (GMT), Western Cape. This report reflects not only the operational achievements of the past financial year but also the unwavering commitment of GMT to delivering safe, reliable and cost-effective fleet management services to its client institutions.

The 2024/25 financial year represents the final year of the 2020–2025 strategic planning cycle. GMT has once again achieved an **“unqualified with no findings”** audit outcome for the thirteenth consecutive year, and has also met and exceeded its strategic outcomes objectives and targets

Over the past year, GMT has continued to play a pivotal role in supporting service delivery across departments. Whether enabling healthcare workers to reach remote communities, ensuring that law-enforcement vehicles are road-ready, or facilitating the mobility of officials in critical sectors, GMT remains a cornerstone of public service infrastructure.

Global and geopolitical issues will continue to have a significant impact on the automotive sector, with inevitable implications for GMT’s service delivery and cost models. These external pressures are compounded by persistent challenges, including rising vehicle acquisition costs, escalating operational expenses and the financial constraints faced by client departments. In response, GMT has adopted a bold and forward-thinking approach, continually exploring innovative mobility solutions and alternative delivery mechanisms to ensure resilience and relevance in a rapidly evolving landscape. These solutions are not only fit for purpose today but are also technologically aligned with the demands of tomorrow; solutions that are truly fit for the future.

This year’s report highlights several key milestones, to mention a few:

- Continued improvement in fleet availability and turnaround times for maintenance and repairs.
- Expansion of the green fleet initiative, with increased integration of hybrid and electric vehicles.
- Strengthened governance and financial controls, ensuring transparency and accountability.
- Investment in digital systems to enhance fleet tracking, reporting and operational efficiency.

The trading entity’s continued sound financial standing, underpinned by responsible financial management, has positioned the entity to lead with confidence while remaining responsive to client needs. Revenue generated through vehicle auctions has supported GMT’s Vehicle Replacement Strategy, guided by a deep understanding of client requirements. Another key example of leadership is GMT’s role in advancing the Western Cape Government’s New Energy Vehicle Strategy, including the procurement of 112 hybrid vehicles during the 2024/25 financial year.



Isaac Sileku
Minister of the Western Cape
Mobility Department

In conclusion, I would like to express my sincere gratitude to my predecessor, Minister Ricardo Mackenzie, whose vision and leadership laid a strong foundation for the Department and GMT to operate with integrity, professionalism and innovation. His commitment to strengthening governance and advancing sustainable mobility has made a lasting and meaningful contribution.

Additionally, I wish to commend GMT's leadership and staff for their unwavering dedication and resilience, as well as our client departments for their continued trust and partnership. Together, we continue to drive the mandate of the Western Cape Government forward, in turn building a capable, responsive and future-ready public sector.

 Digitally signed by
Isaac Sileku
Date: 2025.08.29
14:11:45 +02'00'

ISAAC SILEKU
PROVINCIAL MINISTER
WESTERN CAPE MOBILITY DEPARTMENT
DATE: 29 AUGUST 2025

4 Report of the Accounting Officer

4.1. Overview of operations of the trading entity

Government Motor Transport (GMT) is a Trading Entity incorporated under the administration of the Western Cape Mobility Department (WCMD). Its core mandate is to deliver reliable, accessible, innovative and environmentally responsible mobility solutions for its client institutions.

For the 2024/25 financial year, the entity's strategic focus for the final year of its Strategic Plan 2020-2025 remained to be guided by its Massive Transformative Purpose, "innovative mobility solutions to co-create a better life for all", in its delivery to client institution and the implementation of its three strategic outcomes, namely:

1. Leaders in mobility solutions;
2. Greening the fleet; and
3. Satisfied stakeholders.

In support of client institutions' needs and the safety of its own staff and drivers, GMT implemented, amongst others, the following initiatives in partnership with clients:

- A total of 1 020 vehicles that had either gone beyond, or were approaching the end of their useful lives as defined in GMT policies, were replaced;
- The number of automatic transmission vehicles in the fleet increased from 1 113 to 2 194, changing the fleet profile to cater for a broader range of drivers and improving driving behaviour.
- Expenditure on fuel forms a major part of fleet operating costs, and client institutions expect a convenient and uninterrupted on-road fuelling solution. The fuel industry is prone to fraud because of the high tradability of fuel as a commodity. In response, GMT developed improved fuel risk-management processes and systems.
- The capacity of fleet rental services in Maitland and George was expanded to improve this essential service to clients.
- Repairs and maintenance, vehicle inspections and vehicle disposal functions were strengthened through the appointment of additional resources and the introduction of improved processes, systems and technology.

The trading entity's financial position remained stable, supported by improved controls over expenditure, effective capital utilisation and sound financial management practices. These efforts contributed to enhanced cash collections from client institutions and ensured that debt remained within prescribed governance limits. The majority of the interest income was generated from financial instruments classified as Cash and Cash Equivalents. The returns on these instruments are closely linked to fluctuations in the prime interest rate. During the 2024/25 financial year, the South African Reserve Bank's Monetary Policy Committee maintained the prime interest rate at levels marginally higher than those anticipated during the budgeting process. A comparison of the projected versus actual interest yields for the year is presented in Figure 1.

Figure 1: Interest yield estimates and actual yields for 2024/25

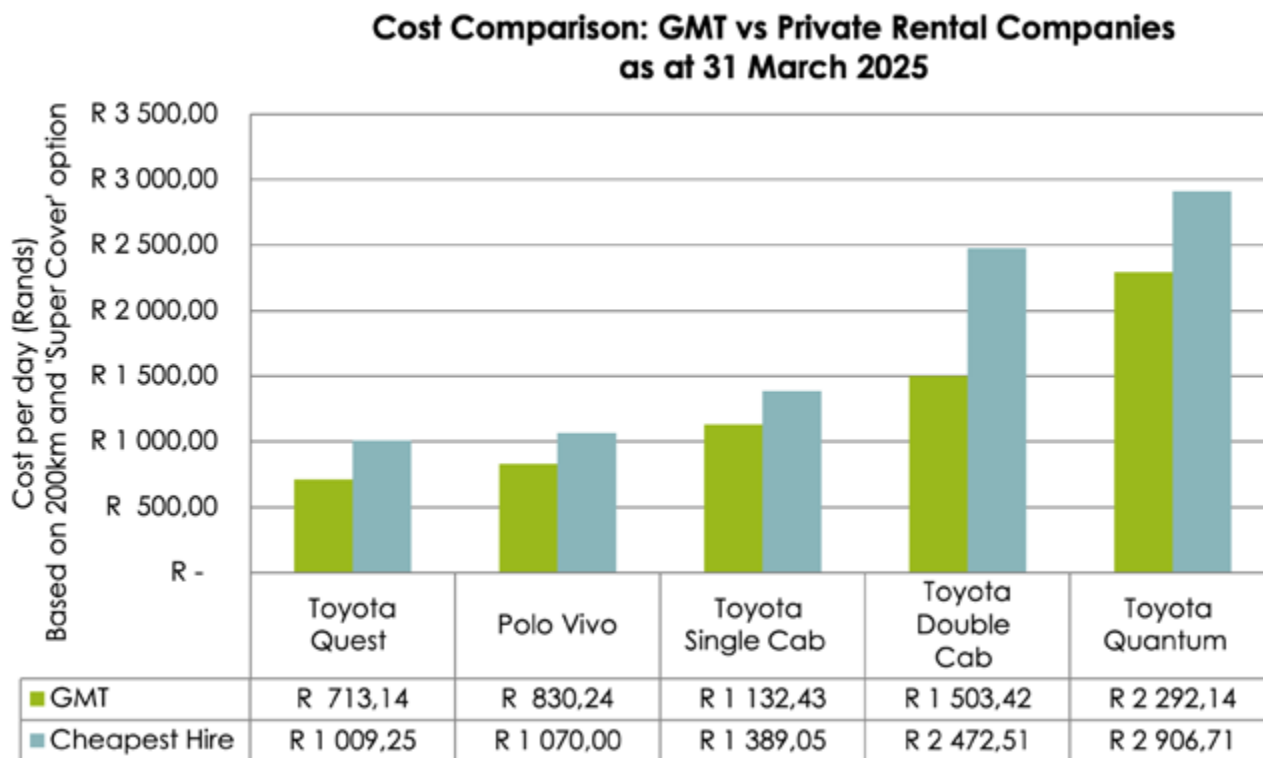


Main bank account:

**Actual 7% to 7.75%,
estimate 6.75% to 7.75%**

To ensure that the services offered by GMT are competitively priced, the entity's finance team conducts regular price comparisons with private-sector vehicle rental companies. These comparisons show that GMT's service offerings are well priced, offering moderate to substantial savings to clients in all vehicle categories available in the market. Figure 2 shows a cost comparison as at 31 March 2025.

Figure 2: GMT pricing compared to private vehicle rental companies' pricing



Note: For illustrative purposes, common makes and models in each category are shown in the graph.

Method of calculation:

The cheapest rental pricing includes 200kms free per day (a charge between R2.10 and R7.50 is charged per km thereafter, depending on the rental company).

GMT pricing is calculated by adding the daily tariff plus kilometre tariff times 200km:

$$= \text{Daily tariff} + (\text{km tariff} \times 200\text{km})$$

In addition to cheaper rentals compared to private-sector vehicle rental companies, GMT offers the following value-added services:

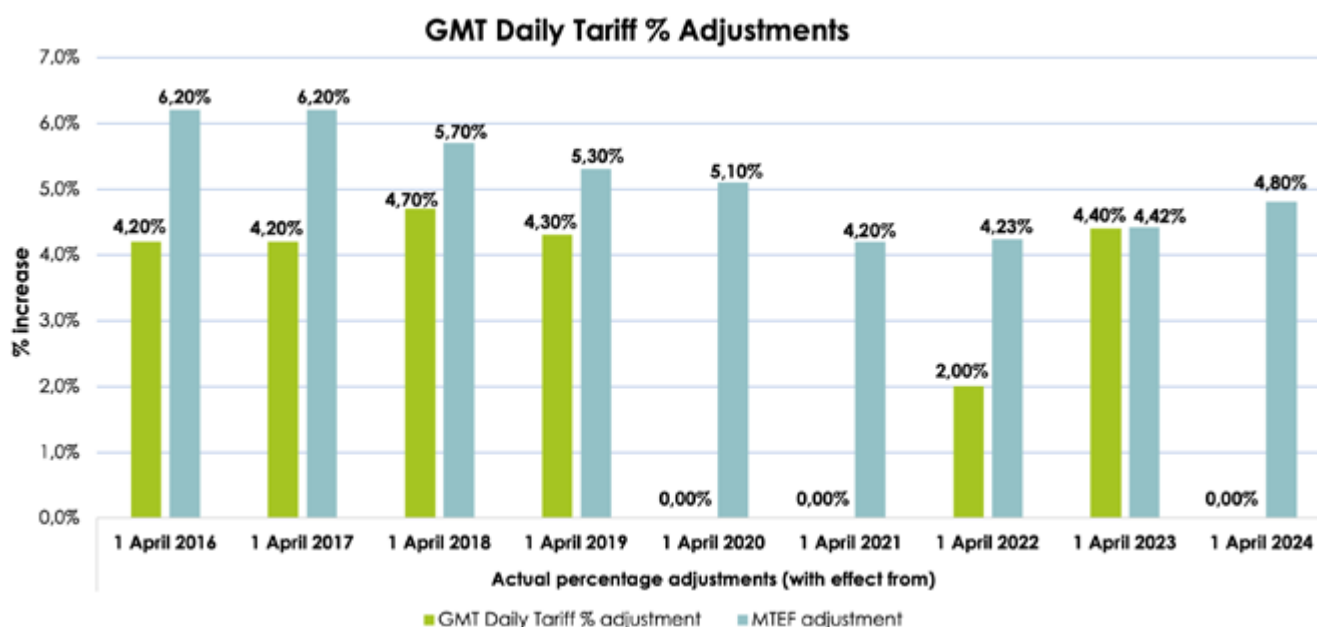
In addition to cheaper rentals compared to private sector rental companies, GMT offers the following value-added services:

- Providing client institutions with access to a bespoke fleet management system (FleetMan);
- Providing vehicle tracking services and reports for client institutions;
- Providing a fuel management service;
- Providing a toll management service;
- Managing traffic infringements and related fines;
- Providing insurance;

- Providing driver and transport officer training;
- Providing a third-party claims management service;
- Providing evidence in disciplinary hearings;
- Providing shuttle services to various pick-up points;
- Managing repairs and maintenance;
- Disposing of withdrawn vehicles;
- Providing selected after-hours support services;
- Not charging booking and administration fees;
- Not charging value-added tax;
- Providing general hire pool access to vehicles; and
- Making specialised vehicles available.

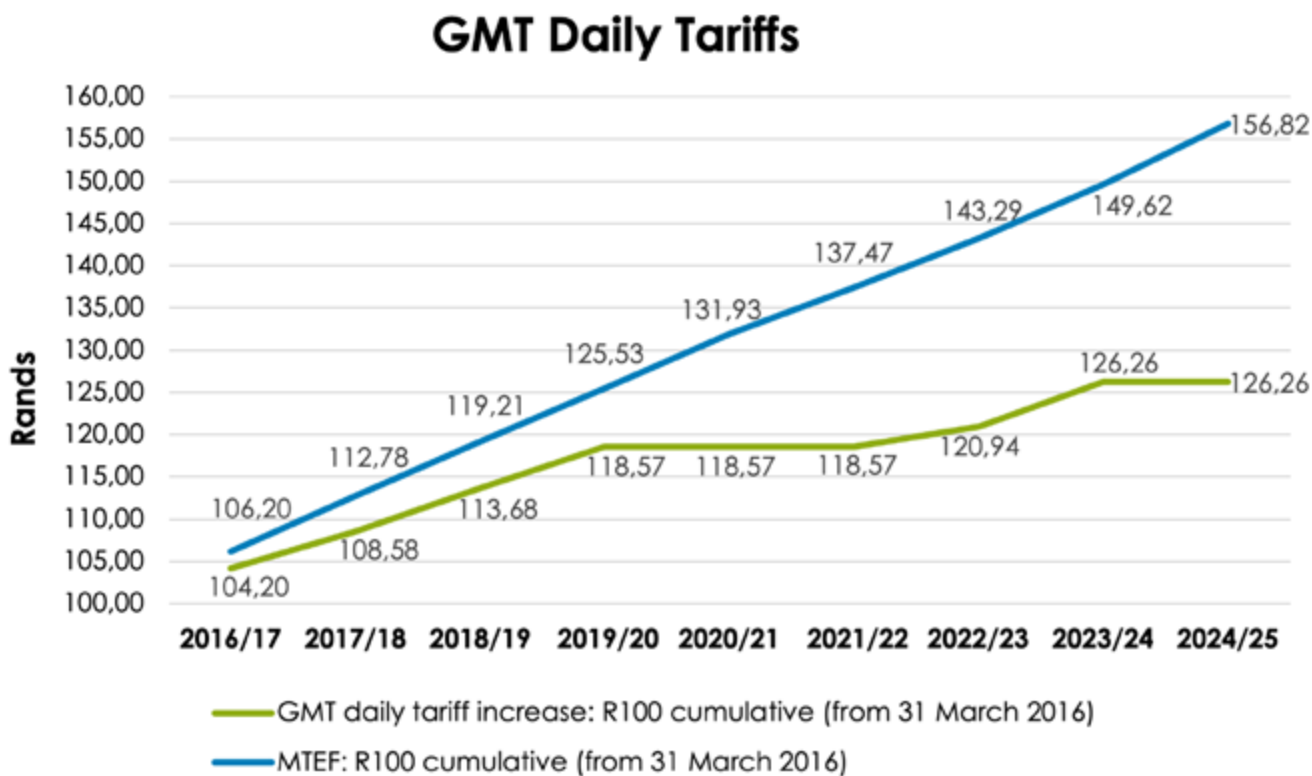
As a service-driven organisation, GMT recognises the financial challenges confronting its client institutions stemming from real-term budget cuts, funding reprioritisation and persistent inflationary pressures. In light of these conditions, the entity remains committed to delivering its services at the most affordable rates possible. As illustrated in Figure 3, GMT's annual daily tariff adjustments from 1 April 2016 to 1 April 2024 were consistently below the percentage increases in the Medium-Term Expenditure Framework (MTEF). Demonstrating continued support, GMT applied a 0% tariff adjustment for the 2024/25 financial year, which became effective on 1 April 2024, and, in a notable and unprecedented step, implemented a 1% daily tariff reduction effective 1 April 2025.

Figure 3: GMT daily tariff adjustments in comparison to MTEF percentage increase



This is an effective saving of R30.56, or an average of 3.82% on an annualised basis over this period.

Figure 4: Cumulative effect of GMT tariff adjustments in comparison to MTEF increase



For the 2024/25 financial year, GMT aligned its financial management practices with the requirements outlined in Directive 5 and Directive 9 of the GRAP (Generally Recognised Accounting Practice) reporting framework, as issued by the Accounting Standards Board (ASB).

As at 31 March 2025, GMT held an investment deposit of R521.7 million with the Corporation for Public Deposits, facilitated through the Provincial Treasury. This investment is classified under Cash and Cash Equivalents and is earmarked to support GMT’s operational needs, including funding assets during asset life cycles, the settlement of liabilities, commitments, and other expenditure necessary to achieve its service delivery mandate. Confirmation of the investment details is obtained from the Provincial Treasury as part of GMT’s regular reporting processes.

New energy vehicles

Transition from a Western Cape Electric Vehicle Strategy to a Western Cape New Energy Vehicle (NEV) Strategy.

During 2024/25, Government Motor Transport (GMT) advanced its approach to sustainable mobility through redrafting its Electric Vehicle Strategy into a comprehensive New Energy Vehicle (NEV) Strategy. Developed for broader provincial application, the updated strategy aligns with the national Electric Vehicle White Paper, released in December 2023, which expanded the policy scope beyond electrification to include hydrogen fuel cell technologies and alternative fuels. This shift prompted a move from a narrow focus on battery electric vehicles to a more inclusive outlook that considers hybrid technologies and alternative propulsion systems. Hybrid vehicles offer an immediate opportunity to reduce CO₂ emissions while easing short-term infrastructure pressures. In parallel, alternative fuels such as hydrogen are receiving renewed global interest, with manufacturers continuing to assess their viability at scale.

Therefore, in addition to the current battery electric vehicles (BEVs), GMT has strengthened its fleet of hybrid vehicles, with the procurement of 112 vehicles during 2024/25, of which 25 were delivered during the year under review. The delivery of the outstanding 87 hybrids was expected in the second quarter of 2025.

Launch and uptake of the NEV Pioneer Programme

The NEV Pioneer Programme was launched in 2024/25 to provide client departments with hands-on exposure to NEVs under real-world conditions. Uptake began in the third quarter, with several institutions participating. The feedback process is helping to shape fleet planning, user readiness and ongoing strategy refinement.

Strengthening strategic alliances and research capacity

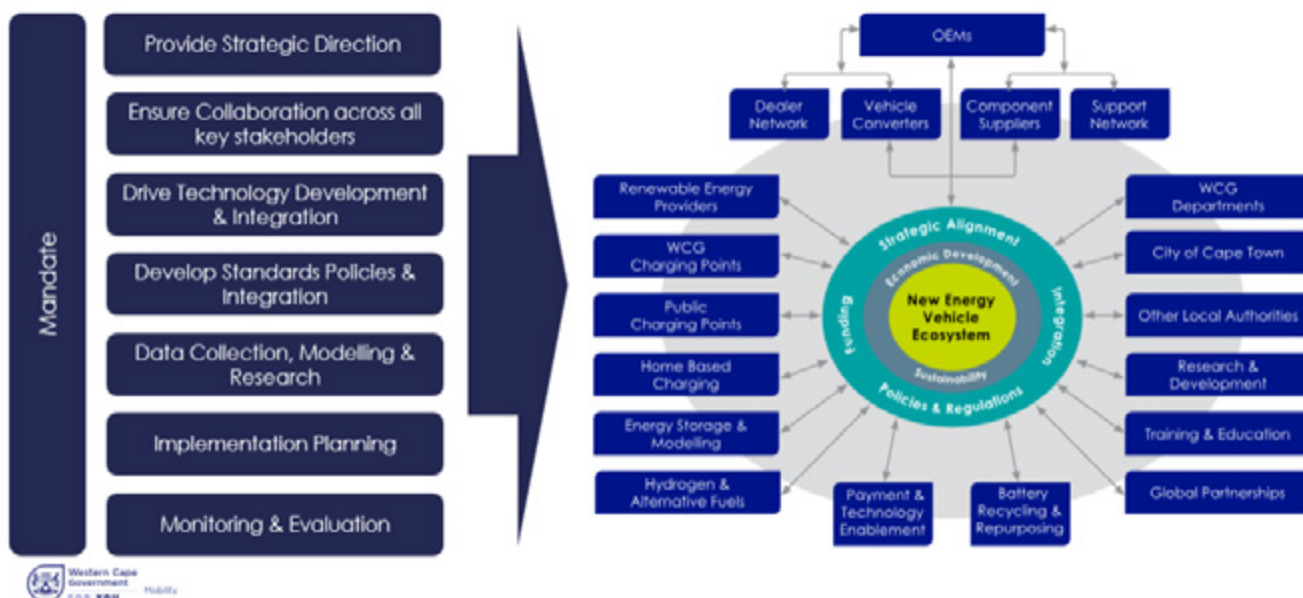
The year also saw GMT deepen its role in provincial and interdepartmental energy planning structures. Engagements were significantly scaled up across the provincial Energy Resilience Programme workgroups, Energy Council, the Energy Resource Task Team (ERT), the Air Quality Officers Forum and the Climate Change Workgroup. These platforms support alignment between GMT’s transport decarbonisation mandate and the province’s energy resilience and emissions reduction strategies.

In parallel, GMT signed formal research collaboration agreements with the University of Cape Town, Stellenbosch University and the University of the Western Cape. These university partnerships are designed to generate localised research insights into key enablers of the NEV transition, including battery recycling feasibility, vehicle homologation frameworks, and regional energy and infrastructure modelling. The agreements, finalised in Q3 2024, also serve as foundational inputs into the province’s broader evidence-led policy direction on transport electrification and fuel diversification.

The updated NEV ecosystem model (Figure 5) presents an integrated framework for sustainable mobility. It incorporates new domains such as alternative fuels, energy storage and skills development, while retaining key enablers like charging infrastructure, payment systems and battery repurposing.

The model embeds strategic alignment, regulatory coherence and economic development as core principles, offering a shared reference point for departments, local authorities, OEMs, research institutions and energy partners working to advance NEV adoption in the Western Cape.

Figure 5: The expanded New Energy Vehicle Ecosystem



GMT auction sales



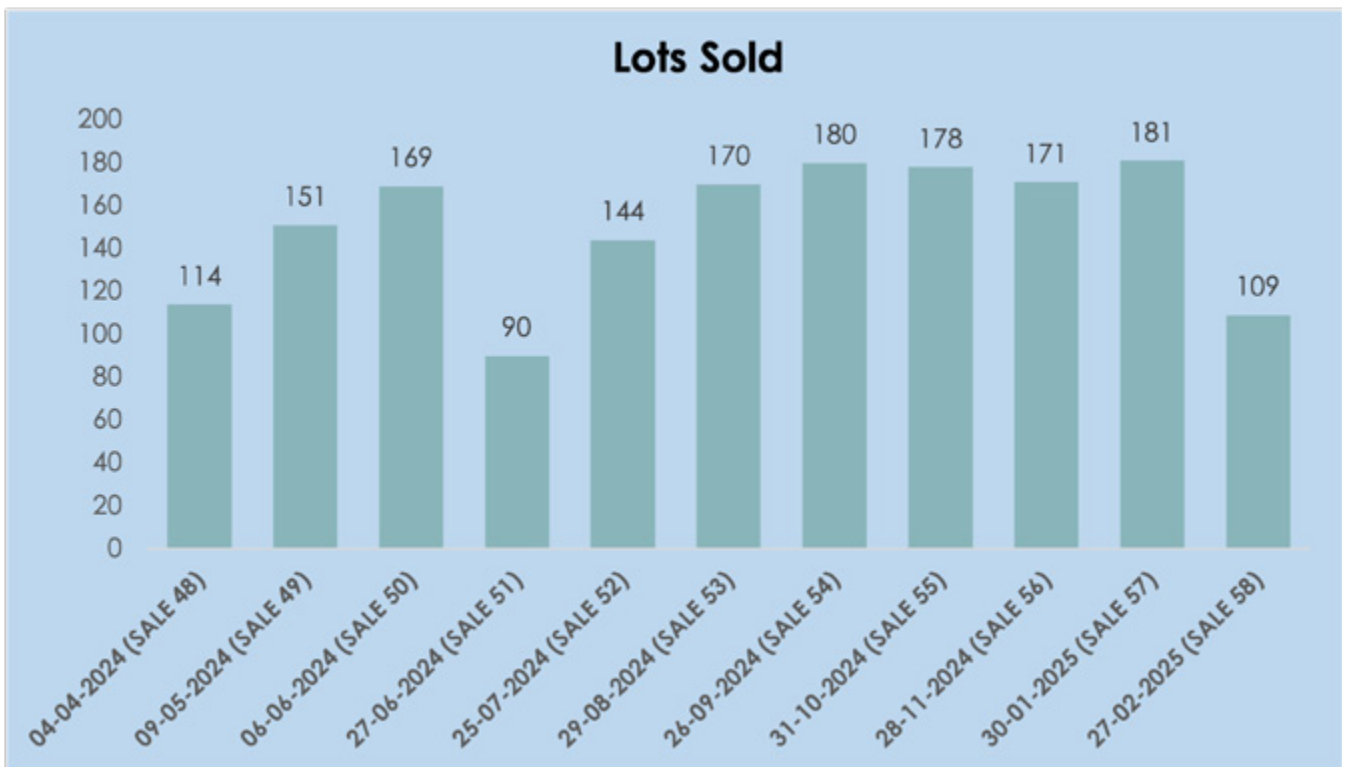
Disposal is a vital part of the vehicle life cycle. During the year under review, GMT accelerated its vehicle disposal activities to alleviate current operational site constraints by successfully establishing a proof-of-concept Vehicle Disposal team. The favourable market for second-hand vehicles enabled GMT to sell its used vehicles at good prices.

Factors that contributed towards improved performance during the year:

- The use of the mobile vehicle inspection application, replacing the manual TV6/28 process, significantly increased the speed and efficiency of the vehicle withdrawal and disposal process.

Figure 6 provides a summary of the positive trends in the number of lots sold and revenue-generated performance through auction sales in 2024/2025. In total, 1 657 lots were sold, there were 390 975 event page views, and 47 012 bids were submitted.

Figure 6: GMT online auction sales 2024/25



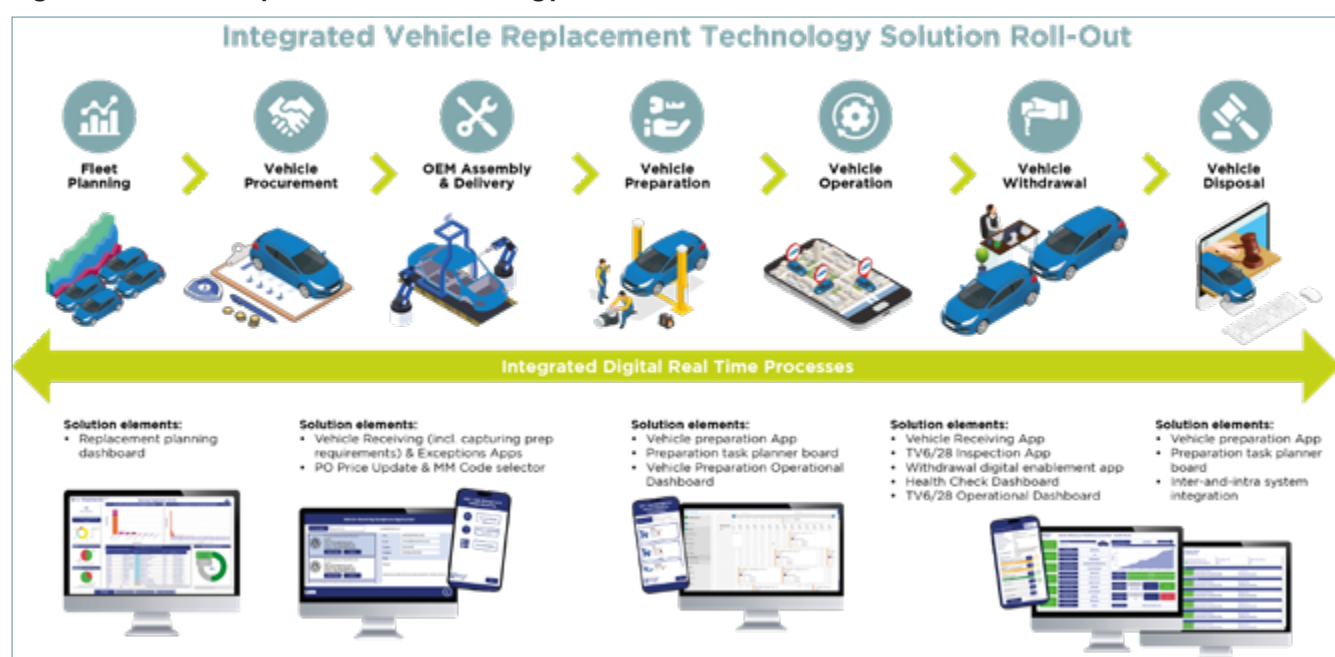
Vehicle replacement strategy

The vehicle replacement project, a key GMT initiative to recapitalise its fleet, came to an end. The project focused on bringing the GMT fleet to within its optimal vehicle ages. The introduction of mobile applications and process automation technology during the past year included the following:

- The digitisation of all manual processes to improve accuracy and speed;
- The deployment of mobile devices in operations to improve visibility and the speed of data-sharing;
- The development of operational and executive dashboards to improve visibility and facilitate quicker decision-making; and
- Acceleration of vehicle disposal through more frequent vehicle auctions.

GMT's vehicle life-cycle management, enabled with the newly introduced supporting technology platform, is shown in the diagram below.

Figure 7: Vehicle replacement technology solution roll-out



Benchmarking

GMT undertakes benchmarking as a strategic practice to strengthen operational efficiency, improve financial performance and enhance service delivery to clients. By engaging with stakeholders across the mobility ecosystem, both locally and internationally, GMT is able to identify best practices, monitor industry trends and explore innovations that inform its future direction.

During the reporting period, GMT conducted one inward and two outward benchmarking exercises. These engagements positioned GMT at the centre of important discussions on emerging market trends, operational approaches and technological advancements. The lessons learned are critical in enabling GMT to anticipate changes in its environment and to respond effectively to new opportunities and challenges.

Inward benchmarking

SITA engagement

In July 2024, representatives from the Coordinating Committee of Government Motor Transport (CCGMT) and the State Information Technology Agency (SITA) conducted a strategic review of the Western Cape FleetMan and Intelligent Transport System (ITS) platforms. The objective of this engagement was to assess the technical architecture, data management capabilities and operational efficiencies of the existing systems in use by GMT.

This review was initiated in response to CCGMT and SITA's interest in developing a customised fleet management IT solution to support data governance and reporting requirements under their fleet management contract.

Outward benchmarking

The following two outward benchmarking activities were carried out during the period of review:

ISUZU engagement

In June 2024, GMT participated in ISUZU's strategic research initiative. The focus was on the preview of carbon-neutral vehicle models aligned with ISUZU's Environmental, Social and Governance (ESG) principles and Environmental Vision 2050. The ELF EV, or electric vehicle, and the CNG truck, which is powered by compressed natural gas, were among the vehicles on display during the event. The purpose of this engagement was to enhance vehicle development by gathering feedback from South African buyers.

City of Cape Town Roadshow

In February 2025, GMT was invited to participate in the City of Cape Town Roadshow, where GMT displayed a range of vehicles including traffic vehicles, ambulances, hybrids and electric vehicles.

The New Energy Vehicle (NEV) Strategy, which is currently being developed, was mentioned, together with the Electric Vehicle Strategy. The City of Cape Town indicated interest in collaborating with GMT on the NEV Strategy and the 2026 Showcase.

Client engagements

To strengthen operational and client liaison functions, officials embarked on a series of visits to client institutions to observe their usage of GMT vehicles. This enabled GMT to better advise clients on the vehicles best suited to specific purposes.

Throughout the process of developing its Client Portal, GMT's technical teams and management held several engagements with client institutions, including the Office of the Chief Justice (OCJ), where the prototype portal was tested. The Client Portal was launched on 14 March 2024 and client institutions successfully utilised it during the reporting period.

Figure 8: Mobile clinics

Source: 63 high-tech mobile clinics for Western Cape, published Wednesday 07 May 2025, Mossel Bay Advertiser (www.mosselbayadvertiser.com/).

GMT remains committed to maintaining a fleet that operates within its optimal economic life cycle, ensuring cost-efficiency, reliability and alignment with service delivery mandates. As part of its strategic fleet renewal programme, GMT successfully prepared and handed over 1 020 vehicles to client institutions across the Western Cape during the reporting cycle ending 31 March 2025.

This fleet enhancement includes specialised vehicles such as ambulances, provincial traffic vehicles, forensic pathology vehicles, patient transporters and mobile clinics, as well as the “vanilla fleet” of GG vehicles that GMT’s client institutions rely on to deliver services to citizens.

GMT supported provincial sustainability goals by collaborating with the Department of Health and Wellness to equip mobile clinics with solar panels and inverter systems, advancing low-carbon, energy-resilient solutions in the public fleet environment. GMT subsequently procured 63 of these mobile clinics and 31 were built and delivered before the end of March 2025.

Innovative mobility solutions

In pursuit of its transformative vision, GMT has continued to prioritise the development and implementation of innovative mobility solutions aimed at improving service delivery and operational efficiency. This ongoing journey is underpinned by GMT’s alignment with Provincial Vision-Inspired Priority 5: Innovation and Culture, which emphasises the promotion of a culture of innovation and continuous improvement in public sector institutions.

Through strategic investments and a commitment to digital transformation, GMT has taken deliberate steps to enable its client departments to better respond to the opportunities and challenges presented by the Fourth Industrial Revolution (4IR). These efforts reflect GMT’s broader mandate to support an agile, future-fit government through technology-enabled mobility services.

Key innovations implemented during the period under review include:

- Digitalisation of vehicle inspection and receiving processes: Previously manual processes have been automated through the deployment of handheld devices, improving accuracy, speed and auditability, particularly in the context of vehicle intake and disposal workflows.
- Enhanced fuel risk management technologies: System upgrades have enabled more precise monitoring and control of fuel-related transactions and usage, thereby reduced the risk of fraud and improved operational accountability.
- Deployment of vehicle dispatch and shuttle management systems: New platforms have been introduced to optimise scheduling, routing and utilisation of fleet vehicles, resulting in improved service delivery to internal and external clients.
- Development of performance management dashboards: Interactive dashboards have been designed to track and monitor key performance indicators (KPIs), providing real-time insights that support evidence-based decision-making and continuous business improvement.

Collectively, these innovations have significantly enhanced GMT's operational efficiency, transparency and service quality. Information and Communication Technology (ICT) continues to serve as a central enabler in realising GMT's Massive Transformative Purpose – to provide sustainable, smart, client-focused mobility solutions in support of government's broader developmental goals.

ICT Roadmap and technologies

The GMT ICT Roadmap was purposefully structured to support digital transformation, operational resilience and service excellence through the strategic application of emerging technologies. The roadmap focused on the following priorities:

- De-risking GMT's information technology (IT) infrastructure and connectivity;
- Strengthening information and data capabilities;
- Enabling secure and controlled system integration in cloud environments;
- Advancing digitalisation across GMT's operational processes;
- Facilitating smart mobility through 4IR technologies; and
- Enhancing client service delivery through innovative mobility solutions.

During the period under review, significant attention was placed on strengthening cybersecurity, improving systems availability and formulating a forward-looking digital strategy. A key milestone was the development of a modern multi-cloud strategy designed to support the establishment of integrated digital platforms that enable intelligent, connected and sustainable mobility services.

Multi-cloud strategy development and execution

GMT's multi-cloud strategy was developed to enhance operational flexibility, digital resilience and innovation capacity within a dynamic technology environment. This strategic shift aligns with government's drive to adopt open, future-proof and vendor-agnostic digital platforms, while also addressing critical concerns such as cybersecurity, vendor lock-in and interoperability.

Central to the strategy is the adoption of composable architecture, which allows for the rapid assembly and reconfiguration of modular digital components in response to evolving business needs. This architectural approach ensures that GMT can deliver adaptable and scalable mobility solutions that align with immediate priorities and long-term transformation goals.

The implementation of the multi-cloud and composable architecture strategy will follow a phased, multi-year approach, aligned with the 2025–2030 Strategic Plan. It serves as a foundational enabler for digital transformation, supporting GMT's broader enterprise architecture and public sector modernisation efforts.

Intelligent Transport System (ITS) and smart mobility solutions

In alignment with 4IR principles, GMT continued to invest in the development and deployment of an Intelligent Transport System (ITS), underpinned by the Internet of Things (IoT). The ITS platform enables the collection and real-time analysis of data from vehicles and other mobility assets, facilitating applications that improve safety, efficiency and decision-making.

A flagship example of ITS innovation is the Blue Dot Programme, which uses behavioural economics and data analytics to incentivise safe driving among taxi operators. Similarly, the ITS platform supports the Go-George public transport system in the Eden District by integrating schedules, routes and monitoring systems to ensure effective fleet and route management.

The ITS platform is fully aligned with GMT's multi-cloud and composable architecture strategy. During the year, this flexibility was demonstrated through the integration of a fuel fraud detection and management solution, which combined banking transaction data with vehicle geolocation information to detect irregularities in fuel purchases.

Web presence, digital platforms and stakeholder engagement

An appropriate digital presence is integral to GMT's service offering. It enables transparency, stakeholder engagement and access to real-time operational information. In support of this, GMT developed:

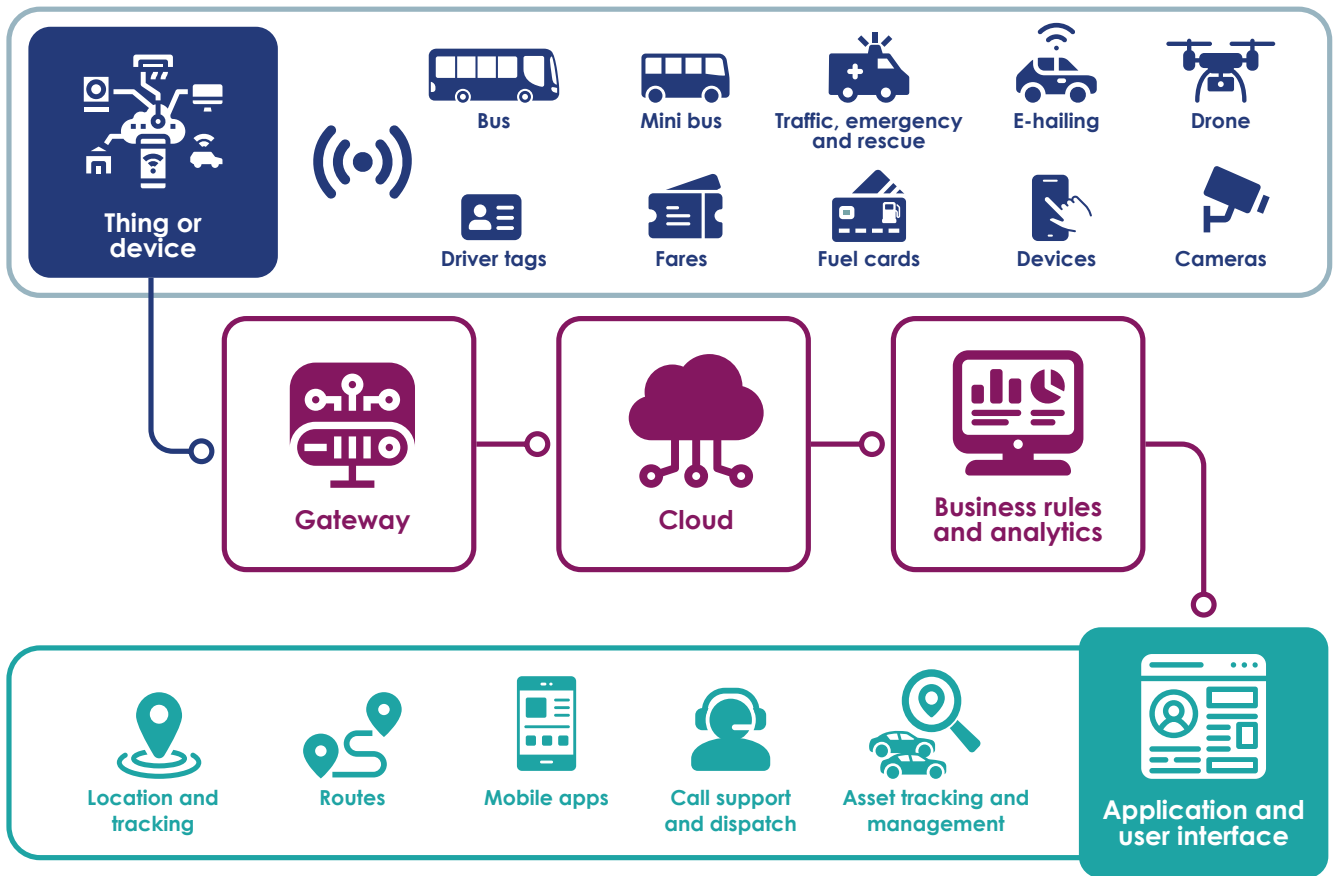
- A user-centric website prototype focused on accessibility and ease of use; and
- An interactive Client Portal built on sound information architecture principles.

The Client Portal, developed in partnership with the Office of the Chief Justice (OCJ), represents a modern, secure upgrade of the legacy FleetMan Client Module.

It enables clients to access key information on their vehicle fleet, including billing, maintenance, traffic fines and fuel-consumption data. The platform is designed for scalability and will be progressively rolled out to other client institutions.

Figure 9: ITS – Intelligent Transport System (using 4IR IoT concepts)

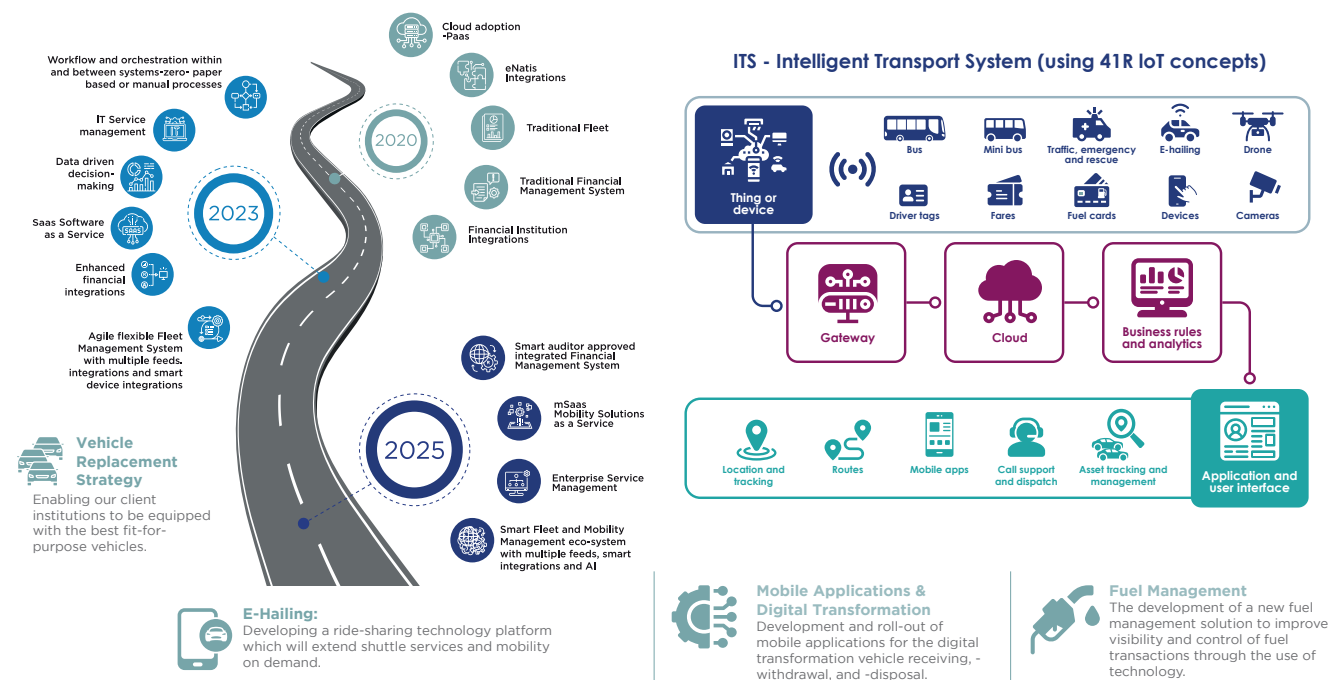
ITS - Intelligent Transport System (using 4IR IoT concepts)



Foundational ICT infrastructure and digital enablement

Significant progress was also made in strengthening GMT's foundational ICT infrastructure, with a particular focus on securing and optimising Microsoft development and data environments. These improvements have enabled the digitalisation of critical operational processes, positioning GMT for ongoing digital service expansion.

GMT continues to advance its internal research and development (R&D) capabilities, invest in prototyping and cultivate an innovation-driven culture. These efforts form part of a broader commitment to leveraging 4IR technologies in service of efficient, responsive and citizen-centred public sector mobility. The GMT ICT Systems Roadmap 2020–2025 is depicted in the illustration below.



Source: Government Motor Transport

4.2. Overview of the financial results of the trading entity

Statement of financial performance

GMT continued to demonstrate financial resilience and operational efficiency during the 2024/25 financial year. The entity's financial position remained strong, underpinned by sound financial management practices, prudent capital allocation and a continued focus on cost containment.

4.2.1 Revenue

Revenue increased by 8.3% to R1.17 billion during the year under review, compared to R1.08 billion during 2023/24.

The revenue growth was primarily attributed to the following:

- The revenue from kilometre and daily tariffs, and interest earned on finance lease receivables, is classified as Revenue from Exchange Transactions. These amounted to R951.4 million (2023/24: R933.2 million), supported by consistent demand for fleet services across client institutions.
- Other income increased significantly to R27.8 million (2023/24: R9.9 million), largely due to profits on the disposal of vehicles and other sundry recoveries.
- Interest earned rose to R130.6 million (2023/24: R128.8 million), driven by higher prime interest rates and strong average cash balances maintained throughout the year.

4.2.2 Expenditure

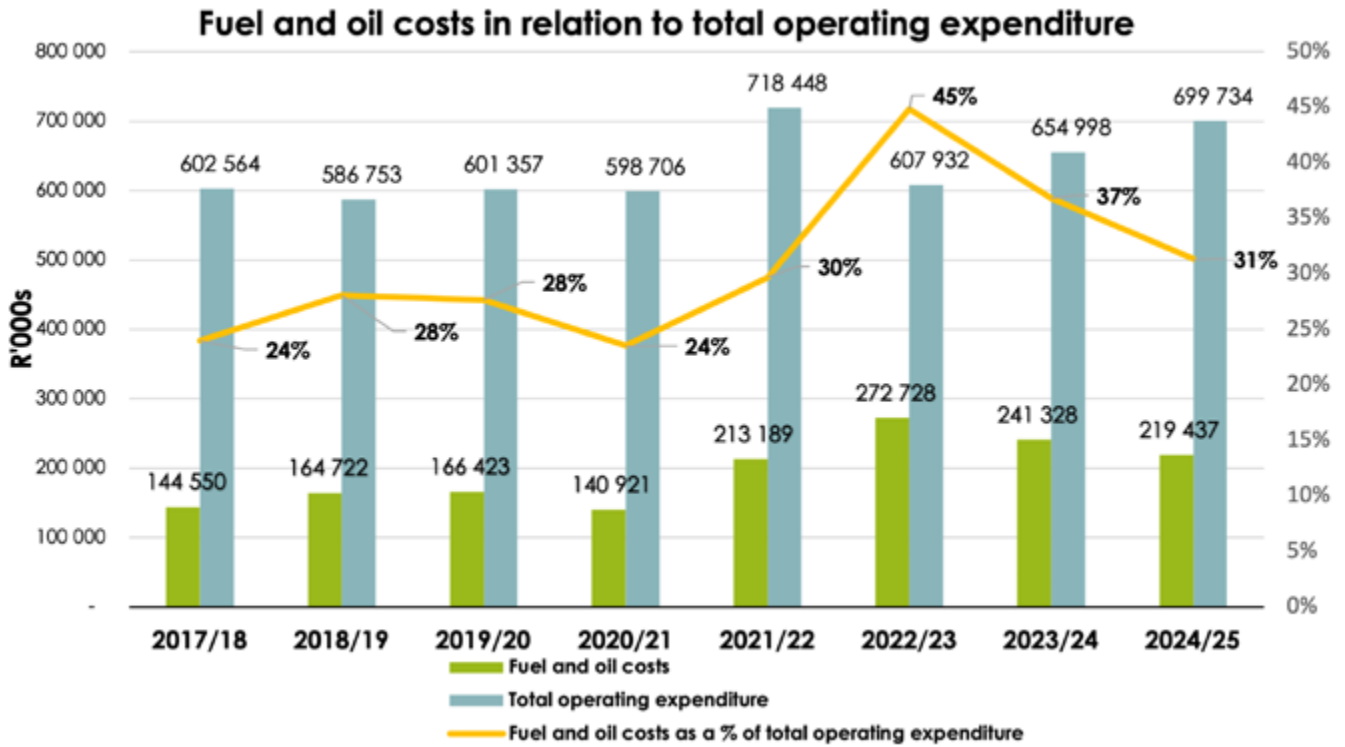
Total expenditure increased by 6.8% to R699.7 million (2023/24: R654.9 million).

The main expenditure categories were as follows:

- Operating expenditure remained the largest cost component at R530.5 million (2023/24: R490.4 million), covering fuel, maintenance and related fleet costs. The increase is linked to fleet expansion and higher input costs.

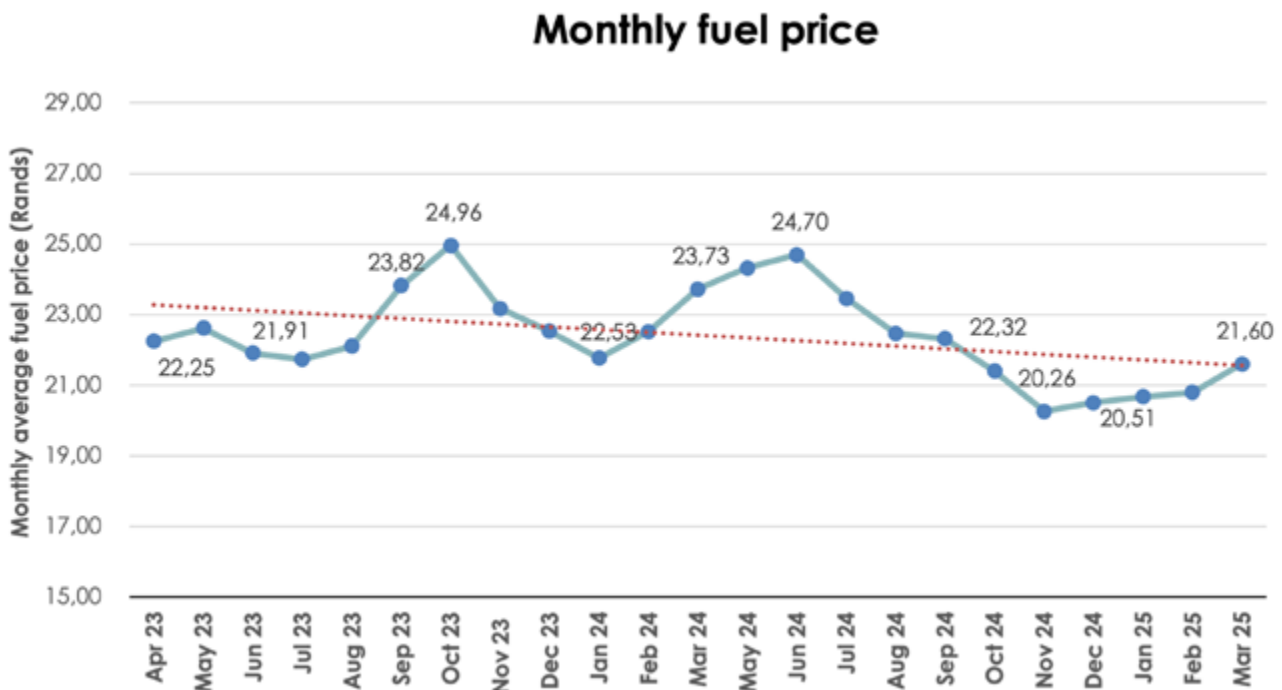
- Employee costs totalled R57.9 million (2023/24: R56.1 million), reflecting moderate annual salary adjustments and staffing levels.
- A combined depreciation and amortisation expenses amounted to R59.3 million (2023/24: R53 million), in line with increased capital asset holdings and software investments.

Figure 10: Fuel and oil costs in relation to total operating expenditure



As shown in Figure 10, the fuel, oil and electricity component of the running costs decreased from R241.3 million in 2023/24 to R219.4 million in 2024/25. This is due to the decrease in kilometres travelled and marginal fluctuations in the average fuel prices during 2024/25.

Figure 11: Monthly fuel price



Note: For illustrative purposes, the quarterly end prices are shown in the graph together with that of October 2023, the latter being the peak of the prices.

Statement of financial position

As at 31 March 2025, GMT reported a strong and stable financial position, underpinned by growth in both current and non-current assets, and sustained operational surpluses. Total assets increased to R4.57 billion (2023/24: R4.09 billion), while liabilities remained low and manageable, ensuring a healthy equity position.

The carrying value of non-current assets increased by 25.7% to R2.54 billion (2023/24: R2.02 billion). The increase is mainly due to increases of R92.1 million in intangible assets, an increase of R265 million in Property, Plant and Equipment, and an increase of R168.9 million in finance lease receivables.

The carrying value of current assets totalled R2.02 billion (2023/24: R2.075 billion), showing a slight decline of 2.5%, mainly due to a reduction in the carrying value of cash funds, reflecting the use of cash for capital and operational requirements.

The carrying value of total liabilities remained stable at R193.9 million (2023/24: R192.7 million), comprising both current and non-current obligations.

The accumulated surplus increased from R3.90 billion on 31 March 2024 to R4.37 billion on 31 March 2025.

This favourable financial position reflects GMT's ongoing commitment to sound financial governance, asset sustainability and effective service delivery to its client institutions. The entity remains well capitalised, with sufficient liquidity and asset reserves to meet both short and long-term obligations.

Cash flow statement

GMT recorded a net cash outflow of R10.7 million from operating activities (2023/24: inflow of R41.2 million). This is mainly due to the decrease in receipts for services provided to client institutions.

The net cash from investing activities decreased by R86.9 million (2023/24: net increase of R122.3 million). The acquisition of PPE, vehicle maintenance plans and higher capital development costs incurred on intangible assets resulted in a net decrease in the outflow from investing activities.

Cash utilised through operating and investing activities resulted in a net decrease of R97.6 million (2023/24: net increase of R163.6 million).

4.3. Receipts

GMT's revenue is derived primarily through charging daily and kilometre tariffs. Other revenue streams include interest earned, profit on the sale of assets, government grants and subsidies received, and services in-kind.

The results of the collections for 2024/25 and the comparative totals for the previous year are presented in Table 1.

Table 1: Revenue collected

CATEGORY OF REVENUE	2024/25			2023/24		
	ESTIMATE	ACTUAL AMOUNT	(OVER)/ UNDER	ESTIMATE	ACTUAL AMOUNT	(OVER)/ UNDER
	R'000	R'000	R'000	R'000	R'000	R'000
Daily and kilometre tariffs, and interest earned on finance lease receivables	883 276	951 409	(68 134)	852 820	933 198	(80 378)
Other income	13 079	27 779	(14 699)	7 900	9 907	(2 007)
Government grants and other subsidies received (funding received from clients for additional vehicles)	8 895	47 000	(38 105)	3 136	3 016	(120)
Services in-kind	17 155	16 750	405	13 814	13 814	-
Interest earned – accounts receivables, and cash and cash equivalents	117 936	130 594	(12 658)	58 164	128 807	(70 643)
TOTAL	1 040 341	1 173 533	(133 192)	935 834	1 088 742	(152 908)

The above tariffs are the only category of income that is forecast per financial year. Tariffs claimed, but not paid by clients at the end of the financial year, are classified as receivables from exchange transactions. The position of claims raised but not settled at year-end for 2024/25 is shown in Table 2.

Table 2: Claims and accounts receivable comparison

TYPE	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Daily and kilometre tariffs, and interest earned on finance lease receivables	630 986	692 722	654 945	753 955	880 225	933 198	951 409
Accumulative debt at year-end	35 177	45 606	49 320	73 999	68 272	69 933	73 322
% debt at year-end to daily and kilometre tariffs, and interest earned on finance lease receivables	6	7	8	10	8	7	8

Table 3 reflects the outstanding debt per client.

Table 3: Outstanding debt per client

CLIENT	OUTSTANDING BALANCE 2025 R'000	OUTSTANDING BALANCE 2024 R'000
Western Cape Education Department	977	-
Cape Nature	3 580	3 033
*Western Cape Mobility Department	10 423	3 514
*Department of Infrastructure	3 527	2 404
Western Cape Provincial Parliament	170	84
Department of Health and Wellness (Western Cape)	23 600	31 382
Department of Cultural Affairs and Sport	-	482
Department of Human Settlements	-	2
Provincial Treasury	-	147
Department of Social Development	12 519	6 357

CLIENT	OUTSTANDING BALANCE 2025 R'000	OUTSTANDING BALANCE 2024 R'000
Department of Environmental Affairs and Development Planning	618	935
Department of the Premier	678	1 179
Department of Agriculture (Western Cape)	2 795	3 048
Department of Local Government	497	577
Department of Economic Development and Tourism	62	46
Western Cape Liquor Authority	359	240
Department of Police Oversight and Community Safety	101	316
Department of Justice and Constitutional Development	1 438	1 522
National Prosecuting Authority	-	25
Public Service Commission	9	15
Department of Forestry, Fisheries and the Environment ('FFE')	3 460	1 536
Department of Home Affairs	84	109
Department of Rural Development and Land Reform	422	441
Department of Cooperative Governance and Traditional Affairs	-	47
National Parliament	676	299
Department of International Relations and Cooperation	26	149
Office of the Chief Justice	7 301	10 358
GRAND TOTAL	73 322	68 247

*Premier Alan Winde announced the establishment of the Department of Infrastructure and the Western Cape Mobility Department during the State of the Province address on 15 February 2022. The Department of Transport and Public Works and the Department of Human Settlements ceased to exist from April 2023 due to the formation of the two new departments referred to above.

Tariffs

Client institutions are charged tariffs to lease vehicles from GMT. The duration of these leases is for short-term rentals or full life-cycle-term rentals. After the delivery of newly procured vehicles, details are captured on the financial system that interfaces with the fleet management system, and that also constitutes the central vehicle register. Thereafter, a daily tariff is charged over the economic life cycles of vehicles. All GMT rental and replacement vehicles are funded from the GMT primary bank account. The kilometre tariff income provides for the running costs of vehicles. The Provincial Treasury approved the tariff adjustments for 2024/25 on 24 February 2024.

Free services

No free services were rendered.

Sale of capital assets

Public auctions were held in respect of three categories of vehicles; 1) Vehicles that had reached the end of the period during which they were expected to be available for use by client institutions; 2) Vehicles that had completed the number of kilometres for which they were expected to be used ; and 3) Vehicles irreparably damaged in crashes.

Four vehicles were sold to judges during 2024/25. These sales were conducted in accordance with the provisions of the Judges Handbook, which grants judges the first option to purchase the vehicles previously assigned to them. If a judge chooses not to exercise this option, the vehicle is made available for sale through public auction.

4.4. Expenditure

GMT's expenditure in relation to its budget is presented in Table 4 and the reasons for under-spending in Table 5.

Table 4: Expenditure versus budget

2024/25			2023/24		
FINAL BUDGET R'000	ACTUAL EXPENDITURE R'000	VARIANCE R'000	FINAL BUDGET R'000	ACTUAL EXPENDITURE R'000	VARIANCE R'000
770 973	699 734	71 239	736 491	654 997	81 494

Table 5: Reasons for under-spending

EXPENDITURE	FINAL BUDGET R'000	ACTUAL EXPENDITURE R'000	VARIANCE R'000	REASONS FOR VARIANCE *VARIANCE BELOW R1M IS CONSIDERED INSIGNIFICANT
Administrative expenses	26 931	24 477	2 455	Under-spending on software and vehicle licences, and travel and subsistence costs, was due to decreased demand. Transaction and administration fees associated with fleet running costs, following a change in the service solutions for fuel, oil and toll-fee management, were also lower than expected during budget preparations.
Employee costs	73 234	57 969	15 265	Under-spending due to the filling of vacancies being slower than planned, with unforeseen resignations and transfers out of GMT.
Operating expenditure	576 960	530 479	46 481	Under-spending due to lower consultant and contractors' costs, as well as lower expenditure on fleet running costs.
Depreciation	34 931	32 586	2 345	Under-spending due to lower than expected depreciable values of vehicles held under property, plant and equipment.
Amortisation	29 215	26 666	2 549	Under-spending due to lower than expected capital development on IT.
Accidents and impairment losses	5 376	4 931	445	Variance considered insignificant.
Operating leases	24 326	22 627	1 699	Under-spending due to the price increases on operating lease rentals being lower than expected during budget preparations.
TOTAL	770 973	699 734	71 239	

4.5. Virements/ roll overs

Virements

No virements were effected in 2024/25.

Roll overs

No rollovers were requested from 2023/24 to 2024/25.

4.6. Irregular, fruitless and wasteful expenditure

Refer to Part E: PFMA Compliance Report (page 115) and note 37 (page 209) in the Annual Financial Statements for details on irregular, fruitless and wasteful expenditure.

4.7. Strategic focus over the short to medium term period

GMT's strategic focus over the short to medium term remains rooted in its vision of delivering innovative, sustainable and value-driven mobility solutions across the Western Cape Government. Building on recent momentum, GMT will sharpen its focus on fleet modernisation, technology integration and energy transition, supported by a commitment to resilience, collaboration and long-term public value.

In support of a phased shift to greener fleet operations, GMT has adopted a soft-start approach through the introduction of hybrid vehicles. The procurement of hybrid models has generated strong interest among client institutions. By 31 March 2025, 172 hybrids had been secured, comprising a mix of Hybrid Electric Vehicles (HEV) and Plug-in Hybrid Electric Vehicles (PHEV). Of these, 86 were received during the 2024/25 financial year, with the remainder due in 2025/26. In addition, plans were finalised to procure a further 65 hybrids for the Provincial Traffic Services. This evolution reflects GMT's focus on sustainability, aligned with operational needs and client expectations.

To support this transition, GMT is strengthening its position as a thought leader in mobility innovation. Strategic research partnerships with UCT, UWC and Stellenbosch University are underway, focused on battery technology, grid capacity modelling and deployment strategies. In March 2025, UCT delivered its first research output, a literature review on strategic, tactical and operational modelling. Now forming the foundation for scenario development and applied research, the work integrates global best practice with South African realities and bolsters GMT's ability to shape evidence-informed policy and infrastructure planning.

In parallel, GMT has stepped up engagements with original equipment manufacturers to positively influence the inclusion of new energy vehicle models on the RT57 transversal contract. This is a critical enabler to ensure access to cleaner technologies through central procurement channels.

Separately, the completion of the first draft of the New Energy Vehicle (NEV) Strategy marks a significant milestone in advancing sustainable mobility across the province. This draft, prepared for stakeholder consultation in the new financial year, lays the foundation for a structured and forward-looking approach to the adoption and integration of NEVs. It reflects a commitment to environmental stewardship, innovation and long-term economic resilience in the transport sector.

Across these initiatives, GMT will continue to pair operational excellence with system-level innovation. The focus remains on co-creating practical, future-fit solutions with stakeholders, while embedding digital tools and data-driven planning across the fleet life cycle.

4.8. Public-private partnerships

No public-private partnerships were entered into during the year under review.

4.9. Discontinued key activities/ activities to be discontinued

The trading entity did not discontinue any activities in the year under review, nor is it planning to discontinue any activities in the 2025/26 financial year.

4.10. New or proposed key activities

GMT's forward agenda is grounded in practical innovation and integrated service delivery. A suite of targeted initiatives will continue to drive operational efficiency, strengthen accountability and deliver measurable value across the vehicle life cycle.

In fleet planning, the Vehicle Receiving App remains a core tool in depot operations. By digitising the intake process, the app enables real-time vehicle registration, standardised inspections and automated recordkeeping. Using Optical Character Recognition (OCR) to extract key details from delivery documents, it improves data accuracy and removes the need for manual entry. The app has replaced paper-based forms and continues to unlock value through faster asset readiness, improved auditability and enhanced coordination.

For fleet repairs and maintenance, the TV6/28 Vehicle Disposal and Inspection App continues to streamline the assessment and auction of end-of-life vehicles. Now fully embedded in depot routines, it provides a consistent digital trail that shortens disposal timelines, boosts revenue recovery and reduces administrative workload.

The ITS system functionality used for fuel management remains a key enabler of real-time fuel oversight. Configured in-house, the platform integrates odometer data, telemetry and GPS signals to detect anomalies and limit misuse. As adoption grows, it continues to enhance transparency, improve depot-level accountability and support GMT's broader sustainability goals.

GMT remains committed to its workforce. The Total Employee Wellness Programme continues to provide structured support aimed at promoting staff wellbeing and organisational resilience.

Looking ahead, the conceptual digital client portal for the Office of the Chief Justice is under development for consideration to all GMT clients. It will provide institutional users with a consolidated view of their mobility activities. This platform will ultimately link with a 'Driver' App designed to support roadside assistance and offer a built-in panic function, advancing GMT's shift toward responsive and user-focused mobility services.

4.11. Supply chain management

During the year under review, the GMT trading entity did not engage in any unsolicited bid proposals.

Judges' vehicles are procured through limited bids, as vehicles are supplied by only selected dealers. To ensure value for money, prices from all eligible dealers are compared.

GMT has implemented standard operating procedures and controls to mitigate the risk of irregular, fruitless and wasteful expenditure. These include detective, preventative and corrective measures. An internal control function has been established to provide oversight and ensure ongoing compliance with governance and compliance prescripts. These controls are embedded within the current Supply Chain Management (SCM) System and Delegation of Authority Framework, both of which are aligned to the GMT Enterprise Resource Planning (ERP) system.

As parts of the SCM system are manual, GMT has introduced structured capacity building and training programmes to promote GMT-wide awareness and consistent application of SCM systems, standard operating procedures, policies, templates and tools.

4.12. Gifts and donations received in kind from non-related parties

During 2024/25, a donation of office furniture, 113 file boxes for office desks, with a carrying value of R178 000, was received from the Department of Infrastructure by the Western Cape Mobility Department – GMT, for the modernisation of GMT Phase 1, Rusper Street, Maitland.

4.13. Exemptions and deviations received from the National Treasury

The trading entity received no exemption in terms of the Public Finance Management Act, 1999, or Treasury Regulations, or any deviation from the financial reporting requirements for the current and previous financial year.

4.14. Events after the reporting date

The details of the adjusting and non-adjusting events after the reporting date are disclosed in note 33 of the Annual Financial Statements for the 2024/25 financial year. Refer to pages 196 to 198 for the details on these events.

4.15. Acknowledgement/s or appreciations

GMT extends its appreciation to all staff members whose continued dedication and professionalism have enabled the organisation to meet its strategic objectives. Particular thanks are extended to the Fleet Services and Technical teams for their key roles in driving the vehicle replacement programme, onboarding specialised vehicles and supporting critical procurement processes, including the successful conclusion and onboarding of the Repairs and Maintenance contract.

Recognition is also due to the Fleet Operations and Technical teams for their key role in delivering a highly effective vehicle disposal programme, supported by valued collaboration from the contracted auctioneer service provider.

These core functions are strengthened by the commitment of all supporting units who contribute daily to GMT's operational efficiency and organisational resilience.

GMT further acknowledges the guidance and oversight of the Provincial Treasury, the Mobility Department and its leadership. Their continued support remains essential to GMT's ability to fulfil its mandate as the custodian of government-owned fleet assets.

Special acknowledgement is extended to Mr Yasir Ahmed, Mr Gamza Martin, Mr Riaan Wiggill and Mr Anthonie Janse van Rensburg for their leadership and valued contributions to the ongoing success of the organisation.

4.16. Conclusion

As GMT moves into the next performance cycle, it remains focused on delivering mobility solutions that are innovative, cost-effective and aligned with the strategic priorities of the Western Cape Government. Continued investment in people, platforms and partnerships will enable GMT to strengthen service delivery, improve operational resilience and support the evolving needs of departments across the province.

The Annual Financial Statements set out on pages 131 to 225 are hereby approved.

**Hamida
Fakira**

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Hamida Fakira
Date: 2025.08.29
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**HAMIDA FIKIRA
ACCOUNTING OFFICER
WESTERN CAPE MOBILITY DEPARTMENT
DATE: 29 AUGUST 2025**

5 Statement of responsibility and confirmation of accuracy for the Annual Report

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

- All information and amounts disclosed throughout the Annual Report are consistent;
- The Annual Report is complete, accurate and is free from any omissions;
- The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury;
- The Annual Financial Statements (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice, relevant frameworks and guidelines issued by the National Treasury;
- The Accounting Officer (AO) is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information;
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements;
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements; and
- In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Government Motor Transport trading entity for the financial year ended 31 March 2025.

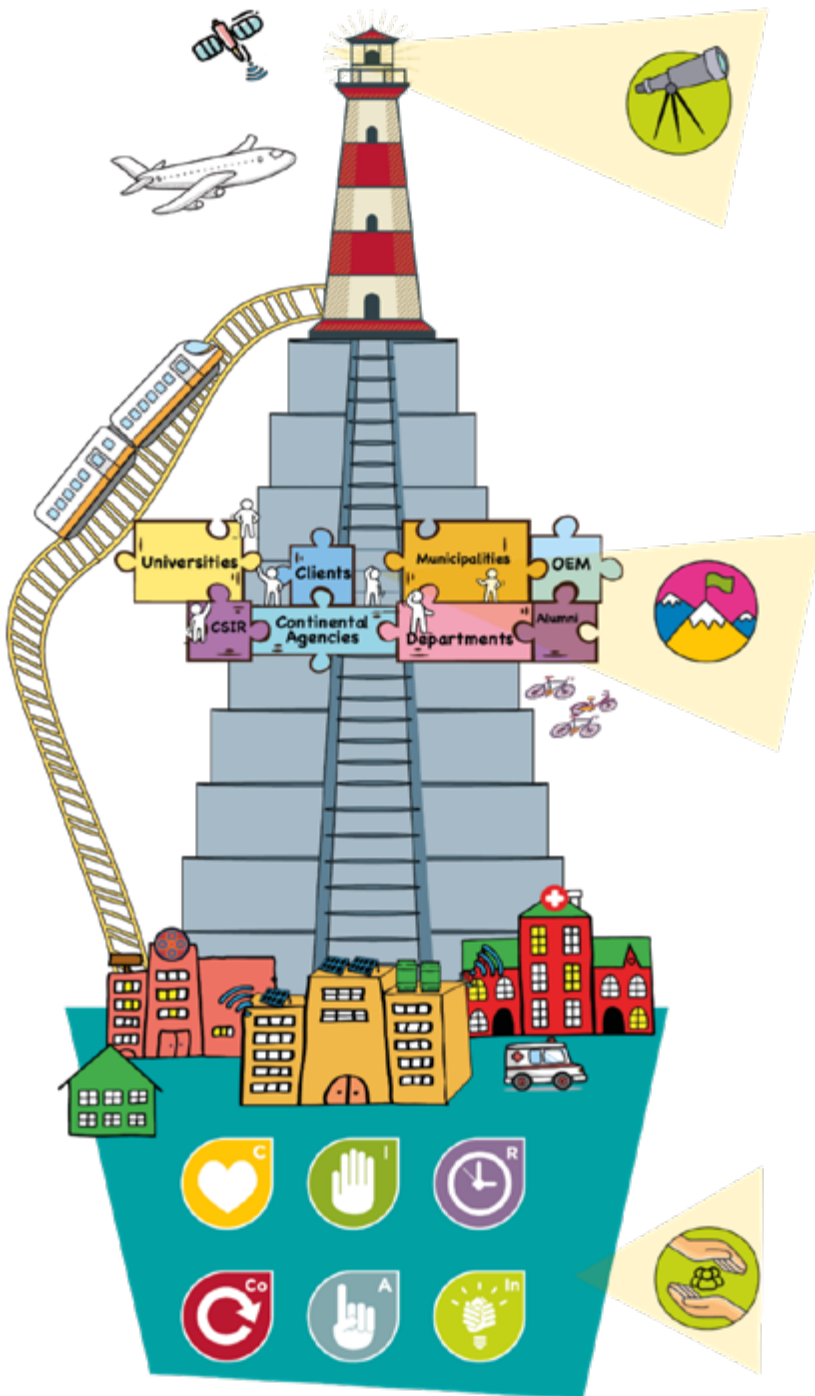
Yours faithfully

**Hamida
Fakira**

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Hamida Fakira
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**HAMIDA FIKIRA
ACCOUNTING OFFICER
WESTERN CAPE MOBILITY DEPARTMENT
DATE: 29 AUGUST 2025**

6 Strategic overview



6.1. Vision

“Innovative mobility solutions to co-create a better life for all.”

#Ubuntumobility

6.2. Mission

“We provide innovative, citizen-centric mobility solutions that connect people, places and opportunities in order to catalyse service delivery to co-create a better life for all.”

6.3. Values

The core values of the Western Cape Government, to which the Department and GMT both subscribed, are as follows:

Table 6: Core values of the WCG

 <p>Caring</p>	 <p>Competence</p>	 <p>Accountability</p>
<p>We endeavour to understand people's needs and pay attention to them;</p> <p>We will show respect for others;</p> <p>We will treat staff members as more than just workers and value them as people;</p> <p>We will empathise with staff members;</p> <p>We will emphasise positive features of the workplace; and</p> <p>We will provide constructive criticism when needed.</p>	<p>We will endeavour to ensure that staff members are able to do the tasks they are appointed to do, that they internalise the Department's values, and that they always strive for excellence;</p> <p>We will deliver on our outcomes and targets with quality work, within budget, and on time;</p> <p>We will strive to achieve the best results in the service of all the people in the Western Cape; and</p> <p>We will work together to meet our constitutional and electoral mandate commitments.</p>	<p>We fully understand our objectives, roles, delegations and responsibilities;</p> <p>We are committed to delivering all agreed outputs on time;</p> <p>We will hold each other accountable in the spirit of mutual trust in honouring all our commitments; and</p> <p>We, as individuals, take responsibility for, and ownership of, our outcomes and accept the consequences of failure to do so.</p>
 <p>Integrity</p>	 <p>Innovation</p>	 <p>Responsiveness</p>
<p>We will seek greater understanding of the truth in every situation and act with integrity at all times;</p> <p>We will be honest, show respect, and practice positive values;</p> <p>We will be reliable and trustworthy, at all times doing what we say we will; and</p> <p>We will act with integrity at all times and in all instances, ensuring that we remain corruption-free.</p>	<p>We seek to implement new ideas, create dynamic service options and improve services;</p> <p>We strive to be creative thinkers who view challenges and opportunities from all possible perspectives;</p> <p>We are citizen-centric and have the ability to consider all options and find a resourceful solution;</p> <p>We value employees who question existing practices with the aim of renewing, rejuvenating and improving them;</p> <p>We foster an environment where innovative ideas are encouraged and rewarded;</p> <p>We understand mistakes made in good faith and allow employees to learn from them; and</p> <p>We solve problems collaboratively to realise our strategic organisational goals.</p>	<p>We will take public opinion seriously, listening to and hearing the voice of the people (more listening and less talking);</p> <p>We will respond to all situations timeously, always asking ourselves whether it is the right response, where we could go wrong, and how we can provide better service;</p> <p>We will engage collaboratively with each other, our stakeholders, and the media, providing full information; and</p> <p>We will strive to achieve the best results for the people we serve and to act on their feedback.</p>

Teamwork served as the foundation for all these values. The GMT also established a philosophy that defined our identity and values. During the final year of the 2020–2025 period and beyond, the entity aimed to move from possibly embodying good governance to directed governance, and ultimately transformative governance, in which it fully realised its vision and mission. GMT strived to be an ethical organisation, deeply committed to sustainability and realising the social compact between the organisation, its employees and the people of the Western Cape. In aspiring to do so, GMT was fully aware of the pressures placed on its client institutions, staff and the people of the province while socio-economic conditions remained extremely challenging.

7 Legislative and other mandates

The national, provincial and transversal legislation that guides GMT in the discharge of its responsibilities is reflected in Annexure A: Legislative mandates.

The Department is concurrently responsible for the following functional areas of legislative competence:

- Public transport;
- Vehicle licensing; and
- Road transport and traffic regulation.

The national and provincial policies, strategies and guidelines that guide GMT in the discharge of its functions are reflected in Annexure B: Policy mandates.

Taking cognisance of all national and provincial priorities and recovery plans, GMT takes note of the underlying interconnectedness of the various elements of the societal ecosystem, and the critical enabling and co-creation role it can play through providing mobility solutions. GMT continued to place addressing the needs of the citizen at the centre of its policy and strategic initiatives. The ultimate aim remains the establishment of a social compact between government, the private sector and residents to co-create better lives for citizens.

GMT developed the three outcomes listed below to give effect to the impact statement:

1. Leaders in mobility solutions;
2. Greening the fleet; and
3. Satisfied stakeholders.

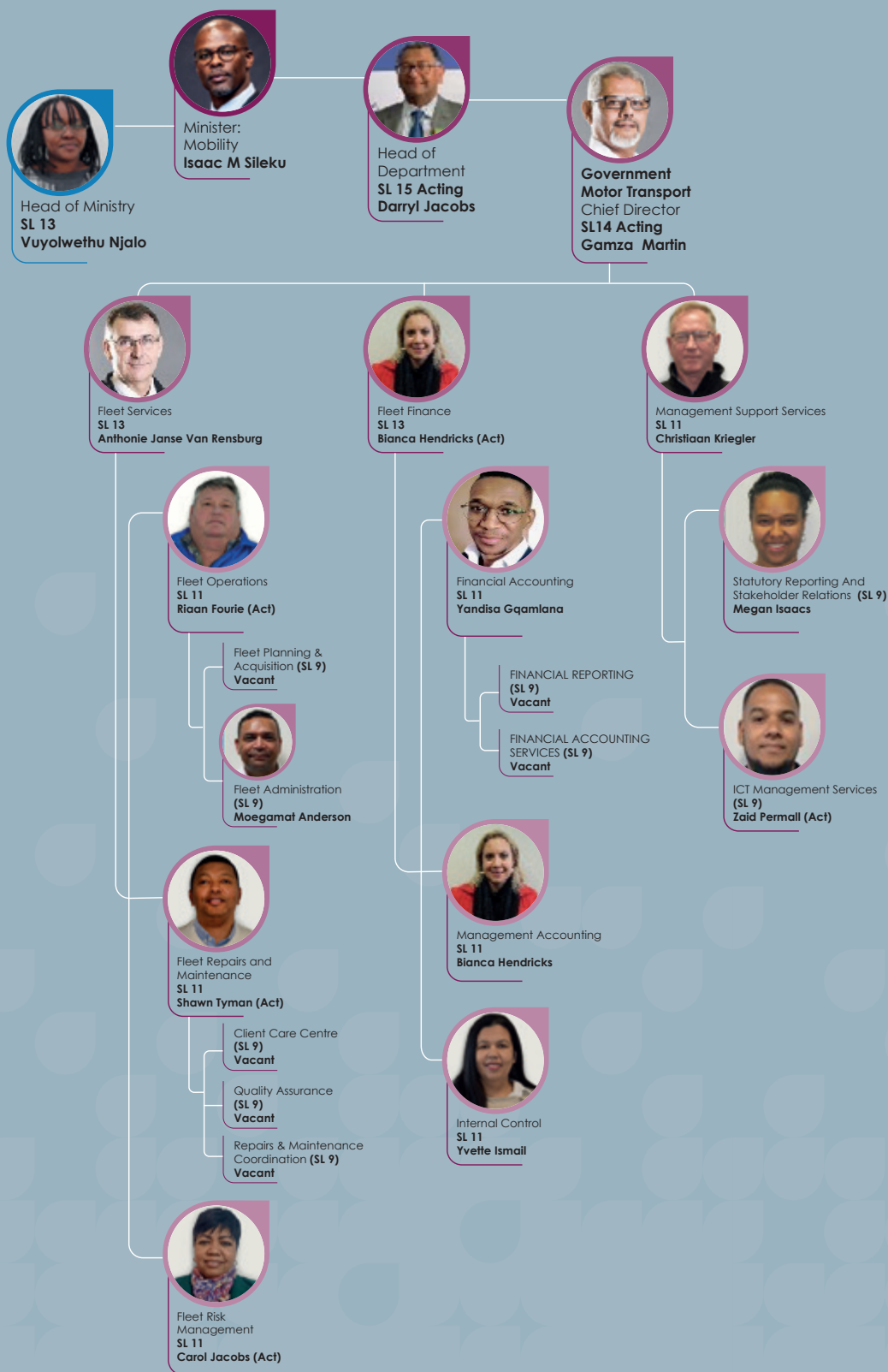
GMT is responsible for the provision of vehicle fleet services to provincial and national client institutions. GMT was guided by all policies applicable to the Western Cape Mobility Department, including provincial and departmental policies. In addition, transversal policies were developed and supported by the Coordinating Committee for GMTs (CCGMT) which was a sub-committee of the National Committee of Transport Officials (COTO). Furthermore, there were National Transport Circulars that guided GMT's operational activities. Finally, internal policy documents, frameworks and guidelines also govern the responsibilities and obligations of GMT.

8 Organisational structure as of 31 March 2025

The GMT linkage within the macro-structure of the Department as of 31 March 2025 is presented on the next page.



GMT Organisational structure



9 Trading entity reporting to the Provincial Minister

GMT is a trading entity under the administration of the Western Cape Mobility Department.

Part B

PERFORMANCE INFORMATION



Performance information

1 Auditor-General’s report: Predetermined objectives

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. This conclusion, regarding performance against pre-determined objectives, is included in the report to management. Material findings are reported under the **Predetermined Objectives** heading in the **Report on other Legal and Regulatory Requirements** section of the auditor’s report.

Refer to page 125 of the AGSA report, published as **PART F: FINANCIAL INFORMATION**.

2 Overview of trading entity’s performance

2.1. Service delivery environment

The main services of GMT are described below.

Fleet Services	
Fleet Operations	<ul style="list-style-type: none"> Plan, acquire, convert, fit and prepare the fleet; Render an effective general vehicle rental service; and Provide fleet administration services.
Fleet Repairs and Maintenance	<ul style="list-style-type: none"> Oversee the Client Care Centre; Coordinate the repair and maintenance of the fleet; and Provide a fleet quality assurance service.
Fleet Risk Management	<ul style="list-style-type: none"> Manage and administer accidents and claims in favour of the State; Manage and administer fleet and non-vehicle losses; Manage and administer third parties’ accidents and claims against the State; and Manage the risk regarding drivers of GMT vehicles.
Fleet Finance	
Management Accounting	<ul style="list-style-type: none"> Manage the GMT budget process; Prepare inputs for the strategic plan and annual performance plan; Manage the GMT Medium-Term Expenditure Committee (MTEC) process; Maintain and monitor financial information; Prepare an analysis of estimated revenue and expenditure; Monitor actual revenue and expenditure against estimates; Manage the monthly, quarterly and annual reporting process; Provide input on adjustments to the daily and kilometre tariffs; Manage the revenue and expenditure adjustment process; and Develop and maintain processes, policies and procedures.
Financial Accounting	<ul style="list-style-type: none"> Ensure an integrated, effective and efficient accounting system; Manage in-year and annual reports on recorded financial affairs and financial systems; and Ensure effective supply chain management services.
Internal Control	<ul style="list-style-type: none"> Ensure proper governance; Manage external assurance engagements; and Render assurance services.

Management Support Services

Statutory Reporting and Stakeholder Relations	<ul style="list-style-type: none"> Facilitate GMT's multi-term annual planning cycle; Facilitate departmental Batho Pele/service delivery improvement initiatives; Facilitate the compilation of GMT's Annual Report; Facilitate organisational performance monitoring and reporting as per GMT's Strategic and Annual Performance Plan (APP); Render a client liaison service; and Facilitate communication and marketing activities in GMT in conjunction with the Department's Sub-Directorate: Departmental Communication.
Office Support Services	<ul style="list-style-type: none"> Coordinate cleaning and security contracts; Maintain and manage venues; Coordinate occupational health and safety matters; Render a human resource support service.
ICT Management Services	<ul style="list-style-type: none"> Identify, implement, optimise, maintain and administer ICT application systems; Ensure the management and administration of GMT ICT projects; Manage the GMT ICT service level agreement and contracts with external service providers; Coordinate and facilitate the provision of user system and desktop support in liaison with the Centre for e-Innovation (Ce-I) in the Department of the Premier (DotP) and other service providers; Facilitate training with regard to ICT systems at GMT; and Provide ICT infrastructure management support.

2.2. Service Delivery Improvement Plan

GMT completed a Service Delivery Improvement Plan (SDIP) for 1 April 2023 to 31 March 2025. The table below summarises the service delivery plan and achievements to date.

GMT SDIP Main services and standards

SERVICE	BENEFICIARIES	STANDARD OF SERVICE AS AT END 2023/24	DESIRED STANDARD OF SERVICE 2024/25	ACTUAL ACHIEVEMENT
Key service 1: To plan the replacement of GMT vehicles on an annual basis, and to keep the GMT fleet in use with its client institutions within its economic life cycle.	GMT Business, Provincial, National client institutions based in the Western Cape and, ultimately, the citizens.	To identify annually which vehicles needs to be replaced. To procure a minimum of 800 vehicles per annum	To identify annually which vehicles needs to be replaced. To procure a minimum of 800 vehicles per annum	Procured a total of 402 vehicles per annum.
		To prepare the newly delivered vehicles for handover to client institutions. A minimum of 800 vehicles to be handed over to client institutions	To prepare the newly delivered vehicles for handover to client institutions. A minimum of 800 vehicles to be handed over to client institutions	A total of 1 020 vehicles were handed over to client institutions.
Key service 2: To dispose of withdrawn vehicles in the open market via the GMT online auction contract.	GMT Business, Provincial, National client institutions based in the Western Cape and, ultimately, the citizens.	To prepare vehicles for monthly on-line auctions. To dispose of a minimum of 540 vehicles per annum	To prepare vehicles for monthly on-line auctions. To dispose of a minimum of 540 vehicles per annum	Performed 1 585 TV6/28 vehicle assessments to withdraw and prepare them for disposal via online auctions.
		To dispose of withdrawn vehicles via monthly online auctions. To dispose of a minimum of 540 vehicles per annum	To dispose of withdrawn vehicles via monthly online auctions. To dispose of a minimum of 540 vehicles per annum	Disposed of 1 502 vehicles via monthly online auctions.

Batho Pele arrangements with beneficiaries

CURRENT/ ACTUAL ARRANGEMENTS: 2023/24	DESIRED ARRANGEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25
PROFESSIONAL STANDARDS	PROFESSIONAL STANDARDS	PROFESSIONAL STANDARDS
<p>GMT's vacancy rate was 31.3% as at 31 March 2024, following the National Treasury cost-containment measures circular dated 31 August 2023 that, inter alia, placed an embargo on filling vacant positions. GMT followed the DPSA guidelines to obtain approval to fill critical positions.</p>	To keep its vacancy rate below 10%	As at 31 March 2025, GMT's vacancy rate is 34%. GMT submitted six rounds of motivations for the advertising of critical posts, which amounted to 57 posts approved by the Premier during this period. As at 31 March 2025, five posts had been filled.
<p>GMT configured a variety of mobile applications in the GMT ITS system for the Directorate: Fleet Services:</p> <ul style="list-style-type: none"> • GMT Mobile Application for TV6/28 vehicle assessment. Go-live occurred on 5 March 2024. • GMT Mobile Application for new vehicle receiving. Go-live occurred on 7 March 2024. 	To configure a variety of mobile applications in the GMT ITS system for the Directorate: Fleet Services	<p>GMT configured one mobile application in the GMT ITS system for the Directorate: Fleet Services:</p> <ul style="list-style-type: none"> • GMT Mobile Application for vehicle inspections. Go-live occurred during June 2024.
<p>Launched the GMT Employee Wellness Programme within Fleet Services, which was later expanded throughout GMT. GMT formulated a Wellness Strategy guided by the GMT Strategic Plan, the DPSA Employee Health and Wellness Strategic Framework and the WCG Workplace Wellness Policy.</p>	The GMT Employee Wellness Programme was successfully launched as planned during the 2023/24 financial year.	<p>Through the launch of the Wellness Programme, a total of eleven (11) wellness initiatives were successfully implemented during the reporting period. In addition, in collaboration with the Department of the Premier: Employee Health and Wellness (DOTP EHW), GMT piloted a new Wellness Ambassadors Programme. As part of this initiative, nine ambassadors were appointed within the organisation and received training to align with the GMT Employee Wellness Strategy to support and promote employee wellness.</p>
WORKING ENVIRONMENT STANDARDS	WORKING ENVIRONMENT STANDARDS	WORKING ENVIRONMENT STANDARDS
0 employee incidents recorded in the workplace	0 employee incidents recorded in the workplace	1 employee incident record in the workplace.
INFORMATION STANDARDS	INFORMATION STANDARDS	INFORMATION STANDARDS
<p>Information available through:</p> <ul style="list-style-type: none"> • GMT Strategic Plan published; • GMT APP published; • GMT Annual Report published; • Walk-in Centre: 9 Dorp Street; and • GMT and WCG websites. 	<p>Information available through:</p> <ul style="list-style-type: none"> • GMT Strategic Plan published; • GMT APP published; • GMT Annual Report published; • Walk-in Centre: 9 Dorp Street; and • GMT and WCG websites. 	<p>Information available through:</p> <ul style="list-style-type: none"> • GMT Strategic Plan published; • GMT APP published; • GMT Annual Report published; • WCG website; • Walk-in Centre: 9 Dorp Street; and • GMT Client Liaison Officers (CLOs).
REDRESS STANDARDS	REDRESS STANDARDS	REDRESS STANDARDS
GMT will provide full and accurate explanations and information to clients, stakeholders and the public.	GMT will provide full and accurate explanations and information to clients, stakeholders and the public.	GMT provided full and accurate explanations and information to clients, stakeholders and the public.

CONSULTATION STANDARDS	CONSULTATION STANDARDS	CONSULTATION STANDARDS
<p>Responded to emails sent to GMT CCC and Fleet Services contact staff within 36 hours of receipt and will resolve 50% of emails at first contact.</p> <p>Note: The client interface in the GMT Client Care Centre (CCC) is currently using individual employee email addresses as a key means of communication with client institutions and service providers for reviewing and approving service and repair requests. Although GMT is committed to service delivery and the measurement of service levels, measuring turnaround time and approval times for these requests is currently a challenge (no reports would be available). The implementation of call-centre functionality to replace the current interface is being investigated, with alternative cloud-based solutions from alternative vendors being evaluated. The project for delivering is already formalised in the GMT technology development plan with a budgeted allocation.</p> <p>Measurement of turnaround times for service and repair requests will be a key focus of the project.</p>	<p>Respond to emails sent to GMT CCC and Fleet Services contact staff within 36 hours of receipt and resolve 50% of emails at first contact</p>	<p>Responded to emails sent to GMT CCC and Fleet Services contact staff within 36 hours of receipt and resolved 50% of emails at first contact.</p> <p>Note: GMT is investigating a formal solution to enable reporting. In the interim, emails received in the GMT CCC's email inbox were compared to emails sent to provide the statistics.</p>
OPENNESS & TRANSPARENCY STANDARDS	OPENNESS & TRANSPARENCY STANDARDS	OPENNESS & TRANSPARENCY STANDARDS
<p>Meetings and email communications with client institutions and selected stakeholders.</p>	<p>Meetings and email communications with client institutions and selected stakeholders.</p>	<p>Meetings and email communications with client institutions and selected stakeholders</p>
SERVICE STANDARDS	SERVICE STANDARDS	SERVICE STANDARDS
<p>The GMT SMS members completed their Disclosures in April 2024.</p> <p>GMT employees in the Supply Chain completed their Disclosure of Financial Interest form, accompanied by an annual Remunerative Work outside the Public Service (RWOPS) application, considering the Public Service Regulations.</p>	<p>To complete Disclosures required by the Department.</p> <p>The Department requires all employees in Supply Chain to complete an annual Disclosure of Financial Interest form, accompanied by an annual Remunerative Work outside the Public Service (RWOPS) application, considering the Public Service Regulations.</p>	<p>The GMT SMS members completed their Disclosures in April 2025.</p> <p>GMT employees in the Supply Chain completed their Disclosure of Financial Interest form, accompanied by an annual Remunerative Work outside the Public Service (RWOPS) application, considering the Public Service Regulations.</p>
VALUE FOR MONEY	VALUE FOR MONEY	VALUE FOR MONEY
<p>A total of 1 515 replacement vehicles were procured to keep the fleet within its economic life cycle.</p>	<p>To meet a vehicle replacement target of 800 vehicles per annum.</p>	<p>A total of 402 replacement vehicles were procured to keep the fleet within its economic life cycle.</p>

Service delivery information tool

CURRENT/ ACTUAL ARRANGEMENTS: 2023/24	DESIRED ARRANGEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25
TO PLAN THE REPLACEMENT OF GMT VEHICLES ON AN ANNUAL BASIS, AND TO KEEP THE GMT FLEET IN USE WITH ITS CLIENT INSTITUTIONS WITHIN ITS ECONOMIC LIFE CYCLE.		
GMT procured a total of 1 515 vehicles.	To procure, via GMT's GoFin system, a minimum of 800 vehicles per annum.	GMT procured a total of 402 vehicles.
TO DISPOSE OF WITHDRAWN VEHICLES IN THE OPEN MARKET VIA THE GMT ONLINE AUCTION CONTRACT.		
GMT disposed of 697 vehicles via online auctions.	To dispose of a minimum of 540 vehicles per annum through GMT's online auction contract service provider.	GMT disposed of 1 502 vehicles via online auctions.

Complaints mechanism

CURRENT/ ACTUAL ARRANGEMENTS: 2023/24	DESIRED ARRANGEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25
TO PLAN THE REPLACEMENT OF GMT VEHICLES ON AN ANNUAL BASIS, AND TO KEEP THE GMT FLEET IN USE WITH ITS CLIENT INSTITUTIONS WITHIN ITS ECONOMIC LIFE CYCLE.		
No complaints received.	No complaints received.	No complaints received.
TO DISPOSE OF WITHDRAWN VEHICLES IN THE OPEN MARKET VIA THE GMT ON-LINE AUCTION CONTRACT.		
Complaints or compliments can be logged through: <ul style="list-style-type: none"> • WCG website; • Walk-in Centre: 9 Dorp Street; and • GMT Client Liaison Officers. 	Complaints or compliments can be logged through: <ul style="list-style-type: none"> • WCG website; • Walk-in Centre: 9 Dorp Street; and • GMT Client Liaison Officers. 	Complaints or compliments can be logged through: <ul style="list-style-type: none"> • WCG website; • Walk-in Centre: 9 Dorp Street; and • GMT Client Liaison Officers.

2.3. Organisational environment

GMT's organisational make-up is culturally, socially and academically diverse, which requires management to be sensitive to differing needs and challenges. Technical, ICT and fleet management skills are scarce and have to be sourced and managed appropriately to ensure the highest levels of service delivery.

In order for GMT to remain proactive in guiding and providing client institutions with mobility solutions, the entity strives to create an environment conducive to collaboration and innovation; one in which staff are encouraged to acquire the knowledge and skills necessary to achieve the organisation's goals and objectives.

Central to this evolution is the Integrated Transport System (ITS), which is measurably changing the way GMT operates. Through real-time fuel oversight, the system integrates odometer readings, GPS data, telemetry and driver-linked orange tags to track and verify transactions as they occur. This driver tracking via orange tags strengthens individual accountability. The system also enables exception reporting, flagging unusual consumption patterns or potential misuse without the need for manual intervention. In addition, ITS enhances depot and contractor accountability by offering centralised visibility across all sites, promoting consistency and compliance. Together, these features are not only improving efficiency but also actively shaping GMT into a more data-driven, agile and resilient organisation.

Organisational challenges

GMT's current organisational structure was approved in 2014 and was based on a fleet size and the number of clients on GMT's books as at 2011/12. Since then, the scale and complexity of GMT's operations has expanded substantially. This, coupled with high staff turnover in finance and technical posts, continues to present a risk to GMT's service delivery.

GMT's 2020–2025 Strategic Plan had a strong focus on, inter alia, the introducing of new vehicle and ICT technologies, as well as research and development initiatives in the mobility space. Due to the

increased complexity and volume of work needed to efficiently provide mobility solutions to its growing client base, GMT was compelled to approach the Department of the Premier, through the HOD, for assistance with a review of its business model and organisational design. Hopefully, this process will be fast-tracked in the upcoming financial year.

2.4. Key policy developments and legislative changes

The following changes to policies or legislation during the reporting period affected the GMT operations and plans:

- On 12 July 2023, the Constitutional Court upheld the validity and constitutionality of the Administrative Adjudication of Road Traffic Offences Act 46 of 1998 and the Amendment Act of 2019, thereby setting aside the High Court judgement of 13 January 2022. The imminent implementation of Administrative Adjudication of Road Traffic Offences (AARTO) required GMT to review its processes and systems to ensure the prompt redirection of fines issued in the name of the GMT fleet proxy to the drivers of the vehicles at the time the fines were issued.
- In 2023, Provincial Top Management approved the implementation of a policy mandating that all Western Cape Government (WCG) employees operating Government Motor Transport (GMT) vehicles from 1 April 2024 be issued with a unique driver tag. This initiative forms part of a broader strategy to enhance and streamline the management of traffic violations associated with government vehicles.
- Following the approval, the policy was formally communicated to all GMT clients to ensure consistent application. GMT subsequently undertook the necessary upgrades to its systems to align with the new regulatory requirements. These enhancements integrate driver tag data with the vehicle's telematics system, enabling the identification of the responsible driver by matching tag details with the date and time of the traffic infringement. This process significantly reduces the turnaround time for redirecting traffic fines to the correct individuals and minimises manual administrative intervention.
- Initial User Acceptance Testing (UAT) of the new functionality demonstrated a marked improvement in operational efficiency, particularly in reducing manual processes. Full implementation and conclusion of testing are scheduled for the upcoming financial year. In parallel, GMT engaged with private sector partners, Traffic Management Technologies (TMT) and Traffic Convention Management System (TCMS), who are responsible for processing traffic violations on behalf of municipalities. These engagements aim to automate the currently manual processes involved in handling and redirecting traffic violations to the appropriate drivers. Finalisation of these partnerships is anticipated within the next financial year.

3 Achievement of institutional impacts and outcomes

During the year under review, GMT management refined a theory of change represented by a "result chain" diagram, keeping the process as flexible as possible. This tool allows for ongoing monitoring and evaluation of the extent to which the strategy is achieving its desired outcomes.

GMT developed the following outcomes to give effect to the impact statement:



During the financial year, GMT's management team held strategic review and planning sessions where further insights emerged, and participants emphasised areas of focus they thought were critical in order to actualise the organisation's strategic vision.

These areas of focus are centred strongly around **Sustainability, Jobs of the Future, Technology and Localisation**. All of these are informed by, and aligned with, the existing transformative themes that serve as pillars of GMT's Massive Transformative Purpose.

Figure 12: GMT's themes



Source: Government Motor Transport.

All these emergent clusters are interconnected in their impact both internally and externally. They expand the reach of GMT's strategic plan and embed agility within the organisation and how it participates as a government entity, championing citizens and their experiences in the local and international mobility arena.

All projects in GMT are continually evaluated and measured against the above five themes to ensure that GMT is making progress towards achieving its MTP. Progress made towards the achievement of the five-year Strategic Plan 2020/21–2024/25 are outlined below.

OUTCOME 1: LEADERS IN MOBILITY SOLUTIONS (R&D)

This outcome contributes to the following national and provincial directives:

- National Development Plan Chapter 5: Environmental sustainability and resilience;
- WCG VIP4: Mobility and spatial transformation; and
- WCG VIP5: Innovation and culture.

GMT ICT Systems Roadmap

During the 2020–2025 strategic period, GMT pursued a robust ICT Systems Roadmap aimed at enhancing operational effectiveness, digital transformation and client service excellence. Central to this roadmap was GMT's commitment to becoming a responsive and digitally mature organisation, leveraging innovative technologies aligned with the 4IR.

Strategic ICT initiatives and achievements

Multi-cloud and composable architecture

GMT successfully designed and commenced implementation of a multi-cloud strategy that promotes operational flexibility, resilience and innovation. By adopting composable architecture, GMT has positioned itself to rapidly assemble and reconfigure digital solutions, effectively responding to evolving business requirements. This approach mitigates vendor dependency risks, enhances cybersecurity and ensures seamless continuity of operations.

Intelligent Transport System (ITS)

Significant investments were made in expanding the ITS, an IoT-based platform that captures real-time data from fleet vehicles, enabling the development of smart mobility applications. Notably, the Blue Dot Programme utilised this platform to incentivise and improve taxi driver behaviour through behavioural economics and analytics, thereby enhancing road safety and operational efficiency.

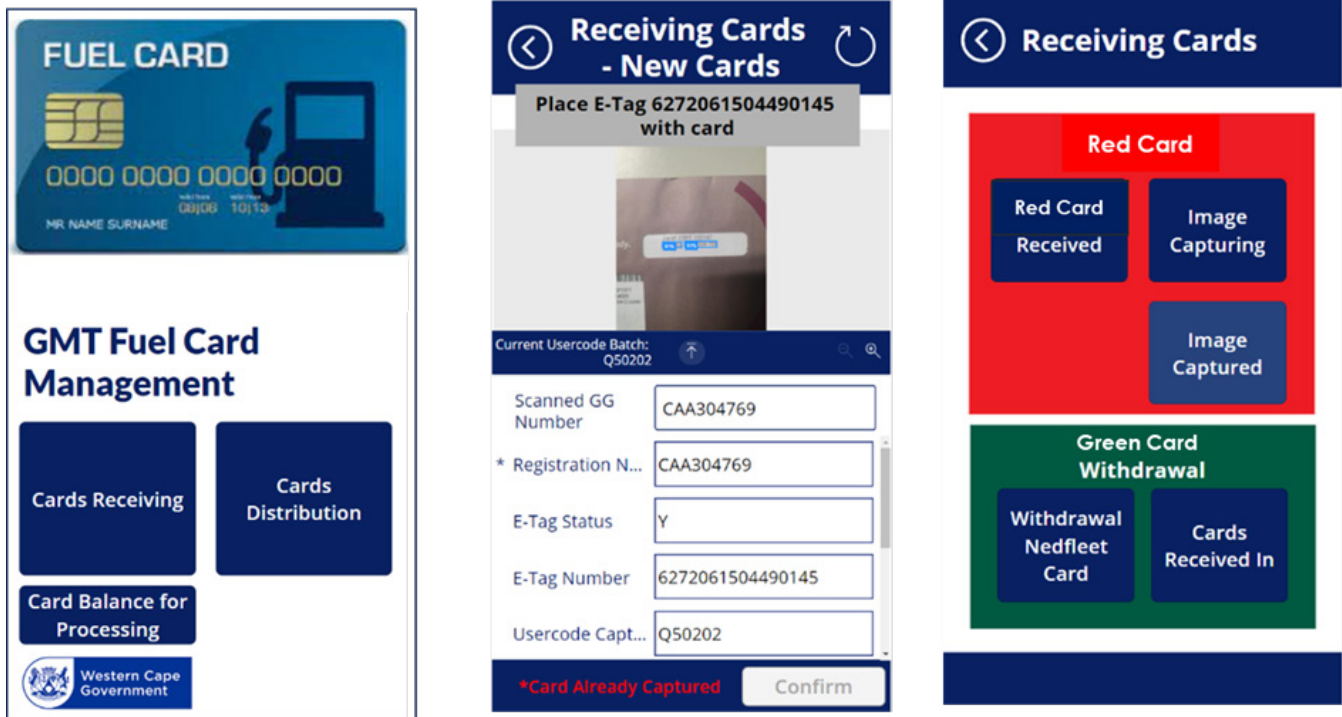
Digitalisation and automation

GMT automated traditionally manual processes, such as vehicle inspections and disposals, using mobile handheld devices, significantly improving data accuracy, workflow efficiency and audit compliance. The rollout of digital platforms for vehicle dispatch and shuttle management further streamlined fleet utilisation and enhanced service responsiveness.

Fuel risk management enhancements

To address fuel-related fraud risks, GMT implemented advanced technologies integrating fuel transaction data with vehicle geolocation, significantly strengthening fuel risk management. This initiative contributed to substantial cost savings and heightened operational accountability.

Figure 13: Fuel card administration: an improved solution deployed



Client-centric digital platforms

GMT launched an advanced Client Portal in collaboration with the Office of the Chief Justice (OCJ). This user-friendly platform provides secure access to fleet-related data such as billing, maintenance records, traffic violations, and fuel consumption, enhancing transparency and improving client interactions.

Data-driven decision-making

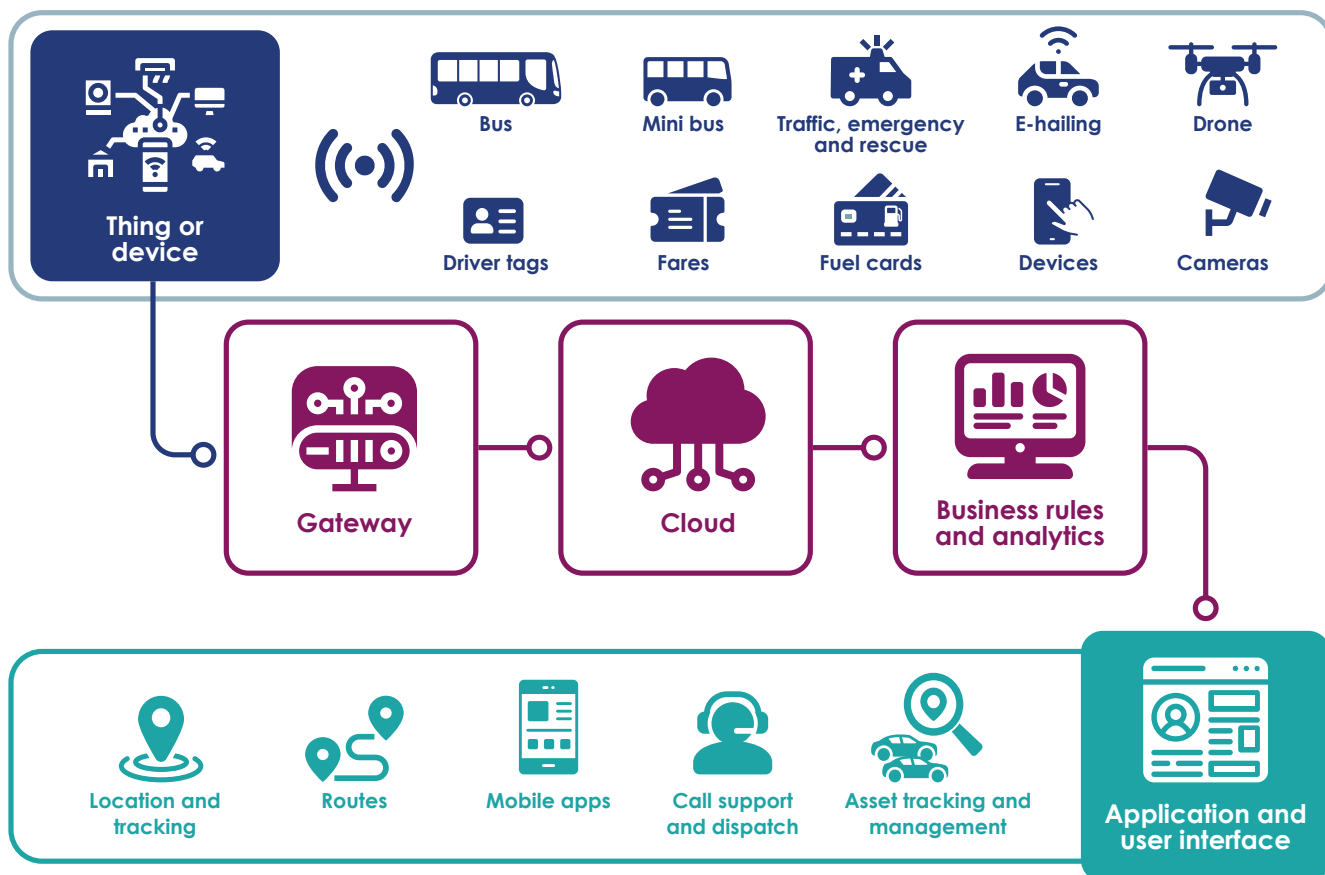
Development and deployment of performance management dashboards provided real-time monitoring of key performance indicators, enabling informed and agile decision-making across GMT operations.

Cybersecurity and systems availability

Strengthening cybersecurity measures and ensuring high system availability remained top priorities. GMT invested in foundational ICT infrastructure enhancements, particularly within Microsoft cloud environments, significantly bolstering operational resilience and securing sensitive data.

Figure 14: Intelligent Transport System

ITS - Intelligent Transport System (using 4IR IoT concepts)



Source: Government Motor Transport.

Fuel management

Fuel management is a fundamental component of effective fleet operations due to the high-risk nature of fuel as a commodity and the necessity of ensuring that vehicles are refueled promptly. Significant progress was made in the past financial year with the rollout of a comprehensive fuel management platform, supported by an end-to-end system. Key enhancements included:

- The fuel service provider implemented a systemised module that performs real-time checks on vehicle parameters and fueling patterns before approving transactions. Any anomalies are immediately declined, triggering administrative support from dedicated teams. GMT has contributed to refining these parameters to align with fleet usage patterns, supported by ongoing operational monitoring and continuous system improvements.
- A broader and more detailed dataset of refueling activities and associated risks is now assessed within the ITS system. This data is visualised through Business Intelligence tools, offering the fuel management team improved visibility and actionable insights.
- Fuel risk indicators have been developed and integrated into the ITS system. These include:
 - Integration with the telematics provider.
 - Geo-mapping of fuel merchants during transactions.
 - Matching and reviewing vehicle locations at the time of fueling.

The below visual tools display merchant onboarding screens, telematics views of transactions and detailed listings of all transactions including distance metrics.

Fuel location source

ABSA Q Pick x

Location name

ENGEN STELLENBOSCH

Fuel company

Engen Q Pick x

Address

81 Bird St; Stellenbosch Central; Stellenbosch; 7600; South Africa

Verified location Generator E-Charge Discounted diesel Not recommended

Latitude **Longitude**

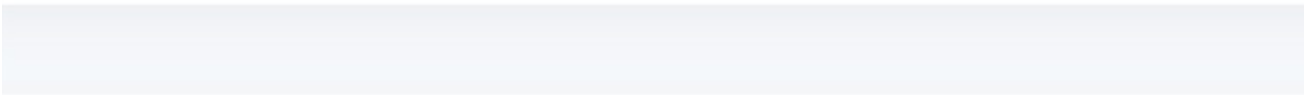
Contact name **Home phone**

Service rating **Work phone**

Email

The screenshot shows a mobile application interface for a fuel station. It features a map with a blue location pin, a search bar with 'Q Pick', and a list of details: 'Location type: Fuel Stop', 'Franchise accounting method', 'Trading name: ENGEN STELLENBOSCH', and 'Merchant ID: 7063330008'.

Vehicle Replay



Vehicles Fuel Transactions Trip Analysis Vehicles near Merchants

Fuel Transactions

GCK136G



Transaction date

Transaction date

<input type="checkbox"/>	Transaction Date	Merchant Trading name	Registration number	Distance between merchant and vehicle	Comments
<input type="checkbox"/>	2024-02-16 09:34:48	P F R BELLEGGINGS	GCK136G		
<input type="checkbox"/>	2024-02-20 11:32:29	SEREIN DEALERS (PTY) LTD	GCK136G		
<input type="checkbox"/>	2024-02-22 14:12:40	SEREIN DEALERS (PTY) LTD	GCK136G		
<input type="checkbox"/>	2024-03-14 14:13:24	SEREIN DEALERS (PTY) LTD	GCK136G		
<input type="checkbox"/>	2024-04-22 11:34:56	SEREIN DEALERS (PTY) LTD	GCK136G		



Total: 25 << < 1 2 3 > >> 10 v

Source: Government Motor Transport.

- These indicators have enabled the implementation of more robust exception handling and risk mitigation strategies, providing deeper insights into operational anomalies.
- The delay between fuel transactions and the availability of supporting data has been significantly reduced. This allows the fuel management team to respond more quickly to potential risks. Future system enhancements aim to achieve real-time prevention, detection and mitigation.
- Integration with the fuel service provider has streamlined fuel card management. New, lost, or damaged cards can be replaced and delivered within three working days. Additionally, GMT can place fuel cards on hold or reactivate them within one hour when risks are identified or investigations are underway.
- A parallel initiative is ongoing to issue Orange Driver Tags to all GMT client institution drivers and fleet administrators. This facilitates identification of vehicle operators and their administrators, eventually enabling a digital module for client institutions to gain visibility and participate in operational processes.

Drone Strategy

During the 2024/25 financial year, the Unmanned Aerial Vehicle (UAV) project achieved several foundational milestones in support of Government Motor Transport's innovation and service delivery mandate.

The project team undertook targeted stakeholder engagements to deepen technical insight and build implementation partnerships. These activities included an introductory meeting with NTSU Aviation Consulting to explore training and certification pathways, a site visit to Autono-Sky Drone Manufacturers to assess local drone production capabilities, and participation in a Bid Specifications Committee meeting hosted by DEDAT regarding their Sandbox Project – a regulatory testbed for drone innovation. These engagements contributed to the refinement of the implementation approach and helped identify potential collaborators and service providers.

A detailed Implementation Plan was developed to guide project execution, including defined deliverables, resourcing requirements and a structured benefits realisation approach.

Parallel to this, the GMT UAV Strategy Document was finalised and submitted to the Executive Committee for review and formal approval.

The strategy outlines regulatory requirements, operational models and technical specifications, informed by both international research and provincial case studies. The project also engaged key stakeholders and industry partners, laying the groundwork for implementation in subsequent phases. Despite some delays in the document review process due to scheduling constraints, the project remained on track through proactive planning and coordination.

Mobile applications

Digital transformation of all business processes is a major focus of GMT's technology development and business improvement initiatives. Replacing all manual paper-based processes provides a significant opportunity for efficiency and overall business improvement.

Mobile applications play a key role in this process, given the nature of a fleet business where various operations take place remotely and on site, with operational staff traditionally reliant on paper-based data capturing. Significant progress has been made with the development and implementation of mobile applications.

Mobile Application No.1: Vehicle receiving The GMT Fleet Planning and Acquisition Unit uses this application to manage receiving new vehicles. Deployed in March 2024, the application delivered efficiency gains that exceeded expectations over the past 12 months. Phase 2, scheduled for 2025/26, will introduce a mobile vehicle preparation application to monitor process steps. Phase 3, planned for 2026/27, will focus on a mobile vehicle handover application to streamline vehicle delivery to clients.



Figure 15: GMT mobile vehicle receiving application

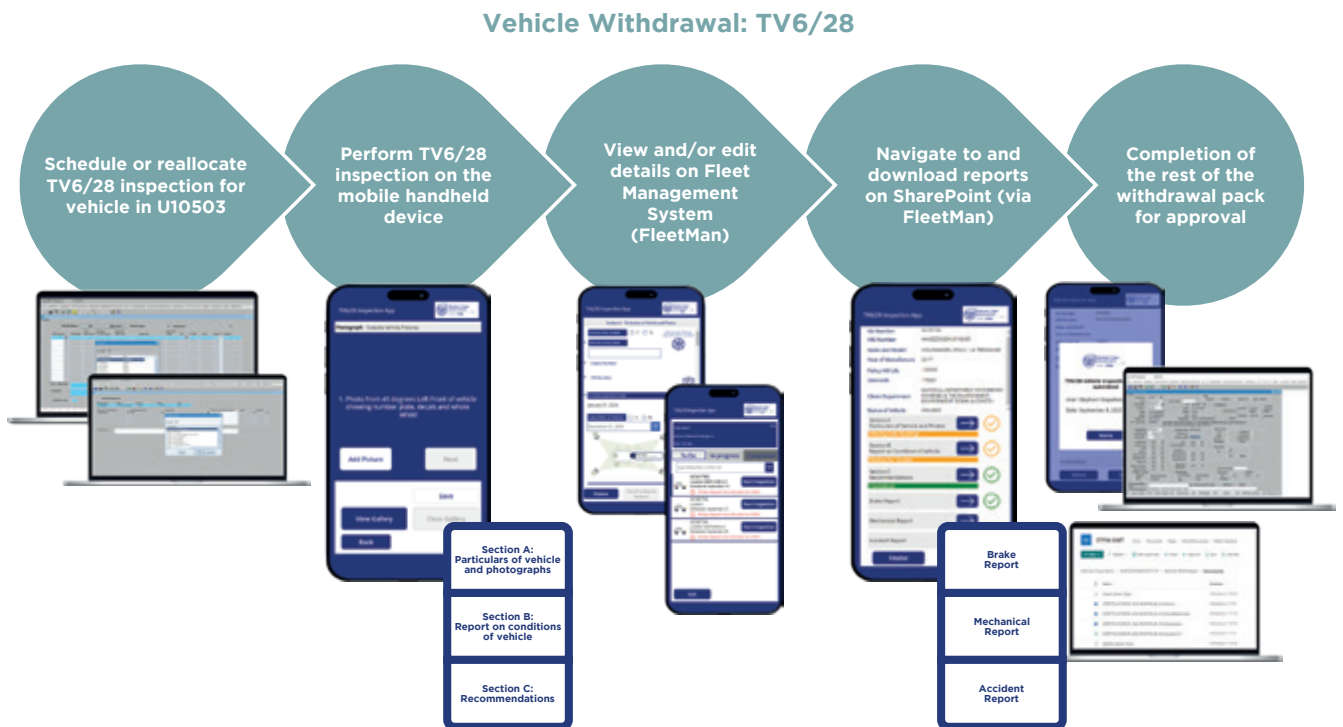


Source: Government Motor Transport

Mobile application No 2: Vehicle Withdrawal TV6/28 The Fleet Repairs and Maintenance Coordination and Quality Assurance units use this application to access the condition of vehicles being withdrawn from service. Once the withdrawal of a vehicle is approved, it is placed on the auction catalogue for disposal via online monthly auctions.

The mobile application was deployed in March 2024 and increased efficiency beyond expectations, firstly by empowering GMT to transition to monthly auctions, and secondly, to increase the number of vehicles on the monthly auctions to more than 150 vehicles.

Figure 16: GMT mobile vehicle withdrawal TV6/28 application



Source: Government Motor Transport.

Mobile application No. 3: Vehicle Inspection The third mobile application in the vehicle life cycle management process was launched in the third quarter of 2024/25. It is used to inspect and track the vehicle's condition from the date of delivery, through repairs and maintenance, ending with disposal via online auctions. By transitioning to a real-time automated vehicle inspection process using optical character recognition (OCR) technology to scan the vehicle's number plate and/or VIN number, indexing photographs and video footage for uploading to SharePoint (data warehousing), and scanning paper-based documents such as job cards, quotes and invoices out in the field, the application is delivering results above expectations.

The application was first launched in GMT for use by the technical inspectors. Shortly thereafter, it was rolled out to the third-party Fleet Repairs and Maintenance service provider for testing by their technical agents in the field, with great success. The application was scheduled for rollout to the new Fleet Repairs and Maintenance service provider from 1 April 2025.

Figure 17: GMT mobile vehicle inspection application

Item	Status
Left Front	No
Right Front	No
Right Rear	No
Left Rear	No
Windscreen Condition?	No
Tyres in acceptable condition?	No
Service Book	No
Duplicate Key	No
Coded Key	No
Original Key	No
Radio	No
Jack	No
Wheel Spanner	No
Mobility Kit	No

Source: Government Motor Transport.

The enablement of business processes through these applications include:

- Reduction in time delays as a result of manual data capturing required after the completion of remote operational activities. The data captured on the operational floor, and at remote locations, is now immediately available for processing, thus accelerating business processes and decision-making;
- Increasing the data richness of business processes, which provides the basis for process improvement; and
- Improved data accuracy by avoiding manual capturing and handwritten documents, which were prone to capturing errors.

The digital transformation journey of GMT's business processes gained momentum during the financial year under review, laying the foundation for further improvement and innovation in the future.

Benchmarking

GMT uses benchmarking as a strategic tool to review critical aspects of its operations and to identify opportunities that strengthen both its current performance and future readiness. These initiatives enable GMT to sense shifts in the mobility landscape and ensure that management can proactively respond to challenges and capitalise on new opportunities.

Inward benchmarking – SITA engagement

On 18 July 2024, the State Information Technology Agency (SITA) engaged with GMT to assess the Western Cape FleetMan system and Intelligent Transport System (ITS). The purpose of the visit was to provide SITA with an in-depth understanding of GMT's systems so that informed recommendations could be made to the National Department of Transport (NDoT) and National Treasury regarding the development of a national fleet management platform.

The engagement confirmed that GMT's existing systems address most national requirements and could be adapted for broader application. To enable wider implementation, SITA indicated that additional support could be facilitated through professional resources made available under its transversal contract 1183.

Outward benchmarking – City of Cape Town Executive Director Culture Roadshow

In February 2025, GMT was invited to participate in a benchmarking roadshow hosted by the City of Cape Town. The event highlighted Fleet Management's role in service delivery, while creating space for dialogue on global mobility trends.

As part of the showcase, GMT displayed its New Energy Vehicle portfolio – including electric vehicles, traffic vehicles, ambulances and hybrid vehicles.

ISUZU benchmarking engagement – June 2024

In June 2024, ISUZU invited GMT to participate in a strategic research initiative and preview vehicle models linked to ISUZU's alternative propulsion strategy.

The benchmarking engagement focused on capturing insights from the South African buyer market to inform the development of carbon-neutral vehicles designed for local conditions, aligned with ISUZU's ESG principles and its Environmental Vision 2050.

As part of this initiative, ISUZU showcased two operational truck models currently in use in Japan and Gauteng:

- ELF EV – an electric vehicle
- CNG Truck – powered by Compressed Natural Gas



Source: Government Motor Transport.

These models were presented for consideration as part of ISUZU's ongoing efforts to support sustainable transportation solutions. ISUZU invited GMT to visit them again in order to discuss the WCG Strategic Plan.

OUTCOME 2

GREENING THE FLEET

This outcome contributes to the following national and provincial directives:

- NDP Chapter 5: Environmental sustainability and resilience;
- WCG VIP1: Safe and cohesive communities;
- WCG VIP2: Growth and jobs;
- WCG VIP4: Mobility and spatial transformation; and
- OneCape 2040: Green Cape.

New Energy Vehicle (NEV) Strategy implementation progress

GMT continued to play a central role in advancing the implementation of the NEV Strategy for the Western Cape. Strategic initiatives have focused on building ecosystem readiness, shaping procurement and infrastructure planning, and strengthening partnerships with academia, government and industry.

- **Research and Development collaboration:**
Agreements with UCT, Stellenbosch University and UWC are supporting applied research into charging infrastructure, battery recycling, energy demand, drivetrain efficiency and storage technologies.

- **Charging infrastructure development:**

In partnership with the Department of Infrastructure, GMT reviewed and advised on tender specifications to ensure fleet operational fit and enable future public access. Service provider appointments are anticipated in 2025/26.

- **OEM and industry engagement:**

Benchmarking activities with Toyota South Africa, Easyway Vehicle Solutions and African Dawn Investments, along with participation in NAAMSA Autoweek, Franschhoek H₂ Activation, and Thredbo18, strengthened strategic alignment with OEMs and technology suppliers.

- **National contracting influence:**

GMT remains an active contributor to the RT57 transversal contract process, working to support NEV inclusion in public procurement frameworks.

- **Virtual Reality driver orientation:**

VR training is now integrated into the Pioneer Programme, offering institutional clients a guided NEV experience ahead of vehicle handover.

Alternative-fuel vehicles

The entity's contribution to VIP2 includes a measured reduction in the carbon footprint of the fleet and the phased introduction of an ecosystem for electric and alternative-fuel vehicles.

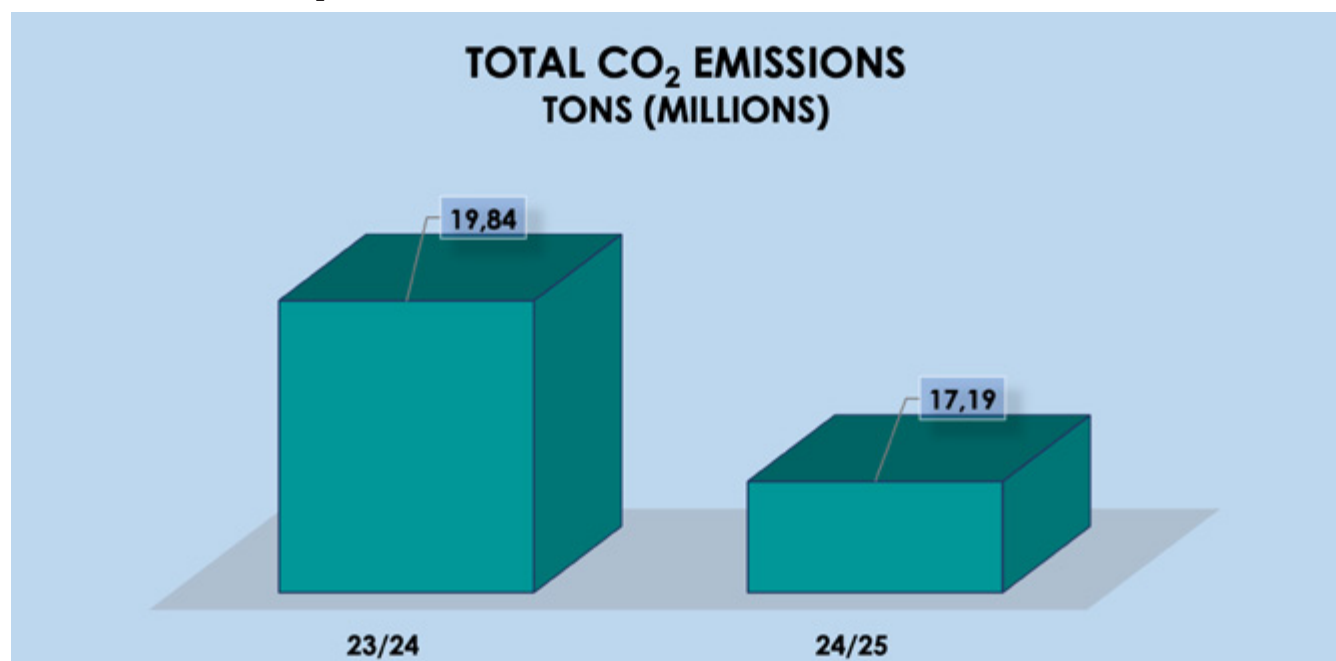
Reduction in the carbon footprint of the fleet

The Western Cape Government is committed to achieving a net zero target by 2050 as part of its commitment towards sustainability. The Western Cape Mobility Department, and specifically GMT, has set its own targets for reducing CO₂ emissions and greening the fleet.

Greening the fleet to achieve sustainability targets is an important strategic outcome for GMT. The measurement and reduction of CO₂ emissions remains a constant objective and key outcome.

International standards for the measurement of CO₂ emissions outline two alternative approaches. The first is based on fuel consumption, where an emission factor is applied to each litre consumed. The second is based on distance travelled, where the OEM supplies an emission factor for each vehicle, which is then applied to the actual kilometres travelled. GMT applies the second approach, using distance travelled as the basis for calculating CO₂ emissions.

The fleet's CO₂ emission for 2024/25 was a total of 17.19 million tons. This compares to 19.8 million tons in the previous financial year, a reduction of 2.65%. Contributing factors towards achieving this reduction were, firstly, a reduction in the total kilometres travelled, and secondly, the increased number of vehicles in the fleet with reduced carbon emission.

Figure 18: GMT fleet CO₂ emissions

Just transitioning to an NEV fleet

GMT continued to strengthen its hybrid fleet and delivery of a further 87 Toyota hybrid vehicles is expected in the second quarter of 2025.

GMT, in partnership with client institutions and other stakeholders, will continue discussions as a key cornerstone of the NEV Strategy for GMT and the WCG to become thought leaders in Africa for NEVs.

GMT's multi-cloud strategy

GMT successfully designed and commenced implementation of a multi-cloud strategy that promotes operational flexibility, resilience and innovation. By adopting composable architecture, GMT has positioned itself to rapidly assemble and reconfigure digital solutions, effectively responding to evolving business requirements. This approach mitigates vendor dependency risks, enhances cybersecurity and ensures seamless continuity of operations.

As cloud computing continues to evolve rapidly, GMT is embracing a multi-cloud approach to enhance flexibility and resilience across its digital ecosystem. Ensuring robust, up-to-date protection against persistent cybersecurity threats is critical to the cloud provider business model.

Organisations adopt multi-cloud strategies for several reasons: to leverage best-in-class solutions that may be exclusive to specific cloud platforms, and to strengthen their negotiating position with preferred providers. Considering the growing threat of cyberattacks and ransomware, GMT aims to bolster its cybersecurity defences and improve its ability to recover should any primary cloud platform be compromised.

Implementing a multi-cloud strategy is a long-term, multi-year initiative that requires clear definition, strong commitment and consistent alignment throughout its execution. As the technological and business landscape evolves, so too must the strategy. Furthermore, this approach should be considered within the broader context of adopting next-generation technologies to support public sector modernisation

This outcome contributes to the following national and provincial directives:

- NDP Chapter 13: Building a capable and developmental state;
- NDP Chapter 15: Nation-building and social cohesion;
- VIP2: Growth and jobs;
- VIP4: Mobility and spatial transformation; and
- VIP5: Innovation and culture.

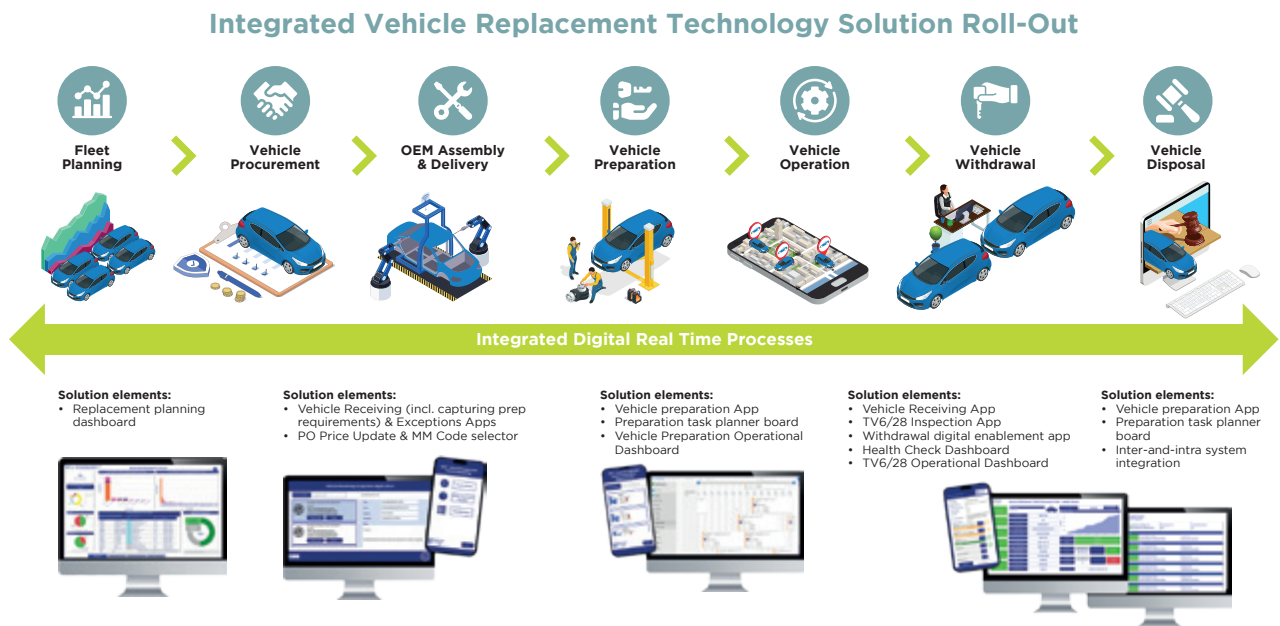
Accelerated vehicle replacement initiative

To keep the fleet within its economic life cycle, GMT doubled its annual vehicle replacement target from the 2021 to 2024 financial years to between 1 100 and 1 500 per annum. The GMT three-year target was to procure 3 921 vehicles between 1 April 2021 and 31 March 2024. GMT exceeded this planned target by 375 vehicles. A total of 4 296 vehicles were procured over the three phases, as shown below:

- Phase 1: Procurement of 1 490 vehicles in 2021/22 financial year
- Phase 2: Procurement of 1 383 vehicles in 2022/23 financial year
- Phase 3: Procurement of 1 423 vehicles in 2023/24 financial year

The over-performance of the accelerated vehicle replacement initiative during the aforementioned financial years placed GMT ahead of the normal vehicle replacement cycle, and orders were placed for a total of 402 vehicles during the 2024/25 financial year to keep the fleet within its economic life cycle. A total of 1 020 vehicles were handed over to client institutions during the year under review.

Figure 19: Vehicle Replacement Project technology improvement



Source: Government Motor Transport.

GMT regional pools

During the year under review, GMT staff conducted a site visit to the West Coast to inspect four possible locations suggested by the Department of Infrastructure (DOI) for the GMT West Coast Hub. GMT staff duly considered the locations based on operational requirements, accessibility to client institutions, availability and support of vendors and site security. They determined that two sites were suitable, with one in particular the most suitable for the development of a regional pool in the West Coast region. GMT subsequently engaged the DOI regarding the two sites.

Additionally, GMT has allocated funds to facilitate the purchase of a site, should it be required, and to begin planning and establishing the professional team for the West Coast Regional Hub. Further funds have been made available for the planning of the George Regional Hub expansion project, including provision for the professional team.

GMT website

During the reporting period, the GMT website underwent a comprehensive redevelopment using the latest standard website technology endorsed by the Western Cape Government. This initiative forms part of GMT's ongoing commitment to digital transformation, transparency, and improved service delivery to stakeholders and clients.

The redesigned website, based on a prototype that was developed in the previous year, was not only upgraded from a technical standpoint, but its content was also thoroughly reviewed by GMT's internal communications team and updated to ensure accuracy and relevance. The new content reflects the current priorities, offerings and contact information, and once launched outside of GMT, positions the website as a reliable source of up-to-date information for the public and internal users alike.

One of the key features of the new website is its administrator-friendly design. The platform allows authorised users to easily upload, update and manage content without the need for technical intervention or redevelopment. This enhances operational efficiency by enabling faster updates, ensuring that the website remains dynamic and responsive to the evolving needs of the GMT and its Client Institutions.

The project demonstrates GMT's proactive approach to adopting sustainable digital solutions that support communication, information access and public engagement – in line with the broader goals of the Western Cape Government's digital strategy.

GMT Client Portal

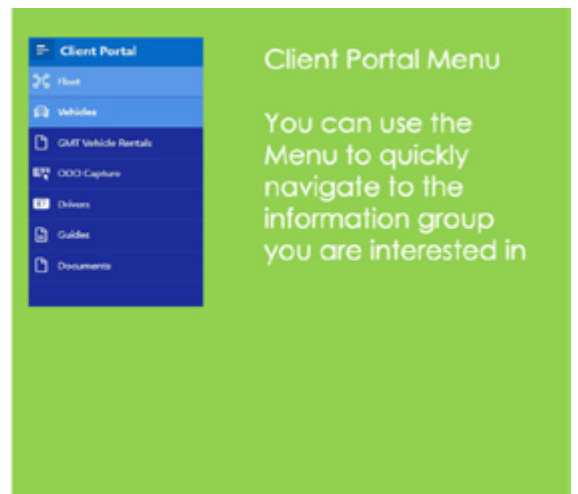
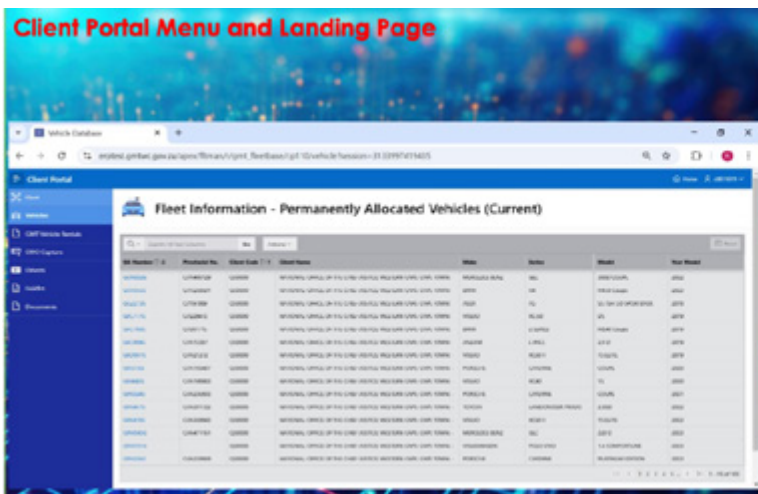
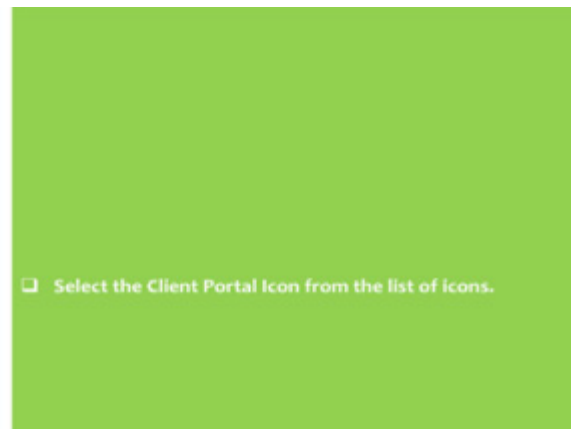
The GMT Client Portal remains a key strategic initiative aimed at modernising and enhancing service delivery through secure, transparent and client-oriented digital engagement. It is specifically designed to empower client institutions with real-time access to critical information, streamlined processes and a direct communication channel with GMT officials. Built on a robust, flexible and user-friendly platform, the portal not only safeguards data security but also fosters collaboration and responsiveness. Its adaptable design enables the co-creation of solutions and the rapid integration of client feedback, ensuring that the platform evolves in line with user needs and operational priorities.

Figure 20: OCJ engagement - Minimal Viable Product Presentation for Client Portal Go-live



Source: Government Motor Transport..

Figure 21: Client Portal Display



Source: Government Motor Transport.

Figure 22: Timeline for Client Portal



Source: Government Motor Transport.

Following the successful pilot implementation of the Client Portal at the Western Cape High Court in partnership with the Office of the Chief Justice (OCJ), the further rollout was reviewed to accommodate a transition in senior leadership within the OCJ. This period of organisational change provided an opportunity for the OCJ to review its strategic priorities and realign internal processes to better support the long-term success of the initiative.

The review proved to be beneficial, as it allowed for renewed engagement between GMT and the OCJ, culminating in a formal request to resume the rollout across all courts under the OCJ's jurisdiction. The re-endorsement of the project by OCJ leadership not only reinforces the value of the platform but also ensures stronger alignment and commitment moving forward.

GMT has utilised this opportunity to strengthen its implementation roadmap, enhance user support training resources, and introduce platform improvements that support broader institutional adoption. Phases 2 and 3 of the Client Portal initiative will focus on extending access to additional GMT clients while simultaneously enhancing the platform's functionality. These next phases are being guided by a client-centric, scalable implementation strategy that prioritises the evolving needs of users. This approach ensures the platform remains responsive, sustainable and capable of supporting broader service delivery objectives. By advancing these phases, GMT aims to strengthen intergovernmental collaboration, streamline operational processes, and deliver more accessible, efficient and integrated mobility services.

Figure 23: GMT - MTP Alignment Task Team



Source: Government Motor Transport.

GMT Employee Wellness Strategy

The GMT Employee Wellness Strategy is designed to foster a workplace environment where employees feel valued and empowered to contribute meaningfully. By promoting and enhancing wellness, the strategy encourages healthy behaviours while providing essential resources and support. This initiative is aligned with GMT's overarching strategy, mission and values, ensuring that employee wellness remains a core focus of the organisation.

GMT not only nurtures a positive work culture but also ensures sustained growth and satisfaction within its workforce.

In this context, employee wellness at GMT is defined as follows:

- **Individual Wellness:** The promotion of physical, emotional, intellectual, occupational, spiritual, social, financial, digital and environmental wellness.
- **Organisational Wellness:** The creation of a healthy, safe and productive organisational culture and workspace that fosters a positive work-life balance.

The strategy rests on several key principles and includes alignment to values and adopting a holistic and systems approach to wellness. It inspires and encourages each employee to take an active role in their own well-being, creating an environment in which individuals flourish and work together to benefit each other and GMT. This strategy is aligned with the WCG Strategic Priorities and principles, as well as the DPSA Employee Health and Wellness Strategic Framework for public service.

Blended learning

Modern organisations, employees and service providers in the twenty-first century engage differently with the world in which they operate. Increasing consumer awareness and demands, along with the rapid development of emerging technology, has prompted organisations to respond more proactively to their environments. As a result, employees and service providers are required to be more responsive, adaptable and learn faster than before.

Embracing life-long learning and developing future skills, while promoting organic learning processes, remains a key priority for GMT. Development of a blended learning capability for training and development, designed and developed through diverse delivery platforms to provide cutting-edge blended/hybrid learning solutions to its employees and officials from client institutions, is thus required.

The business case for this project was approved before the end of March 2024, and the first phase of deliverables provided a comprehensive written vision and visual representation of the reimagined GMT futures learning ecosystem. Phase 2 involved the development of a User Requirements Specification (URS) to inform the development of the system, which was started but put on hold due to key resources leaving the organisation.

Massive Transformative Purpose Alignment | GMT Task Team

Over the past three years, GMT has undergone a transformative journey to redefine its identity. This process involved a thorough evaluation of internal challenges and obstacles, alongside a deep exploration of the organisation's vision and aspirations for the future. With broad participation from a diverse cross-section of staff, GMT gained valuable insights and fresh ideas to drive innovation and progress.

As a result of this introspective effort, GMT developed its own Massive Transformative Purpose (MTP): "Innovative mobility solutions to co-create a better life for all." This bold statement now serves as a unifying vision across the organisation. To support the MTP, GMT established the GMT MTP Alignment Task Team – a dedicated group tasked with aligning internal stakeholder priorities with client expectations, while remaining true to the MTP.

In 2023/24, GMT conducted its second Organisational Health Survey to further embed the MTP into its culture. The findings and proposed actions were shared with staff during a GMT Townhall in early 2024.

Key recommendations from this initiative include:

- Elevating the MTP Task Team from a voluntary advisory body to a formal governance structure with decision-making authority, direct reporting to EXCO, and leadership at the Chief Director level.
- Strengthening communication and feedback systems to foster transparency, trust, and sustained momentum.
- Integrating the MTP into strategic execution by formally linking organisational culture with the Theory of Change (TOC), statutory reporting, strategic reviews, and planning processes.

To drive meaningful change, GMT recognises the importance of linking transformation efforts to clear accountability through consequence management. For change initiatives to endure beyond shifts in leadership or evolving priorities, they must be firmly embedded within core business processes. Organisational culture should not be treated as a peripheral concern, it must be positioned as a central force in executing strategy.

4 Performance information

The core function of GMT is the provision of quality, integrated and cost-effective mobility solutions to provincial and national client institutions and other entities.

To drive the implementation of the MTP, GMT is currently structured along the functional lines described below.

4.1 Directorate: Fleet Services

Purpose

The purpose of this Directorate is to manage the GMT fleet operations. It consists of three sub-directorates:

Fleet Operations

Purpose: To manage fleet operations.

Fleet Repairs and Maintenance

Purpose: To ensure an effective and efficient fleet repair and maintenance service.

Fleet Risk Management

Purpose: To manage fleet risk.

4.2 Directorate: Fleet Finance

Purpose

The purpose of this Directorate is to ensure effective financial management services for GMT. It consists of three sub-directorates:

Financial Accounting

Purpose: To ensure an effective financial accounting service.

Management Accounting

Purpose: To ensure an effective management accounting service.

Internal Control

Purpose: To ensure sound internal control practices.

4.3 Sub-directorate: Management Support Services

Purpose

The purpose of this sub-directorate is to provide management support services. It is sub-divided into three components:

Statutory Reporting and Stakeholder Relations

Purpose: To facilitate and coordinate business planning, marketing and communication processes and activities for GMT.

Office Support Services

Purpose: To provide office support services.

ICT Management Services

Purpose: To render an ICT management service.

4.4 Outcomes, outputs, output indicators, targets and actual achievements

An overview of GMT's performance against pre-determined targets is presented in Table 7.

Table 7: Key performance indicators, planned targets and actual achievements

INDICATOR NUMBER	OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE		PLANNED ANNUAL TARGET	ACTUAL ACHIEVEMENT	DEVIATION FROM PLANNED TARGET	REASONS FOR DEVIATIONS
				2022/23	2023/24				
Sub-Directorate: Fleet Operations									
1.1	Leaders in mobility solutions (R&D)	Providing adequate fleet rental services	Number of vehicles in the fleet	6 297	6 761	6 200	6 816	616 10%	Target achieved and exceeded. Planned GMT annual vehicle replacements will continue to keep the fleet within its economic life cycle. Client institutions also requested the procurement of additional vehicles, leading to an increase in the fleet size.
1.3	Leaders in mobility solutions (R&D)	Providing an effective and efficient fleet service	Number of vehicles travelling more than 1 000km per month	3 501	3 527	3 520	3 411	(109) (3%)	Utilisation of vehicles is managed by the clients, dependent on operational requirements.
1.4	Leaders in mobility solutions (R&D)	Increasing the percentage of automatic transmission vehicles in the fleet to, inter alia, accommodate people with disabilities	Number of automatic transmission vehicles	858	1 113	900	2 194	1 294 144%	Planned GMT annual vehicle replacements will include automatic vehicles, and clients also requesting automatic vehicles to diversify use of vehicles.
2.1	Greening the fleet	To acquire alternative fuel vehicles	Number of alternative fuel vehicles in the fleet	25	50	80	85	5 6%	Considering the high capital cost of electric vehicles and a developing charging infrastructure, GMT opted for hybrid vehicles as a phased approach towards greening the fleet.
Sub-Directorate: Fleet Repairs and Maintenance									
1.2	Leaders in mobility solutions (R&D)	Providing fleet inspections	Number of vehicle inspections carried out	3 880	3 651	3 900	4 644	744 19%	GMT developed a mobile vehicle inspection app, leading to an increase in the number of vehicle inspections.

INDICATOR NUMBER	OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE		PLANNED ANNUAL TARGET	ACTUAL ACHIEVEMENT	DEVIATION FROM PLANNED TARGET	REASONS FOR DEVIATIONS
				2022/23	2023/24				
Sub-Directorate: Fleet Risk Management									
3.2	Satisfied stakeholders	Manage fleet risk	Number of traffic fines processed	6 748	7 287	6 750	4 528	(2 222) (33%)	Demand-driven target, as traffic fines are communicated to GMT via TMT, TCS, RTMC and Municipalities. The mandatory use of orange driver tags, and GMT's quarterly risk reporting to client institutions and their interdepartmental driver behaviour management, contributed to drivers of GG vehicles committing fewer traffic fines.
3.3	Satisfied stakeholders		Number of crashes and losses incidents processed	2 779	2 688	2 800	2 529	(271) (10%)	Demand driven target, as crashes and losses are reported to GMT via client institutions. The mandatory use of orange driver tags, and GMT's quarterly risk reporting to client institutions and their interdepartmental driver behaviour management, contributed to drivers of GG vehicles committing fewer crashes and losses.
Sub-Directorate: Management Support Services									
1.5	Leaders in mobility solutions (R&D)	Maintaining GMT's value proposition (Research and development/market analysis)	Number of inward benchmarking engagements	1	1	1	1	-	Target met.
1.6	Leaders in mobility solutions (R&D)		Number of outward benchmarking engagements	1	2	2	2	-	Target met.
3.1	Satisfied stakeholders	Stakeholder engagements	Number of stakeholder surveys	1	4	4	4	-	Target met.

4.5 Changes to planned targets

No in-year changes were made to the initial planned targets.

4.6 Linking performance with budgets

An assessment was carried out to determine whether the actual achievements recorded at year-end met the service delivery targets set at the beginning of the year. Services delivered to clients were of a high standard and are directly linked to the outputs and associated budget allocation.

The financial information set out below is in agreement with the information in the Annual Financial Statements.

Table 8: Expenditure versus budget

2024/25			2023/24		
FINAL BUDGET	ACTUAL EXPENDITURE	(OVER)/UNDER EXPENDITURE	FINAL BUDGET	ACTUAL EXPENDITURE	(OVER)/UNDER EXPENDITURE
R'000	R'000	R'000	R'000	R'000	R'000
770 973	699 734	71 239	736 491	654 997	81 494

4.7 Strategies to overcome areas of under-performance

To improve the efficiency and coverage of vehicle inspections, GMT successfully completed the development of the Vehicle Inspection application designed for use with hand-held devices. This digital solution replaces the paper-based system and offers scalable functionality. The technology was further extended to the contracted repairs and maintenance service provider for testing by their technical agents in the field, with great success, enabling streamlined operational processes and enhanced service delivery. The implementation exceeded expectations, achieving a 19 percent performance increase over the established target, underscoring the application's effectiveness and potential for broader adoption.

The continuous employment of the Vehicle Withdrawal TV6/28 application by the Fleet Repairs and Maintenance Coordination and Quality Assurance units has significantly enhanced the efficiency of assessing vehicles earmarked for withdrawal from service. This digital solution enabled GMT to transition to a structured monthly auction process.

Performance highlights

- Total Vehicles Disposed: 1 502 during the financial year
- Annual Disposal Target: 540 vehicles
- Achievement Rate: 278% of target

These outcomes reflect a substantial improvement in fleet management operations, with the applications playing a pivotal role in streamlining workflows and accelerating decision-making. The success of these initiatives underscores the strategic value of leveraging technology to exceed performance benchmarks and optimise resource utilisation.

A second area relates to the limited availability of automatic transmission vehicles, which remain a preferred choice for many client institutions. At the start of the 2023/24 financial year, just 13 percent of the GMT fleet comprised automatic transmissions. By 2024/25 year-end, this had grown to 33 percent, representing a near threefold increase in a short span. This shift reflects GMT's proactive approach in aligning vehicle provisioning with user preference and industry direction. All electric and hybrid vehicles, now forming part of GMT's green transition, feature automatic or continuously variable transmissions as standard. To address remaining constraints, GMT continues to engage with original equipment manufacturers to source appropriate models and ensure vehicle replacements meet the evolving needs of departments across the province.

5 Transfer payments

5.1. Transfer payments to public entities

No transfer payments were made.

5.2. Transfer payments to all organisations other than public entities

No transfer payments were made during the 2024/25 financial year.

6 Conditional grants

6.1. Conditional grants and earmarked funds paid

GMT did not pay any conditional grants or earmarked funds during the year under review.

6.2. Conditional grants and earmarked funds received

GMT received funds from client institutions to purchase additional vehicles and other items to support mobility solutions. These funds are classified as conditional grants and were deposited into GMT's bank account before the orders were processed. Unspent amounts are disclosed as liabilities at year-end.

The tables below detail the conditional grants and earmarked funds received in the period 1 April 2024 to 31 March 2025.

Table 9: Conditional Grant: Department of Health and Wellness (EMS)

Department which transferred the grant	Health and Wellness (EMS)
Purpose of the grant	To purchase 7 additional Mobi G Medical Golf Carts with trailer for the Department of Health and Wellness
Expected outputs of the grant	Procurement of 7 Mobi G Medical Golf Carts as stipulated in the Conditional Grant.
Actual outputs achieved	The orders for the 7 additional Mobi G Medical Golf Carts had not yet been placed by 31 March 2025.
Amount per amended DORA	n/a
Amount received (R'000)	2 660
Reasons if amount as per DORA was not received	n/a
Amount spent by the department (R'000)	0.00
Reasons for the funds unspent by the entity	The 7 Mobi G Medical Golf Carts were not yet allocated at year end, therefore no recognition of the revenue received.
Reasons for deviations on performance	The 7 Mobi G Medical Golf Carts have not yet been delivered and could therefore not be allocated to the Department, therefore no recognition of the revenue received.
Measures taken to improve performance	n/a
Monitoring mechanism by the receiving department	n/a

Table 10: Conditional Grant: Department of Health and Wellness (EMS)

Department which transferred the grant	Health and Wellness
Purpose of the grant	To purchase one Inflatable boat trailer for the Department of Health and Wellness (EMS).
Expected outputs of the grant	Procurement of one inflatable boat trailer as stipulated in the Conditional Grant.
Actual outputs achieved	The order for the one inflatable boat trailer had not yet been placed by 31 March 2025.
Amount per amended DORA	n/a
Amount received (R'000)	60
Reasons if amount as per DORA was not received	n/a
Amount spent by the department (R'000)	-
Reasons for the funds unspent by the entity	The inflatable boat trailer was not yet allocated at year end, therefore no recognition of the revenue received.
Reasons for deviations on performance	The inflatable boat trailer has not yet been delivered and could therefore not be allocated to the Department. The order had been placed by year-end. Therefore, no recognition of the revenue received.
Measures taken to improve performance	n/a
Monitoring mechanism by the receiving department	n/a

Table 11: Conditional Grant: Department of Social Development

Department which transferred the grant	Social Development
Purpose of the grant	To purchase two additional Iveco Chassis Cabs with a mobile office conversion for the Department of Social Development.
Expected outputs of the grant	Procurement of two additional Iveco Chassis Cabs with a mobile office conversion as stipulated in the Conditional Grant.
Actual outputs achieved	The vehicles were ordered on 8 July 2024. The two vehicles with conversion were allocated on 27 November 2024, therefore recognition of the revenue received.
Amount per amended DORA	n/a
Amount received (R'000)	6 328
Reasons if amount as per DORA was not received	n/a
Amount spent by the department (R'000)	0.00
Reasons for the funds unspent by the entity	The two vehicles with conversion were allocated on 27 November 2024, therefore recognition of the revenue received.
Reasons for deviations on performance	n/a
Measures taken to improve performance	n/a
Monitoring mechanism by the receiving department	n/a

Table 12: Conditional Grant: Western Cape Education Department

Department which transferred the grant	Education
Purpose of the grant	To purchase 13 Toyota Hino 35-Seater buses for the Department of Education. Due to price escalation , an additional invoice was raised during the 2024/25 financial year to fund the shortfall on the original grant paid during the 2023/24 financial year.
Expected outputs of the grant	Procurement of 13 Toyota Hino 35-Seater buses as stipulated in the Conditional Grant.
Actual outputs achieved	The vehicles were allocated to the Department of Education on 20 January 2025.
Amount per amended DORA	n/a
Amount received (R'000)	7 639
Reasons if amount as per DORA was not received	n/a
Amount spent by the department (R'000)	0.00
Reasons for the funds unspent by the entity	n/a
Reasons for deviations on performance	n/a
Measures taken to improve performance	n/a
Monitoring mechanism by the receiving department	n/a

For unspent conditional grants and receipts that were active on 31 March 2025 (comparative year), refer to pages 151 to 152.

7 Donor funds

The entity did not receive any donor assistance.

8 Capital investment

8.1. Capital investment, maintenance and asset management plan

All vehicles in the government fleet that are under the control of GMT are recorded in the asset register, kept in the electronic fleet system, and verified by client institutions. Clients report back on any vehicle that is damaged or not operational so that the required impairment tests and procedures can be performed by GMT technical staff. Vehicles that reach the end of their useful lives are sold at public auctions, after which the details of these vehicles are updated on the FleetMan system and the National Traffic Information System (eNATIS).

Part C

GOVERNANCE



Governance

1 Introduction

The GMT trading entity, as part of the administration of the WCMD, has always been committed to maintaining the highest standards of governance, which is fundamental to the management of public finances and resources. Readers of the Annual Report require assurance that the WCMD has sound governance structures in place to utilise the taxpayer-funded state resources at its disposal effectively, efficiently and economically. One of the core values of the WCMD is “accountability”, which is promoted through a strengthened governance environment.

2 Formal Annual Enterprise Risk Management Committee Report

The Department is proud to present its Annual Enterprise Risk Management Committee Report for the financial year ending 31 March 2025.

2.1. Enterprise Risk Management Committee responsibilities

The ERMCO reports that it has complied with its responsibilities arising from Section 38 (1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMCO also reports that it has adopted the appropriate formal Terms of Reference (approved by the ERMCO chairperson on 6 September 2023). It has regulated its affairs in compliance with these Terms of Reference and has discharged all its responsibilities as contained therein.

Enterprise Risk Management Committee members

The ERMCO comprises the AO, top management, Senior Management Service (SMS), and selected members of the department’s management team. As per its Terms of Reference, the ERMCO is required to meet four times during the year under review. The ERMCO met this requirement and all meetings were attended by members or their representatives.

The table below discloses relevant information on ERMCO members.

Table 13: ERMCO members

MEMBER	POSITION	SCHEDULED MEETINGS	MEETINGS ATTENDED	DATE APPOINTED
Ms M Moore	Accounting Officer: Chairperson until October 2024	4	1	Left Service 30/10/2024
Mr D Jacobs	Accounting Officer (Chairperson from November 2024)	4	3	Commenced Acting HOD position on 01/11/2024
Mr F de Wet	Chief Financial Officer (until July 2024)	4	1	23/04/2024 Retired on 31/07/2024
Mr R Wiggill	Acting Chief Financial Officer (from August 2024)	4	4	02/08/2024
* Ms D Ribbonaar	Chief Director: Transport Operations	4	2	23/04/2024
* Adv G Reed	Chief Director: Transport Regulations	4	3	23/04/2024

MEMBER	POSITION	SCHEDULED MEETINGS	MEETINGS ATTENDED	DATE APPOINTED
Mr F Payne	Acting Chief Director: Provincial Traffic Management (until December 2024)	4	1	23/04/2024 Left Service 31/12/2024
Mr Y Ahmed	Chief Director: Government Motor Transport (until August 2024)	4	1	23/04/2024 Left Service 31/08/2024
Ms R Davids	Acting Director: Financial Management	4	3	23/04/2024 Left Service 28/02/2025
* Mr K Booysen	Director: Strategic and Operational Management Support	4	3	23/04/2024
Mr A Botha	Office Manager / Ethics Officer	4	4	23/04/2024
Ms H Robson	Deputy Director-General: Corporate Assurance (DotP)	4	4	23/04/2024
* Mr R Janse van Rensburg	Chief Director: Provincial Forensic Services (DotP)	4	3	23/04/2024
Ms A Haq	Director: Enterprise Risk Management (DotP)	4	3	23/04/2024
* Mr A Fakir	Services Manager: Centre of Innovation (DotP)	4	2	23/04/2024
Mr D Needham	Deputy Director: Internal Control	4	2	23/04/2024 Retired 28/02/2025
Mr S Moolman	Deputy Director: Support Services/ Security Manager	4	4	23/04/2024
Mr S Malan	Director: Internal Audit: DotP	4	4	23/04/2024

MEMBER	POSITION	MEETINGS ATTENDED
Ms M Moore	Accounting Officer (Chairperson) until October 2024	1
Mr D Jacobs	Accounting Officer (Chairperson from November 2024)	3
Mr F de Wet	Chief Financial Officer (CFO) until July 2024	1
Mr R Wiggill	Acting Chief Financial Officer (from August 2024)	4
Ms D Ribbonaar	Chief Director: Transport Operations	2
Adv G Reed	Chief Director: Transport Regulations	3
Mr F Payne	Acting Chief Director: Provincial Traffic Management until December 2024	1
Mr Y Ahmed	Chief Director: Government Motor Transport (GMT) Trading Entity until August 2024	1
Ms R Davids	Acting Director: Financial Management until February 2025	3
Mr K Booysen	Director: Strategic and Operational Management Support	3
Mr A Botha	Office Manager / Ethics Officer	4
Ms H Robson	Deputy Director-General: Corporate Assurance (DotP)	4

MEMBER	POSITION	MEETINGS ATTENDED
Mr R Janse van Rensburg	Chief Director: Provincial Forensic Services (DotP)	3
Ms A Haq	Director: Enterprise Risk Management (DotP)	3
Mr A Fakir	Services Manager: Centre of Innovation (DotP)	2
Mr D Needham	Deputy Director: Internal Control until February 2025	2
Mr S Moolman	Deputy Director: Support Services/Security Manager	4
Mr S Malan	Director: Internal Audit: DotP	4

* There was always representation of the unit when ERMCO members were unable to attend meetings.

The following is an indication of other officials who attended the ERMCO meetings during the year under review:

OTHER ATTENDEES	POSITION	MEETINGS ATTENDED
Mr W Van Der Merwe	Acting Chief Director: Provincial Traffic Management (from January 2025)	2
Mr G Martin	Acting Chief Director: Government Motor Transport (from September 2024)	1
Ms P Lufundo-Mayekiso	Assistant Director: Internal Control	3
Mr D Lakay	Director: Traffic Management	2
Mr A Janse Van Rensburg	Government Motor Transport	3
Ms A Needham	Assistant Director: Internal Control – Secretariat until July 2024	3
Ms L Theron	Deputy Director: Office of the HOD	3
Mr R Arendse	Deputy Director: Enterprise Risk Management (DotP)	4
Ms N Mabude	Assistant Director: Enterprise Risk Management (DotP)	4
Ms W Hansby	Director: Provincial Forensic Services (DotP)	4
Mr P Pillay	Deputy Director: Provincial Forensic Services - DotP	3
Mr E Peters	ICT Risk Consultant: Ce-I: DotP	2
Ms A Behardien	Deputy Director: Internal Audit (DotP)	4
Ms T Singh	Deputy-Director: Information & Communication Tech	1
Ms A Blaauw-Chiropa	ERMCO Secretariat from August 2024	4

Enterprise Risk Management Committee key activities

The Accounting Officer is the chairperson of the ERMCO, and the Risk Champion of the Department. In executing its function, the ERMCO performed the following key activities during the year:

- Reviewed the Department's ERM Strategy and Implementation Plan before recommendation by the Audit Committee and approval by the AO;

- Monitored and reviewed risks in set grouped categories of appetite ranges, reviewed and applied appropriate risk appetite and tolerances guided by the Provincial Enterprise Risk Management Policy and Strategy adopted by Provincial Top Management;
- Reported to the AO any material changes to the risk profile of the Department;
- Confirmed the department's citizen-centric strategic risks. This illustrates the Department's efforts in addressing the contributing factors and impacts that relate directly to the citizens;
- Received and considered risk intelligence and trend reports;
- Identified emerging risks;
- Reviewed risks that are outside the tolerance levels for further action/attention;
- Monitored the implementation of the Fraud and Corruption Prevention Implementation Plan;
- Monitored the implementation of the departmental ERM Policy, Strategy and Implementation Plan;
- Evaluated the effectiveness and mitigating strategies to address the material, ethics and economic crime risks;
- Provided oversight on ethics management in the Department.

Key risks considered and addressed during the year

The following key GMT risks were deliberated during the period under review:

- **Ineffective Management to deliver service to client Institutions (Strategic Risk)** due to Inadequate accommodation (storage of vehicles) and clients under-utilising permanently allocated fleet and not fully utilising fleet management tools provided by GMT; systems integration challenges and changing legislation as well as GMT not having full oversight over client's management of vehicles.
- **Loss of clients through diminished value proposition of GMT** was regarded by the Department as an existential threat whose inherent impact remained high, but with controls in place, reduces its residual impact to a medium.

Management of risks

Regular strategic and programme risk assessments are conducted to determine the effectiveness of the department's risk management strategy and to identify new and emerging risks due to changes in the internal and/or external environment. Each programme's risks were deliberated and debated during the year and presented at the quarterly ERMCO meetings. Senior managers were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. ERMCO also referred risks back to the respective programmes that should be analysed more extensively and recommended additional mitigations or actions to manage risks.

Management takes ownership of risks and often discusses risk matters at various platforms as part of its culture in an effort to constrain risks in a collaborative and innovative way. The department's ERM Policy and Strategy are circulated to all officials on an annual basis for all levels of staff to stay abreast of enhancements that have been effected and as a means of embedding risk management throughout the department. Bespoke and generic risk awareness sessions were also conducted to share benchmarking elements so that risk management can mature in the department. Activities detailed in the implementation plan are perpetually monitored and periodically reported on, in the same way that APP deliverables are monitored, to detect potential risks and deviations from indicators and the achievement of outcomes and non-adherence to legislative and policy mandates.

The Job Cluster Audit Committee provided independent oversight of the department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and risk registers to execute their independent oversight role.

Conclusion

- The Enterprise Risk Management Committee (ERMCO), under the leadership of the Accounting Officer as both Chairperson and Risk Champion, has played a vital role in strengthening the Department's risk governance and oversight framework throughout the reporting period. Through the execution of its mandate, ERMCO has ensured that risk management processes are proactive, responsive, and embedded in the strategic and operational decision-making of the Department.
- Key accomplishments include the rigorous review and monitoring of the ERM Strategy and Implementation Plan, oversight of ethics and fraud risk mitigation, identification and escalation of material risk changes, and continuous evaluation of departmental risk appetite and tolerance. The committee's engagement with emerging risks and consideration of trend reports have enhanced its ability to anticipate and respond to both internal and external challenges effectively.
- The Department's focus on addressing top strategic risks – such as unsustainable public transport, inefficient freight movement, illegal operators, and road safety concerns – demonstrates a commitment to not only mitigate risk, but also improve service delivery and citizen impact. These efforts are further supported by structured mitigation plans, stakeholder engagement and policy alignment initiatives.
- ERMCO's integration into broader management practices has ensured that risk ownership is widespread, accountability is clear, and risk management is seen as a shared responsibility. Regular risk assessments, staff engagement through awareness sessions, and continuous refinement of risk strategies, have contributed to the maturity of risk culture across the Department.
- With robust oversight from the JOBS Cluster Audit Committee and consistent reporting mechanisms, the Department has maintained a transparent and accountable risk environment. These collective efforts underline the Department's dedication to safeguarding its operations, supporting its strategic objectives, and delivering on its mandate in a risk-conscious and citizen-centric manner.

**Hamida
Fakira**

Digitally signed by
Hamida Fakira
Date: 2025.08.29
10:46:04 +02'00'

**HAMIDA FAKIRA
ACCOUNTING OFFICER
WESTERN CAPE MOBILITY DEPARTMENT
DATE: 29 AUGUST 2025**

3 Fraud and corruption

Fraud and corruption represent significant potential risks to the Department's assets and negatively impact service delivery efficiency and the Department's reputation.

The Western Cape Government has adopted an Anti-Fraud and Corruption Strategy, which confirms the province's zero-tolerance stance towards fraud, theft and corruption. In line with this strategy, the Department is committed to zero-tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external, and vigorously pursues and prosecutes, by all legal means available, any parties who engage in such practices or attempt to do so.

The Department has an approved Fraud and Corruption Prevention Plan and a concomitant Implementation Plan which gives effect to the Prevention Plan. Various channels for reporting allegations of fraud, theft and corruption are in place, and these are described in detail in the Provincial Anti-Fraud and Corruption Strategy, the WCG Whistle-blowing Policy, and the Departmental Fraud and Corruption Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit is recorded in a Case Management System, which is used as a management tool to report on progress made with cases relating to the Department and to generate statistics for the WCG and the Department.

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e., it meets the statutory requirements of the Protected Disclosures Act, No. 26 of 2000 i.e., whether the disclosure was made in good faith). The WCG Whistle-blowing Policy provides guidelines to employees and workers on how to raise concerns with appropriate line management, designated persons in the WCG, or external institutions, where they have reasonable grounds for believing that offences or improprieties have been, or are being, perpetrated within the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption. Should they do so in person, their identities are kept confidential by the person to whom they are reporting.

Once fraud, theft or corruption is confirmed after completion of an investigation, the employee who participated in such acts is subject to a disciplinary hearing. The WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where prima facie evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Service (SAPS).

For the year under review, Provincial Forensic Services (PFS) issued a Case Movement Certificate for the Department noting the following:

CASES	NUMBER OF CASES
Open cases as at 1 April 2024	3
New cases (2024/25)	-
Closed cases (2024/25)	(1)
Open cases as at 31 March 2025	2

4 Minimising conflicts of interest

Given the transport sector's significant role in the economy, conflict of interest concerns frequently arise, particularly in relation to regulatory matters. In cases where no fraudulent activity is detected, and internal controls confirm compliance, the Department has tasked Internal Audit with reviewing conflict of interest issues. This initiative aims to safeguard staff, enhance service delivery, and prepare for upcoming legislative amendments that will impose stricter requirements to eliminate potential conflicts of interest.

The Department has implemented a comprehensive set of controls to mitigate conflict of interest risks within the Supply Chain Management (SCM) domain:

- **Annual Disclosure Requirements**
All SCM employees must annually submit a Disclosure of Financial Interest form and a Remunerative Work Outside the Public Service (RWOPS) application, in accordance with Public Service Regulations.
- **Regulatory Communication**
Officials identified as potentially non-compliant are informed of the 2016 Public Service Regulations issued by the Minister for Public Service and Administration.
- **Electronic Disclosure Platform**
The Department uses the e-disclosure system prescribed by the Department of Public Service and Administration for all designated employees, including those in the Western Cape Mobility Department (WCMD) supply chain.
- **Bid Process Declarations**
 - All individuals involved in bid evaluation, recommendation, or adjudication must complete a Declaration of Interest form.
 - Prospective bidders are required to submit the Western Cape Bid Document (WCBD) 4, which includes disclosures on interest, supplier performance, employee declarations, and independent bid determination.
- **Ethical Standards and Codes of Conduct**
 - All WCMD staff must adhere to established ethical standards.
 - The Department enforces the Code of Conduct for SCM practitioners and the National Treasury's Code of Conduct for Bid Adjudication Committees.
- **Gratification and Gift Management**
Processes are in place to manage risks associated with accepting gifts, hospitality, or other forms of gratification.
- **Employee-Supplier Verification**
Quarterly checks are conducted to compare employee data from the Personnel and Salary System (PERSAL) with supplier information from the Western Cape Supplier Evidence Bank (WCSEB) and the National Treasury's Central Supplier Database (CSD). This serves as both a preventive and detective control to identify employees conducting business with government.
- **Supplier Registration and Verification**
 - Suppliers must register on the WCSEB, which includes verification with the Companies and Intellectual Property Commission (CIPC), sworn declarations via WCBD 4, and submission of a B-BBEE profile verified against the Department of Trade, Industry and Competition (DTIC) database.
 - Compliance with National Treasury Instruction 4A of 2016 requires registration on the CSD, where key supplier information is verified, including:
 - Business registration and ownership
 - Bank account details

- Employment status within the state
 - Tax compliance
 - Identity verification
 - B-BBEE status level
 - Tender default and restriction status
- **Conflict Identification and Reporting**
Potential employee conflicts of interest are identified and verified through the Provincial Treasury's Compliance Report.
 - **Ethics Training**
Annual training sessions and formal workshops on ethics are conducted to reinforce awareness and compliance.

5 Code of Conduct

All transgressions are dealt with in terms of the Directive on Discipline Management in the Public Service, as well as the disciplinary processes and procedures in the public service. To date, the Ethics Committee has not received any request for intervention in disciplinary cases.

The Ethics Committee will circulate the explanatory manual on the Code of Conduct for Public Service in the Department as part of awareness-raising initiatives.

6 Health, safety and environmental issues

The Occupational Health and Safety Act, 1993 (Act 85 of 1993) imposes a responsibility on the Department to ensure the physical health and safety of its employees.

The staff complement of GMT is split across three premises, with the Rusper Street building in Maitland being our official office since October 2022. GMT has established a new Health and Safety Committee. The committees are responsible for the following GMT premises:

- 3 Rusper Street, Maitland;
- 34 Roeland Street, Cape Town; and
- GMT George Regional Hub, York Street, George.

During the year under review, GMT held four Health and Safety Committee meetings. One evacuation exercise and two evacuation awareness sessions were conducted during this period. No further changes were made to the GMT Business Continuity Plan.

During the year under review, the GMT achieved the following:

- Training was provided to 18 GMT officials as Health and Safety Representatives –certificates are valid for 2 years; and
- Training was provided to 18 GMT officials as First Aiders, Fire and Floor Marshals during October 2023 – certificates are valid for 2 years.

7 Standing Committee on Mobility

7.1. Report of the Standing Committee on Mobility

Table 14: Standing Committee meeting dates

NO	STANDING COMMITTEE	DATE
1.	Standing Committee on Mobility	07 May 2024
2.	Standing Committee on Mobility	16 August 2024
3.	Standing Committee on Mobility	23 August 2024
4.	Standing Committee on Mobility	13 September 2024
5.	Standing Committee on Mobility	27 September 2024
6.	Standing Committee on Mobility	17 October 2024
7.	Standing Committee on Mobility	28 October 2024
8.	Standing Committee on Mobility	15 November 2024
9.	Standing Committee on Mobility	28 November 2024
10.	Standing Committee on Mobility	31 March 2025

Table 15: Standing Committee information requests

INFORMATION REQUESTED BY THE COMMITTEE	RESPONSE
The Western Cape Mobility Department attended the Standing Committee meeting on 7 May 2024 and was requested to consider implementing certain measures to enhance road safety during the winter season.	The WCMD undertook to implement the measures suggested by the Standing Committee in its road safety campaign.
The Standing Committee's letter reference WCPP 11/4/22 dated 30 July 2024 - The Western Cape Mobility Department and Government Motor Transport (GMT) were invited by the Standing Committee to brief the Committee in a meeting on 16 August 2024 on their respective 2024/25 Annual Performance Plans and on the following: 1. An overview of the Department and GMT. 2. The organisational structure. 3. The mission, vision and core functions. 4. Key programmes and projects that will be driven this year; and 5. Legislation in the pipeline and within the Department's area of responsibility.	The WCMD contributed to the Standing Committee's meeting which was held on 16 August 2024, by providing the following: 1. A report indicating the timelines/timeframes attached to the Minibus Taxi Task Team's implementation plan. 2. The short term and long-term transport plans for the Western Cape. 3. The transport plans for each municipality, including the details of new routes/roads established annually, and a breakdown of the modes of transport and allocated permits to operators. 4. A report on (i) how the Department will manage the matter of taxis waiting for permits; (ii) the possibility of having an opportunity or enabler for some taxis to operate while they are waiting on permits, (iii); and whether this type of opportunity has already been implemented previously, if there were any challenges, and the possibility of implementing this solution again while the Department is in the process of ensuring compliance. 5. A report explaining the difference between the Provincial Land Transport Framework and the Local Integrated Transport Plan; and 6. A report on tackling carbon emissions from the transport industry, specifically in respect of the taxi industry.

INFORMATION REQUESTED BY THE COMMITTEE	RESPONSE
<p>The Standing Committee's letter reference WCPP 11/4/22 dated 30 July 2024 –</p> <ul style="list-style-type: none"> The Western Cape Mobility Department was invited by the Standing Committee to brief the Committee on the Blue Dot Programme and traffic fines issued, in a meeting on 23 August 2024 	<p>The WCMD attended the Standing Committee's meeting which was held on 23 August 2024, briefed the committee and discussed the following:</p> <ul style="list-style-type: none"> WCMD gave a report on the status quo of the Blue Dot Programme and on further plans for the Programme. A breakdown (statistics) of the traffic fines issued in respect of moving versus non-moving violations in Quarter 1 2024/25.
<p>The Standing Committee's letter reference WCPP 11/4/22 dated 29 August 2024 –</p> <ul style="list-style-type: none"> The Western Cape Mobility Department was invited by the Standing Committee to brief the Committee on 13 September 2024 regarding the measures implemented to prevent attacks on government vehicles. 	<p>All information requested was submitted The WCMD contributed to the Standing Committee meeting held on 13 September 2024 and provided a briefing on measures that can be implemented to prevent attacks on government vehicles, such as seeking approval for the vehicles to be unbranded and the GG number plates to be replaced with private registration plates in order to decrease asset visibility and thereby minimize security risks.</p>
<p>The Standing Committee's letter reference WCPP 11/4/22 dated 3 September 2024 –</p> <ul style="list-style-type: none"> The Minister and the Western Cape Mobility Department were invited by the Standing Committee to update the Committee on the progress and outcomes of the Minibus Taxi Task Team since its establishment. 	<p>The WCMD attended the meeting and provided the requested updates on the progress and outcomes of the Minibus Taxi Task Team since its establishment.</p>
<p>The Standing Committee's letter reference WCPP 11/4/22 dated 4 September 2024 –</p> <ul style="list-style-type: none"> The Western Cape Mobility Department and Government Motor Transport (GMT) were invited by the Standing Committee to brief the Committee in a meeting dated 17 October 2024 on the 2023/24 Annual Report. 	<p>The WCMD attended the meeting and shared the content of the Annual Report with the Standing Committee.</p>
<p>The Western Cape Mobility Department was invited by the Standing Committee to brief the Committee in a meeting on 28 October 2024 on the following -</p> <ol style="list-style-type: none"> The provincial sustainable transport programme in respect of the Bicycle Distribution Programme. A detailed report of dismissals during the 2023/24 financial year. The Human Resource Plan, including the recruitment plan. A detailed report on the consultant's appointment and utilised by the Department during 2023/24 financial year and the 2024/25 financial year. 	<p>The WCMD contributed to the Standing Committee's meeting which was held on 28 October 2024, by providing the following:</p> <ol style="list-style-type: none"> The provincial sustainable transport programme in respect of the Bicycle Distribution Programme. A detailed report of the dismissals during the 2023/24 financial year. The Human Resource Plan, including the recruitment plan. A detailed report on the consultant's appointment and utilisation by the Department during 2023/24 financial year and the 2024/25 financial year.
<p>The Standing Committee's letter reference WCPP 11/4/22 dated 28 October 2024 –</p> <p>The Western Cape Mobility Department was invited to the Standing Committee meeting held on 15 November to brief the Committee on the Department's Road Safety Strategy for the 2024/5 Festive season.</p>	<p>The WCMD contributed to the Standing Committee's meeting which was held on 15 November 2024 by presenting the Road Safety Strategy.</p>
<p>The Standing Committee's letter reference WCPP 11/4/22 dated 6 November 2024 –</p> <p>The Minister and the Western Cape Mobility Department were invited to the Standing Committee meeting held on 28 November 2024 to brief the Committee on the budgetary adjustments to Vote 8: Western Cape Mobility Department in the Schedule to the Western Cape Adjustments Appropriation Bill, 2024.</p>	<p>The WCMD contributed to the Standing Committee's meeting which was held on 28 November 2024, by briefing the Committee on the required budgetary adjustments, dealing with among others:</p> <ul style="list-style-type: none"> Integrated Transport Hub, George Integrated Public Transport Network and the monitoring of the Golden Arrow Bus Services.
<p>The Standing Committee's letter reference WCPP 11/6/9 dated 19 March 2025 –</p> <p>The Western Cape mobility Department was invited to the Standing Committee meeting held on 31 March 2025 to participate in deliberations on Vote 8: Western Cape Mobility Department in the Schedule to the Western Cape Appropriation Bill, 2025.</p>	<p>The WCMD contributed to the Standing Committee's meeting which was held on 31 March 2025 and presented on Vote 8 of the budget.</p>

8 Public Accounts Committee resolutions

8.1. Response to the report of the Public Accounts Committee (PAC) on the 2023/24 Annual Report

The Committee noted the audit opinion of the Auditor-General regarding the annual financial statements of the entity for the 2023/24 financial year, having obtained a clean audit. This audit opinion remains unchanged from the 2022/23 financial year.

Audit opinion

The Auditor-General of South Africa raised no findings with the entity on compliance with laws and regulations, predetermined objectives or deficiencies in its internal controls.

The Committee supports the recommendations of the AGSA that the entity should focus on implementing the following:

- It is acknowledged that creating a good governance and administration strategy is necessary to achieve a clean audit outcome and requires a combined effort from all role-players in the accountability ecosystem. Maintaining the clean audit outcome requires continued focus on financial management, performance management and compliance, while also ensuring that service delivery is placed at the forefront.
- At GMT this also includes ensuring that its fleet of vehicles are maintained to a level where the users thereof can trust in their reliability, while balancing the funding requirements with the needs of its clients in a cost-effective manner. GMT has managed to do so effectively in the past and is commended for continuing to do so, while improving its information technology systems and environment.

Financial management

During the financial year under review, GMT spent R654.998 million of an appropriated budget of R736.491 million, which resulted in an underspending of R81.494 million (88,9% budget spend). For the 2022/23 financial year, the entity spent R607.993 million of an appropriated budget of R693.114 million, which resulted in an underspending of R85.181 million (87,7% budget spend).

In addition, the total GMT estimated revenue budget of R935.834 million was over-collected by R152.657 million, which resulted in a departmental receipt of R1.088 billion.

The over- and under-collection of revenue occurred under the following categories of revenue:

- Daily and kilometre tariffs, and interest earned on finance lease receivables (R80.020 million over-collection);
- Other income (R2.007 million over-collected);
- Government grants and other subsidies received (funding received from clients for additional vehicles) (R3 000 over-collected); and
- Interest earned – accounts receivables, and cash and cash equivalents (R70.643 million over-collected).

The views and resolutions of the Committee, the response, and the current status are presented in the table below.

8.2. Resolution/s

BACKGROUND/ CONCERNS	RESOLUTIONS	ACTION/ BRIEFING DATE
5. PAC Transversal Resolutions to all stakeholders:	5.1 Payments of invoices after 30 days: That the departments and entities provide detailed information (footnotes) when presenting their 30-day payments in their annual reports on how many days after the receipt of the invoice/s the department and/ or entity paid such invoice; including providing reasons for the payments after 30 days.	GMT confirmed that the entity does not have any 30-day payments that should be disclosed with footnotes in the Annual Report.
Page: 78 of the Annual Report Description: The Committee notes the key risks that were considered and addressed during the year by the Entity; including the new strategic risks and the strategic risks for the department that were identified during a strategic risk workshop.	22.3.1 That the Entity briefs the Committee on the potential impact that the strategic risks that were identified could have on it and its future audit and operational outcomes.	Briefing was tabled at PAC engagement with GMT on 08/08/2025

8.3. List of information required

	LIST OF INFORMATION REQUESTED	RESPONSE
22.4.1	The Committee requests that the entity furnish it with the following information by 31 March 2025: 22.4.1.1. A report on the Freight Rail Strategy, as referenced by the HOD on discussions of optimising freight systems, as indicated on page 78 of the Annual Report. 22.4.1.2. A Report on why the entity has not developed and implemented a preferential procurement policy; and the manner in which the public-private partnerships (PPPs) legislation, which the Entity conforms to, differs from a preferential procurement policy; as indicated on page 93 of the Annual Report. The Report should also highlight the successes and challenges of the PPP legislation. 22.4.1.3. A Report which includes detailed incident reports, contractual obligations and responsibilities, investigation progress and findings, financial impact analysis and compliance and disclosure considerations as highlighted under Note 33.1.5 on page 211 of the Annual Report. 22.4.1.4. A Report that highlights the succession plan for the Department in respect of the outgoing HOD; including the risk that the exit of the HOD may have on the Department.	31/03/2025

9 Prior modifications to Audit Reports

NATURE OF QUALIFICATION, DISCLAIMER, ADVERSE OPINION AND MATTERS OF NON-COMPLIANCE	FINANCIAL YEAR IN WHICH IT FIRST AROSE	PROGRESS MADE IN CLEARING/ RESOLVING THE MATTER*
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There were no modifications to the Audit Reports.

10 Internal Control units

ISSUES	WORK PERFORMED
Internal control commentary	Provided comments on the following documents: <ul style="list-style-type: none"> Quarterly Ethics Report to ERMCO; Annual review of Financial Disclosures – Ethics Committee function; Ethics Campaign Plan (Communication Plan) endorsed by the AHOD on 31 March 2025. Finance Instructions issued during 2024/2025.
Financial delegations	PFMA Accounting Officer's Delegations was re-issued in totality for WCMD during the 2024/25 financial year in terms of a consolidated Delegation Document, which includes new specific GMT items.
The development, review, and amendment of standard operating procedures and policies to enhance financial governance	<ul style="list-style-type: none"> FI 05 of 2024 AFS 2023–2024 FI 06 of 2024 Annual Revision of Subsistence and Camping Allowance FI 28 of 2024 ERMCO TOR 2024–2025 FI 30 of 2024 WCMD PFMA AO Delegations FI 01 of 2025 Gift Policy - Declaration and Acceptance of gifts by officials FI 03 of 2025 Financial inputs with regard to Annual Financial Statements FI 04 of 2025 Debt Policy FI 05 of 2025 Annual Revision of Subsistence and Camping Allowance FI 06 of 2025 Entertainment Expenditure FI 07 of 2025 Adjustment of Overtime Threshold FI 08 of 2025 Tariff Approval: Process and Required Information FI 09 of 2025 Authorisation of Overtime FI 10 of 2025 Personal Use (Non-Official) of Department's Account/Name at Travel Agencies FI 11 of 2025 Appointment of Former AGSA Key Audit Team Members FI 12 of 2025 Adjustment of Danger Allowances FI 13 of 2025 Adjustment of the Allowances and Tariffs for the Calculation and Application of Allowances and Benefits FI 14 of 2025 Standard Operating Procedure Related to the Forensic Investigation Process FI 15 of 2025 Attendance of External Conferences, Events or Study Tours FI 16 of 2025 Newspaper Subscriptions FI 17 of 2025 Tabling of Statutory Publications and Alignment of Reports in terms of the Public Accounts Committee (PAC) Resolutions FI 18 of 2025 Management and Treatment of Internal Audit Reports FI 19 of 2025 Internal Audit Charter FI 20 of 2025 Western Cape Government Anti-Fraud and Corruption Strategy 2022 FI 21 of 2025 Fraud and Corruption Prevention & Response Plan (FCPP & RP) 2025-28 WCMD FI 22 of 2025 WCG Whistle Blowing Policy FI 23 of 2025 Departmental Fraud and Corruption Prevention Implementation Plan 202526–202728 FI 24 of 2025 Acceptance of Gifts, Donations and Sponsorships by the Department FI 26 of 2025 Acquisition of ERP type systems FI 27 of 2025 Year-end functions, Team Building and Corporate Branded Items FI 28 of 2025 Granting of Gifts, Donations and Sponsorships by the Department FI 29 of 2025 Standard Operating Procedure Distribution of Salary Advices, Payrolls and Certification of the Latter FI 30 of 2025 Payment Stubs, Document Control Report and System Password Control FI 31 of 2025 Standard Operating Procedure in respect of strongboxes/safes FI 32 of 2025 PFMA s45 Awareness Brochure FI 33 of 2025 Standard Operating Procedure with regard to Management of Losses and Claims
Provincial Forensic Services reports	Attended to investigation requests of the 3 reports received. 1 Investigation finalised and 2 investigations still in progress
External audit process	To ensure continuity with the prior year audit outcome, essential preparation work was performed prior to the commencement of the new audit cycle in January 2025.
Internal audit process	<ul style="list-style-type: none"> As at 31 March 2025, 4 new and 1 follow-up report were received. Implementation of the recommendations was managed through the Departmental Corporate Governance Improvement Plan (DCGIP).

ISSUES	WORK PERFORMED	
Retention of financial information	<ul style="list-style-type: none"> During the 2024–2025 financial year, 5 536 BAS payment vouchers, 2 364 BAS journals and 8 618 receipts were verified against the monthly document control reports to ensure completeness and safeguarding of financial information. <p>Financial information is safeguarded electronically via 'MyContent'.</p>	
Reporting	<p>Reporting done under the administration of the WCMD:</p> <ul style="list-style-type: none"> Public Accounts Committee (Resolutions); Public Service Commission (Financial Misconduct); Department of Public Service and Administration (Corruption and Fraud); Top Management (Departmental Corporate Governance Improvement Plan); Audit Committee (Departmental Corporate Governance Improvement Plan); Top Management (Irregular, Fruitless and Wasteful Expenditure); Audit Committee (Irregular, Fruitless and Wasteful Expenditure); ERMCO (Fraud Prevention Strategy Implementation Plan and Fraud Risk Registers); and IYM (in-year monitoring) (Irregular, Fruitless and Wasteful Expenditure). 	<p>Annually Quarterly Quarterly Monthly Quarterly Monthly Quarterly Quarterly Monthly</p>
	<p>Reporting done by GMT:</p> <ul style="list-style-type: none"> In-year monitoring (Top Management); Interim Financial Statements (Top Management, Audit Committee and Provincial Treasury); Annual Financial Statements (Top Management, Audit Committee, AGSA and Provincial Treasury); and Quarterly Performance Reports. 	<p>Monthly Annually Annually Quarterly</p>
Departmental Corporate Governance Improvement Plan	<p>The DCGIP was updated with findings from the AGSA Management report, Internal Audit reports, Provincial Treasury GAP (Gap Analysis Project) analysis, Provincial Forensic Services reports and PAC resolutions.</p> <p>At year-end, three projects in this regard were monitored.</p>	
Financial Manual on the Electronic Content Management system	<p>Maintenance of the system and loading of governance documents on an ongoing basis.</p>	
Financial Inspections	<ul style="list-style-type: none"> 14 compliance inspections and 0 ad-hoc inspections were conducted; 1 055 BAS payment vouchers were post-audited; and As part of the Inspectorate's Operational Plan, the accruals for the financial year are verified for validity, accuracy and completeness prior to submission into the Annual Financial Statements by inspection of all LOGIS (Logistical Information System) and BAS payments in the months before and after year-end to ensure the amount is fairly stated. 	
Loss-control case files: Cases relate to, damages to government motor vehicles and loss of moveable assets	<ul style="list-style-type: none"> 2 529 crashes and losses cases processed. 	
Irregular, fruitless and wasteful case files	<p>WCMD:</p> <ul style="list-style-type: none"> Opening balance 1 April 2024 (0) New cases registered (0) Total cases investigated (0) Cases closed (0) Balance as at 31 March 2025 (0) 	

11 Internal Audit and Audit Committees

Internal Audit function

- **Purpose and mandate:** The IAF strengthens the WCG's ability to create, protect and sustain value by providing management and ultimately the Audit Committee with independent, risk-based, and objective assurance, advice, insight and foresight.

Its mandate is derived from the PFMA, section 38, read in conjunction with NTR 3.2.

- **Vision and strategy:** The Strategy for the IAF is aligned to the Strategic Framework of the Department of the Premier, which can be summarised as "Guide, Enable, Direct". The IAF's strategy, aligned to the Strategy of the Branch: Corporate Assurance, for the new 5-year term is "*Transformed governance through proactive, agile and innovative assurance and advisory services anticipating needs of client departments and value to residents*".
- **Charter, methodology and internal audit plans:** The IAF operates in line with a charter, aligned to the legislative prescripts and the International Professional Practices Framework (IPPF). The charter is reviewed every second year and the most recent review was approved by the Governance, Innovation and Culture Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, in December 2024. The IAF has an approved methodology that aligns to the charter and sets out the detail relating to the responsibilities of the IAF as per the IAF Charter and other relevant guidance.

The rolling three-year strategic internal audit plan and annual plan for the first year of the rolling three-year strategic plan for Government Motor Transport were reviewed and approved by the Jobs Cluster Audit Committee on 05 April 2024.

- **Independence and objectivity:** To provide for the independence of the IAF, its personnel report to the Chief Audit Executive (CAE), who reports functionally to the three Cluster Audit Committees of WCG, directly to the Accounting Officer on internal audit activities for the organisation and administratively to the DDG: Corporate Assurance in the Department of the Premier. The CAE has confirmed the independence of the IAF for the reporting period to the Governance, Innovation and Culture Cluster Audit Committee (when dealing with transversal responsibilities) on 29 November 2024. All staff members of the IAF annually confirmed their objectivity through a declaration of compliance to the Institute of Internal Auditors' Code of Ethics, as well as on an assignment level.
- **Modality:** The WCG IAF is a fully in-sourced function.
- **Staffing:** The approved establishment of the total IAF is 81 staff members and 43 of these posts are currently funded. Each department has a dedicated team, and there are no funded vacancies in the team responsible for the Western Cape Mobility Department and the Entity. The current skills and competencies of the IAF staff are appropriate and a well-informed training and development programme is in place.
- **Quality Assurance and Improvement Program (QAIP):** A QAIP is in place and reporting on the implementation of this takes place at the Governance, Innovation and Culture Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, on a biannual basis. The last external assessment was concluded in November 2024 and a "Generally Conform" rating was obtained. The issues arising from this are tracked and form part of the QAIP reporting to the Governance, Innovation and Culture Cluster Audit Committee.
- **Stakeholder Relationships:** Good relationships are maintained with the senior and executive management team of the Entity, and if there are any challenges, they are discussed, and interventions devised with the responsible representative. In driving Combined Assurance within the WCG, ongoing relationships are maintained with the Internal Control Unit in the Western Cape Mobility Department and the relevant AGSA Audit team.

- **Summary of work done by the IAF during the reporting period:**
 - The approved Internal Audit plan for the Entity had 1 assurance engagement (refer to the Audit Committee report for the detail). The engagement planned was completed.
 - There were no roll-overs, no ad-hoc projects and no limitations that impeded the work of the IAF.
 - 1 action was due for implementation within this reporting period and it was implemented. There were no actions to implement in previous year.
 - The outcome of the GMT Fuel Management engagement enhanced the fuel management process in terms of preventative and detective controls implemented by management to prevent possible fraudulent transactions.

12 Audit Committee Report

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

Audit Committee reflections for 2024/25

- **Purpose and mandate:** The Jobs Cluster Audit Committee is constituted as a statutory committee of Government Motor Transport to fulfil its statutory duties in terms of section 77 of the PFMA, Regulation 3.1 of the NTR and the duties assigned to it in terms of its Terms of Reference. The latest Terms of Reference for WCG Audit Committees was consulted with the Provincial Top Management and approved by Cabinet on 19 February 2025.
- **Independence:** The Jobs Cluster Audit Committee is totally independent from the organisation. Any conflict or perceived conflict of interest is declared and dealt with accordingly in every meeting. An overall annual declaration process is also administered where all conflicts or perceived conflicts are followed-up with the relevant member.
- **Protecting the independence of the IAF:** The Chairperson of the Jobs Cluster Audit Committee attended the meeting of the Governance, Innovation and Culture Cluster Audit Committee where it discharged its transversal responsibilities. On 29 November 2024, during this meeting, the G, I & C Cluster Audit Committee reviewed the organisational positioning of the IAF and the independence declaration of the CAE. It was not necessary for the Jobs Cluster Audit Committee to intervene in any situation impacting the independence of the IAF during this reporting period.
- **Performance against statutory duties:** The Jobs Cluster Audit Committee is satisfied that it fulfilled its responsibilities as set out in the PFMA, Treasury Regulations, IPPF and the approved Audit Committee Terms of Reference.
- **Composition of the Audit Committee:** For this reporting period, the Jobs Cluster Audit Committee had six members and an appropriate mix of skills required to execute its responsibilities. All members were external members. Refer to table for details on membership.
- **Meeting attendance:** The Jobs Cluster Audit Committee convened seven times during the period under review. All meetings were ordinary meetings, and no special meetings were required. Refer to table for details on meeting attendance.
- **Resolution of Audit Committee recommendations:** The Jobs Cluster Audit Committee is satisfied that its recommendations to Government Motor Transport received the necessary attention.
- **Audit Committee performance evaluation:** Annual 360-degree assessments on audit committee performance are conducted. The Jobs Cluster Audit Committee received a report containing the results of the annual assessment process and during a meeting of all the Cluster Audit Committee chairpersons, an approach was agreed on how to deal with the issues identified.

Audit Committee Composition and Attendance

The table below discloses relevant information on the audit committee members:

Table 16: Audit Committee members

NAME AND SURNAME	QUALIFICATIONS	PROFESSIONAL AFFILIATION	TERM OF OFFICE		NO. OF MEETINGS ATTENDED	DECLARED PRIVATE AND BUSINESS INTERESTS IN EVERY MEETING	EMPLOYED BY AN ORGAN OF STATE	NO. OF OTHER MEMBER SERVED ON DURING REPORTING PERIOD	NO. OF OTHER GOVERNANCE STRUCTURES MEMBER SERVED ON DURING REPORTING PERIOD
			START DATE	END DATE					
Mr Comfort Bunting (Chairperson)	ND: Internal Auditing MBA	Chartered Institute of Procurement & Supply	01 January 2022	31 March 2025	7	Yes	Yes	1	4
Ms Annelise Cilliers	CA (SA)	South African Institute of Chartered Accountants	01 January 2022	31 March 2025	7	Yes	No	2	1
Ms Louise Stevens	ND: Fin Info Systems CIA, CCSA, CRMA, PEGA	Institute of Internal Auditors	01 January 2022	31 March 2025	7	Yes	No	1	1
Mr Andrew Davids	B Com; Professional Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CS)	Chartered Governance Institute of Southern Africa South African Institute of Business Accountants	01 January 2023	31 March 2026	7	Yes	No	1	2
Mr Ebrahim Abrahams	BCom (Accounting)	Institute of Accounting and Commerce	01 January 2022	31 March 2025	6	Yes	No	2	-
Mr Sazi Ndwandwa	BCom; BCom Honours; CA (SA); MPhil	South African Institute of Chartered Accountants Institute of Directors South Africa Black Management Forum Association for the Advancement of Black Accountants of Southern Africa	01 January 2023	14 May 2024 (Resigned)	1	Yes	No	-	1

Remuneration of Audit Committee members

Audit Committee remuneration: The WCG Audit Committees are remunerated at an approved hourly rate based on the SAICA rate, and only for attendance of meetings. Chairpersons received R2 835 per hour and members R2 126 per hour. The total expenditure relating to all three WCG Audit Committees was R3.118m for the reporting period, accounted for in the Department of the Premier. Audit Committee members working at an organ of state did not receive any remuneration when serving on a WCG Audit Committee.

Audit Committee focus areas

- **Effectiveness of internal control system and Combined Assurance**

The Entity is required to develop and maintain systems of internal control that would improve the likelihood of achieving its objectives, to adapt to changes in the environment it operates in and to promote efficiency and effectiveness of operations, supports reliable reporting and compliance with laws and regulations. The WCG adopted a Combined Assurance Framework which identifies and integrates assurance providers. The first level of assurance is management assurance, requiring of line management to maintain effective internal controls and execute those procedures on a day-to-day basis by means of supervisory controls and taking remedial action where required. The second level of assurance is internal assurance provided by functions separate from direct line management, entrusted with assessing adherence to policies, procedures, norms, standards and frameworks. The third level of assurance is independent assurance providers that are guided by professional standards requiring the highest levels of independence.

A risk-based Combined Assurance Plan was developed for the Western Cape Mobility Department including the Entity, facilitated by Internal Audit, who is also an independent assurance provider. Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

The Audit Committee has reviewed the effectiveness of the internal control system and combined assurance and is satisfied that it has fulfilled its responsibilities in terms of its mandate.

- **Effectiveness of the internal audit function**

The Audit Committee monitored and reviewed the effectiveness of the internal audit function, including its compliance with the International Professional Practices Framework (IPPF). Such monitoring and review were conducted through the Quality Assurance and Improvement Programme, with results presented to the Audit Committee on a bi-annual basis.

- **Activities of the internal audit function**

The following internal audit engagement was approved by the Audit Committee and completed by Internal Audit during the year under review:

- **Assurance engagement**

- o GMT Fuel Management

The areas for improvement, as noted by Internal Audit during performance of their work, were agreed to by management. The Audit Committee monitors the implementation of the agreed actions on a quarterly basis.

- **Effectiveness of risk management**

The AC has reviewed the risk management of the department and is satisfied that the Audit Committee has fulfilled its duties in accordance with its mandate.

- **Adequacy, reliability and accuracy of the financial and performance information**

The AC has reviewed the financial and performance information of the department and is satisfied that the Audit Committee has fulfilled its duties in accordance with its mandate.

- **Accounting and auditing concerns identified as a result of internal and external audits**

The audit committee has not identified any accounting and auditing concerns other than that reported in the AGSA report and the annual financial statements.

- **Evaluation of annual financial statements**

The Audit Committee has:

- reviewed the Audited Annual Financial statements to be included in the Annual Report
- reviewed the AGSA's Management Report and Management response thereto; and
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements

- **External audit and Auditor-General's report**

The Audit Committee has, on a quarterly basis, reviewed the Department's implementation plan for audit issues raised in the prior year. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

- **Any other issues/matters not covered above**

None.



MR PIETER STRAUSS
CHAIRPERSON OF THE JOBS CLUSTER AUDIT COMMITTEE
WESTERN CAPE MOBILITY DEPARTMENT
DATE: 8 August 2025

13. B-BBEE compliance performance information

The table below has been completed to comply with the B-BBEE requirements of the B-BBEE Act of 2013 as determined by the Department of Trade, Industry and Competition.

HAS THE TRADING ENTITY APPLIED ANY RELEVANT CODE OF GOOD PRACTICE (B-BBEE CERTIFICATE LEVELS 1–8) WITH REGARDS TO THE FOLLOWING:		
CRITERIA	RESPONSE YES/NO	ATTACHMENT
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	Yes	When EPS, limited bid or open bid processes are applied.
Developing and implementing a preferential procurement policy	n/a	The Department (including GMT) conforms to the national PPP legislation.
Determining qualification criteria for the sale of state-owned enterprises	Yes	When EPS, limited bid or open bid processes are applied.
Developing criteria for entering into partnerships with the private sector	Yes	When EPS, limited bid or open bid processes are applied.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment	Yes	When EPS, limited bid or open bid processes are applied.

Approved by:

**Hamida
Fakira**

Digitally signed by
Hamida Fakira
Date: 2025.09.02
13:46:40 +02'00'

**HAMIDA FAKIRA
ACCOUNTING OFFICER
WESTERN CAPE MOBILITY DEPARTMENT
DATE: 2 SEPTEMBER 2025**

Part D

HUMAN RESOURCE MANAGEMENT



Human resource management

1 Introduction

People remain at the core of an effective and accountable public service. This section explains how Government Motor Transport (GMT), a trading entity under the Department of Mobility, managed, developed and supported its workforce during the 2024/25 financial year. It highlights key workforce indicators, demonstrating progress as well as areas requiring continued focus.

This reporting period was marked by ongoing fiscal pressures, operational challenges and a rapidly evolving world of work. Issues such as retaining skilled staff, succession planning and improving representation remained at the core of the people management agenda. At the same time, greater emphasis was placed on using workforce information, digital tools and strategic planning to develop more integrated and sustainable solutions. The Department's approach has remained focused on strengthening organisational capability while operating within resource constraints.

This section provides a high-level overview of trends and developments, including workforce movements, recruitment activity, performance outcomes and transformation indicators. It is intended to give a clear picture of GMT's human capital and to inform future planning across the Western Cape Government.

2 Status of people management at the Department

2.1. Departmental workforce planning priorities

Workforce planning ensures that GMT has the right number of people, with the necessary skills and knowledge, to deliver on its mandate. Each year, GMT reviews its workforce profile against current and anticipated needs.

The current Workforce Plan (2023–2026), aligned to the Department of Mobility's Strategic Plan, remains valid.

Its assumptions have been tested and its Action Plan reviewed to confirm that strategies remain appropriate to achieve planned outcomes. These priorities include:

- Implementing values based and competency based recruitment practices, including the potential use of an online application and screening system to attract candidates who are both future ready and aligned to organisational culture;
- Broadening the talent pool to increase diversity;
- Providing learning and development opportunities to build emerging and critical skills – such as technical, behavioural and Fourth Industrial Revolution competencies – that are essential for a future fit organisation;
- Prioritising training that addresses departmental critical skills, career development plans and transversal competencies by salary band;
- Developing and implementing a Future Fit Skills Strategy to prepare for new organisational demands;
- Strengthening youth development programmes and internships to create sustainable talent pipelines;
- Reconfiguring the Provincial Training Institute into a provincial learning and innovation centre;
- Applying employment equity priorities to guide recruitment and selection decisions;
- Providing employee health and wellness initiatives to support staff wellbeing; and
- Advancing the transition to a new Western Cape Government citizen-centred culture and modern way of working.

2.2. Employee performance management

The purpose of performance management is to increase performance by encouraging individual commitment, accountability and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the WCG has devised an electronic system, namely the Performance Management Information System, that allows for the entire performance management process to be captured, monitored and managed.

The performance management process requires that a mid-year review and an annual assessment is conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within the Department of the Premier (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental. However, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or, alternatively, to disciplinary action.

2.3. Employee wellness

The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services.

The EHW Programme is monitored in GMT through monthly utilisation reports for primary services, which include a 24 hour telephonic counselling service and online support; while secondary services include face to face counselling, trauma and crisis interventions, executive coaching, targeted training and advocacy initiatives.

Monthly utilisation reports are monitored within GMT and a quarterly analysis is prepared by the Department of the Premier's Transversal People Capacity Enablement Directorate. These reports help identify risks and assess the impact of health and wellness trends on productivity. Ongoing national reporting requirements also focus on four specific areas:

- Human Immunodeficiency Virus (HIV) and Acquired Immunodeficiency Syndrome (AIDS);
- Health and productivity;
- Wellness management; and
- Safety, health, environment, risk and quality management.

2.4. People management monitoring

In collaboration with the Department of the Premier, GMT monitors a comprehensive set of workforce indicators. These include the staff establishment, headcount, expenditure projections, sick leave patterns, the monetary value of annual leave credits, discipline cases, vacancy rates, staff movement and employment equity progress.

Monthly management information reports provide a consistent overview of these indicators to inform decision making and ensure compliance with provincial people management standards.

3 People management oversight statistics

3.1. Personnel-related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2).

The figures in Table 3.1.1 are drawn from the Basic Accounting System and the figures in Table 3.1.2 are drawn from the PERSAL [Personnel Salary] system. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the total expenditure reflected on these systems.

ENTITY ABBREVIATION	ENTITY DESIGNATION
Trading entity	Government Motor Transport (GMT)

Table 3.1.1: Personnel expenditure by programme, 2024/25

PROGRAMME	TOTAL EXPENDITURE (R'000)	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	GOODS & SERVICES (R'000)	PERSONNEL EXPENDITURE AS A % OF TOTAL EXPENDITURE	AVERAGE PERSONNEL EXPENDITURE PER EMPLOYEE (R'000)	NUMBER OF EMPLOYEES REMUNERATED
GMT	699 734	57 969	6	641 759	8,3	423	137

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Provincial Minister. The number is accumulative and not a snapshot as at a specific date.

Table 3.1.2: Personnel expenditure by salary band, 2024/25

SALARY BAND	PERSONNEL EXPENDITURE (R'000)	% OF TOTAL PERSONNEL EXPENDITURE	AVERAGE PERSONNEL EXPENDITURE PER EMPLOYEE (R'000)	NUMBER OF EMPLOYEES
Interns	303	0,5	61	5
Lower skilled (Levels 1-2)	3 592	6,3	211	17
Skilled (Levels 3-5)	14 210	24,8	331	43
Highly skilled production (Levels 6-8)	29 584	51,6	485	61
Highly skilled supervision (Levels 9-12)	6 219	10,8	777	8
Senior management (Levels 13-16)	3 423	6,0	1 141	3
TOTAL	57 331	100,0	419	137

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Provincial Minister. The number is accumulative and not a snapshot as at a specific date.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. These tables do not make provision for other expenditure such as pensions, performance bonus and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by entity, 2024/25

ENTITY	SALARIES		OVERTIME		HOUSING ALLOWANCE		MEDICAL ASSISTANCE	
	AMOUNT (R'000)	SALARIES AS A % OF PERSONNEL EXPENDITURE	AMOUNT (R'000)	OVERTIME AS A % OF PERSONNEL EXPENDITURE	AMOUNT (R'000)	HOUSING ALLOWANCE AS A % OF PERSONNEL EXPENDITURE	AMOUNT (R'000)	MEDICAL ASSISTANCE AS A % OF PERSONNEL EXPENDITURE
GMT	40 125	70,0	191	0,3	2 173	3,8	4 784	8,3

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. salaries, overtime, housing and medical assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary band, 2024/25

SALARY BAND	SALARIES		OVERTIME		HOUSING ALLOWANCE		MEDICAL ASSISTANCE	
	AMOUNT (R'000)	SALARIES AS A % OF PERSONNEL EXPENDITURE	AMOUNT (R'000)	OVERTIME AS A % OF PERSONNEL EXPENDITURE	AMOUNT (R'000)	HOUSING ALLOWANCE AS A % OF PERSONNEL EXPENDITURE	AMOUNT (R'000)	MEDICAL ASSISTANCE AS A % OF PERSONNEL EXPENDITURE
Interns	303	0,5	-	-	-	-	-	-
Lower skilled (Levels 1-2)	2 057	3,6	46	0,1	269	0,5	731	1,3
Skilled (Levels 3-5)	9 662	16,9	46	0,1	757	1,3	1 635	2,9
Highly skilled production (Levels 6-8)	21 429	37,4	100	0,2	1 075	1,9	2 206	3,8
Highly skilled supervision (Levels 9-12)	4 476	7,8	-	-	72	0,1	197	0,3
Senior management (Levels 13-16)	2 198	3,8	-	-	-	-	15	0,0
TOTAL	40 125	70,0	191	0,3	2 173	3,8	4 784	8,3

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. salaries, overtime, housing and medical assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

3.2. Employment and vacancies

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Provincial Minister), and the percentage of active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), salary band (Table 3.2.2) and critical occupation (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

Table 3.2.1: Employment and vacancies by entity, as at 31 March 2025

ENTITY	NUMBER OF ACTIVE POSTS	NUMBER OF POSTS FILLED	VACANCY RATE %
GMT	169	128	24,3

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2025

SALARY BAND	NUMBER OF ACTIVE POSTS	NUMBER OF POSTS FILLED	VACANCY RATE %
Lower skilled (Levels 1-2)	22	19	13,6
Skilled (Levels 3-5)	72	49	31,9
Highly skilled production (Levels 6-8)	58	50	13,8
Highly skilled supervision (Levels 9-12)	14	8	42,9
Senior management (Levels 13-16)	3	2	33,3
TOTAL	169	128	24,3

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2025

CRITICAL OCCUPATIONS	NUMBER OF ACTIVE POSTS	NUMBER OF POSTS FILLED	VACANCY RATE %
None			

3.3. Job evaluation

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in their organisations or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that job evaluation and staff performance management differ in the sense that job evaluation refers to the value/weighting of the activities that are associated with the post, and staff performance management refers to the review of an individual's performance.

Table 3.3.1: Job evaluation, 1 April 2024 to 31 March 2025

SALARY BAND	TOTAL NUMBER OF ACTIVE POSTS AS AT 31 MARCH 2025	NUMBER OF POSTS EVALUATED	% OF POSTS EVALUATED	POSTS UPGRADED		POSTS DOWNGRADED	
				NUMBER	POSTS UPGRADED AS A % OF TOTAL POSTS	NUMBER	POSTS DOWNGRADED AS A % OF TOTAL POSTS
None							

Note: The "Number of posts evaluated" per salary band reflects the final approved post level after job evaluation.

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2024 to 31 March 2025

BENEFICIARIES	AFRICAN	COLOURED	INDIAN	WHITE	TOTAL
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None

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches were awarded to employees within a particular salary level. Each salary level consists of 12 notches. Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2024 to 31 March 2025

MAJOR OCCUPATION	NUMBER OF EMPLOYEES	JOB EVALUATION LEVEL	REMUNERATION ON A HIGHER SALARY LEVEL	REMUNERATION ON A HIGHER NOTCH OF THE SAME SALARY LEVEL	REASON FOR DEVIATION
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None

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2024 to 31 March 2025

BENEFICIARIES	AFRICAN	COLOURED	INDIAN	WHITE	TOTAL
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None

3.4. Employment changes

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include information related to interns.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2024 to 31 March 2025

SALARY BAND	NUMBER OF EMPLOYEES AS AT 31 MARCH 2024	TURNOVER RATE % 2023/24	APPOINTMENTS INTO THE DEPARTMENT	TRANSFERS INTO THE DEPARTEMENT	TERMINATIONS OUT OF THE DEPARTEMENT	TRANSFERS OUT OF THE DEPARTEMENT	TURNOVER RATE % 2024/25
Lower skilled (Levels 1-2)	21	4,5	-	-	1	-	4,8
Skilled (Levels 3-5)	51	7,1	-	-	2	-	3,9
Highly skilled production (Levels 6-8)	49	9,8	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	8	12,5	-	-	-	-	-
Senior Management Service Band A (Level 13)	2	-	-	-	-	-	-
Senior Management Service Band B (Level 14)	1	-	-	-	1	-	100,0
TOTAL	132	7,9	-	-	4	-	3,0
					4		

Note: "Transfers" refers to the lateral movement of employees from one Public Service Department to another (both provincially and nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (number of employees as at 31 March 2025).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2024 to 31 March 2025

CRITICAL OCCUPATION	NUMBER OF EMPLOYEES AS AT 31 MARCH 2024	TURNOVER RATE % 2023/24	APPOINTMENTS INTO THE DEPARTMENT	TRANSFERS INTO THE DEPARTMENT	TERMINATIONS OUT OF THE DEPARTMENT	TRANSFERS OUT OF THE DEPARTMENT	TURNOVER RATE % 2024/25

None

Table 3.4.3: Staff leaving the employ of the entity, 1 April 2024 to 31 March 2025

EXIT CATEGORY	NUMBER	% OF TOTAL EXITS	NUMBER OF EXITS AS A % OF TOTAL NUMBER OF EMPLOYEES AS AT 31 MARCH 2023
Death	1	25,0	0,8
Resignation *	3	75,0	2,3
Expiry of contract	-	-	-
Dismissal – operational changes	-	-	-
Dismissal – misconduct	-	-	-
Dismissal – inefficiency	-	-	-
Discharged due to ill-health	-	-	-
Retirement	-	-	-
Employee initiated severance package	-	-	-
Transfers to Statutory Body	-	-	-
Transfers to other Public Service departments	-	-	-
Promotion to another WCG Department	-	-	-
TOTAL	4	100,0	3,0

Note: Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of GMT.

*Resignations are further discussed in Tables 3.4.4 and 3.4.5.

Table 3.4.4: Reasons why staff resigned, 1 April 2024 to 31 March 2025

RESIGNATION REASONS	NUMBER	% OF TOTAL RESIGNATIONS
Need for career change	1	33,3
No reason provided	1	33,3
Successful for a permanent position in another WCG Department	1	33,3
TOTAL	3	100,0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2024 to 31 March 2025

AGE GROUP	NUMBER	% OF TOTAL RESIGNATIONS
Ages <19	-	-
Ages 20 to 24	-	-
Ages 25 to 29	-	-
Ages 30 to 34	-	-
Ages 35 to 39	2	66,7
Ages 40 to 44	-	-
Ages 45 to 49	-	-
Ages 50 to 54	-	-
Ages 55 to 59	1	33,3
Ages 60 to 64	-	-
Ages 65 >	-	-
TOTAL	3	100,0

Table 3.4.6: Employee-initiated severance packages

TOTAL NUMBER OF EMPLOYEE-INITIATED SEVERANCE PACKAGES OFFERED IN 2024/25	NONE
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Table 3.4.7: Promotions by salary band, 1 April 2024 to 31 March 2025

SALARY BAND	EMPLOYEES AS AT 31 MARCH 2024	PROMOTIONS TO ANOTHER SALARY LEVEL	PROMOTIONS AS A % OF TOTAL EMPLOYEES	PROGRESSIONS TO ANOTHER NOTCH WITHIN A SALARY BAND	NOTCH PROGRESSIONS AS A % OF TOTAL EMPLOYEES WITHIN A SALARY BAND
Lower skilled (Levels 1-2)	21	-	-	5	23,8
Skilled (Levels 3-5)	51	-	-	27	52,9
Highly skilled production (Levels 6-8)	49	1	2,0	28	57,1
Highly skilled supervision (Levels 9-12)	8	3	37,5	4	50,0
Senior management (Levels 13-16)	3	-	-	2	66,7
TOTAL	132	4	3,0	66	50,0

Note: Promotions refer to the total number of employees who have advanced to a higher post level within GMT by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

Table 3.4.8: Promotions by critical occupation, 1 April 2024 to 31 March 2025

CRITICAL OCCUPATION	EMPLOYEES AS AT 31 MARCH 2024	PROMOTIONS TO ANOTHER SALARY LEVEL	PROMOTIONS AS A % OF TOTAL EMPLOYEES IN CRITICAL OCCUPATIONS	PROGRESSIONS TO ANOTHER NOTCH WITHIN A CRITICAL OCCUPATION	NOTCH PROGRESSIONS AS A % OF TOTAL EMPLOYEES WITHIN A CRITICAL OCCUPATION
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None

3.5. Employment equity

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2025

OCCUPATIONAL LEVEL	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Senior management (Levels 13-14)	-	-	-	2	-	-	-	-	-	-	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	2	-	2	-	3	-	-	-	-	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	3	23	-	8	8	21	-	2	-	-	65
Semi-skilled and discretionary decision making (Levels 3-5)	2	10	-	2	10	14	-	1	-	-	39
Unskilled and defined decision making (Levels 1-2)	5	8	-	-	-	1	-	-	-	-	14
TOTAL	11	43	-	14	18	39	-	3	-	-	128
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL	11	43	-	14	18	39	-	3	-	-	128

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

For the number of employees with disabilities, refer to **Table 3.5.2**.

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2025

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Senior management (Levels 13-14)	-	-	-	1	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	-	-	-	-	-	-	-	-	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	-	1	-	2	-	-	-	-	-	-	3
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	1	-	3	-	-	-	-	-	-	4
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL	-	1	-	3	-	-	-	-	-	-	4

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational level include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

Table 3.5.3: Recruitment, 1 April 2024 to 31 March 2025

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
	-	-	-	-	-	1	-	-	-	-	1
TOTAL	-	-	-	-	-	1	-	-	-	-	1

A = African; C = Coloured; I = Indian; W = White.

Note: Recruitment refers to the appointment of new employees to the staff establishment of GMT but excludes interns. The totals include transfers from other government departments and/or institutions, as per **Table 3.4.1**.

Table 3.5.4: Promotions, 1 April 2024 to 31 March 2025

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Senior management (Levels 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	-	1	-	2	-	-	-	-	-	-	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	-	-	-	-	-	1	-	-	-	-	1
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	1	-	2	-	1	-	-	-	-	4
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL	-	1	-	2	-	1	-	-	-	-	4

A = African; C = Coloured; I = Indian; W = White.

Note: Promotions refer to the total number of employees who have advanced to a higher post level within GMT, by applying and being successful for an advertised post, through the recruitment and selection process as per **Table 3.4.7**.

Table 3.5.5: Terminations, 1 April 2024 to 31 March 2025

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Senior management (Levels 13-14)	-	1	-	-	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	-	-	-	-	-	-	-	-	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	-	-	-	-	-	-	-	-	-	-	-
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	1	1	-	-	-	-	2
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	1	-	-	-	-	-	1
TOTAL	-	1	-	-	2	1	-	-	-	-	4
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL	-	1	-	-	2	1	-	-	-	-	4

A = African; C = Coloured; I = Indian; W = White.

Note: Terminations refer to those employees (excluding interns) who have left the employ of GMT, including transfers to other departments, as per **Table 3.4.1**.

Table 3.5.6: Disciplinary actions, 1 April 2024 to 31 March 2025

DISCIPLINARY ACTIONS	MALE				FEMALE			FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	

None

A = African; C = Coloured; I = Indian; W = White.

Note: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and the types of misconduct addressed at disciplinary hearings, refer to **Table 3.12.2** and **Table 3.12.3**.

Table 3.5.7: Skills development, 1 April 2024 to 31 March 2025

OCCUPATIONAL LEVEL	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Senior management (Levels 13-14)	-	1	-	1	-	-	-	-	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	2	-	1	-	3	-	-	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	3	20	-	5	5	18	-	1	52
Semi-skilled and discretionary decision making (Levels 3-5)	2	12	-	3	12	15	-	2	46
Unskilled and defined decision making (Levels 1-2)	5	8	-	1	-	1	-	-	15
TOTAL	11	43	-	11	17	37	-	3	122
Temporary employees	-	-	-	-	-	-	-	-	-
GRAND TOTAL	11	43	-	11	17	37	-	3	122

A = African; C = Coloured; I = Indian; W = White.

Note: The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to **Table 3.13.2**.

3.6. Signing of performance agreements by SMS members

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2024

SMS LEVEL	NUMBER OF ACTIVE SMS POSTS PER LEVEL	NUMBER OF SMS MEMBERS PER LEVEL	NUMBER OF SIGNED PERFORMANCE AGREEMENTS PER LEVEL	SIGNED PERFORMANCE AGREEMENTS AS % OF SMS MEMBERS PER LEVEL
Salary Level 14	1	1	1	100.0
Salary Level 13	2	2	2	100.0
TOTAL	3	3	3	100.0

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to **Table 3.8.5** in this regard. The number of active posts refers to posts that can either be filled in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2024

REASONS FOR NOT CONCLUDING PERFORMANCE AGREEMENTS WITH ALL SMS MEMBERS

None

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2024

DISCIPLINARY STEPS TAKEN AGAINST SMS MEMBERS FOR NOT HAVING CONCLUDED PERFORMANCE AGREEMENTS

None required

3.7. Filling of SMS posts

The tables in this section provide information on employment and vacancies as it relates to members of the SMS by salary level. They also provide information on advertising and the filling of SMS posts, reasons for not complying with prescribed timeframes, and disciplinary steps taken in cases of non-compliance.

Table 3.7.1: SMS posts information, as at 30 September 2024

SMS LEVEL	NUMBER OF ACTIVE SMS POSTS PER LEVEL	NUMBER OF SMS POSTS FILLED PER LEVEL	% OF SMS POSTS FILLED PER LEVEL	NUMBER OF SMS POSTS VACANT PER LEVEL	% OF SMS POSTS VACANT PER LEVEL
Salary Level 14	1	-	-	1	100,0
Salary Level 13	2	2	100,0	-	-
TOTAL	3	2	66,7	1	33,3

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. The number of active posts refers to posts that can either be filled in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

Table 3.7.2: SMS posts information, as at 31 March 2025

SMS LEVEL	NUMBER OF ACTIVE SMS POSTS PER LEVEL	NUMBER OF SMS POSTS FILLED PER LEVEL	% OF SMS POSTS FILLED PER LEVEL	NUMBER OF SMS POSTS VACANT PER LEVEL	% OF SMS POSTS VACANT PER LEVEL
Salary Level 14	1	-	-	1	100,0
Salary Level 13	2	2	100,0	-	-
TOTAL	3	2	66,7	1	33,3

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

Table 3.7.3: Advertising and filling of SMS posts, as at 31 March 2025

SMS LEVEL	ADVERTISING	FILLING OF POSTS	
	NUMBER OF VACANCIES PER LEVEL ADVERTISED WITHIN 6 MONTHS OF BECOMING VACANT	NUMBER OF VACANCIES PER LEVEL FILLED WITHIN 6 MONTHS AFTER BECOMING VACANT	NUMBER OF VACANCIES PER LEVEL NOT FILLED WITHIN 6 MONTHS BUT FILLED WITHIN 12 MONTHS
Salary Level 14	1	-	-
Salary Level 13	-	-	-
TOTAL	1	-	-

Table 3.7.4: Reasons for not having complied with the filling of active vacant SMS posts – advertised within 6 months and filled within 12 months after becoming vacant

SMS LEVEL	REASONS FOR NON-COMPLIANCE
	N/A

Table 3.7.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

DISCIPLINARY STEPS TAKEN FOR NOT COMPLYING WITH THE PRESCRIBED TIMEFRAMES FOR FILLING SMS POSTS
None required

3.8. Employee performance

The following tables note the number of staff by salary band (Table 3.8.1) and staff within critical occupations (Table 3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 and 4 in their performance ratings).

Table 3.8.1: Notch progressions by salary band, 1 April 2024 to 31 March 2025

SALARY BAND	EMPLOYEES AS AT 31 MARCH 2025	PROGRESSIONS TO ANOTHER NOTCH WITHIN A SALARY BAND	NOTCH PROGRESSIONS AS A % OF TOTAL EMPLOYEES WITHIN A SALARY BAND
Lower skilled (Levels 1-2)	21	5	23,8
Skilled (Levels 3-5)	51	27	52,9
Highly skilled production (Levels 6-8)	49	28	57,1
Highly skilled supervision (Levels 9-12)	8	4	50,0
Senior management (Levels 13-16)	3	2	66,7
TOTAL	132	66	50,0

Table 3.8.2: Notch progressions by critical occupation, 1 April 2024 to 31 March 2025

CRITICAL OCCUPATION	EMPLOYEES AS AT 31 MARCH 2025	PROGRESSIONS TO ANOTHER NOTCH WITHIN A CRITICAL OCCUPATION	NOTCH PROGRESSIONS AS A % OF TOTAL EMPLOYEES WITHIN A CRITICAL OCCUPATION
None			

Note: Employees who do not qualify for notch progressions are not included.

In line with a WCG Provincial Top Management decision, approved by Cabinet, no performance rewards have been paid to employees since the 2019/20 financial year due to austerity measures implemented to address fiscal constraints. Subsequently, the DPSA issued a circular in line with the Incentive Policy Framework 2019, directing that 0.0% of departmental budgets be allocated to performance rewards from the 2022/23 financial year onwards, reinforcing the suspension of such payments. Consequently, the tables in this section reflect “none” for performance rewards.

Despite the suspension of financial rewards, employee performance assessments have continued, with 67.5% of employees rated as Fully Effective and 32.5% as Highly Effective, while 0.0% were Partially Effective and 0.0% Not Effective for the 2023/24 performance cycle, which was finalised in the 2024/25 financial year, demonstrating sustained commitment to service delivery. The WCG is actively developing a policy for non-remunerative rewards to recognise employee contributions in a manner aligned with current fiscal realities, with implementation expected in future reporting periods.

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2024 to 31 March 2025

RACE AND GENDER	BENEFICIARY PROFILE			COST	
	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES IN GROUP AS AT 31 MARCH 2025	% OF TOTAL WITHIN GROUP	COST (R'000)	AVERAGE COST PER BENEFICIARY (R)
None					

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2024 to 31 March 2025

SALARY BAND	BENEFICIARY PROFILE			COST		
	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES IN GROUP AS AT 31 MARCH 2025	% OF TOTAL WITHIN SALARY BANDS	COST (R'000)	AVERAGE COST PER BENEFICIARY (R)	COST AS A % OF THE TOTAL PERSONNEL EXPENDITURE
None						

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2024 to 31 March 2025

SALARY BAND	BENEFICIARY PROFILE			COST		
	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES IN GROUP AS AT 31 MARCH 2025	% OF TOTAL WITHIN SALARY BANDS	COST (R'000)	AVERAGE COST PER BENEFICIARY (R)	COST AS A % OF THE TOTAL PERSONNEL EXPENDITURE
None						

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2024 to 31 March 2025

CRITICAL OCCUPATION	BENEFICIARY PROFILE			COST		
	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES IN GROUP AS AT 31 MARCH 2025	% OF TOTAL WITHIN SALARY BANDS	COST (R'000)	AVERAGE COST PER BENEFICIARY (R)	COST AS A % OF TOTAL PERSONNEL EXPENDITURE
None						

3.9. Foreign workers

The tables below summarise the employment of foreign nationals in GMT in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 3.9.1: Foreign workers by salary band, 1 April 2024 to 31 March 2025

SALARY BAND	1 APRIL 2024		31 MARCH 2025		CHANGE	
	NUMBER	% OF TOTAL	NUMBER	% OF TOTAL	NUMBER	% CHANGE

None

Table 3.9.2: Foreign workers by major occupation, 1 April 2024 to 31 March 2025

MAJOR OCCUPATION	1 APRIL 2024		31 MARCH 2025		CHANGE	
	NUMBER	% OF TOTAL	NUMBER	% OF TOTAL	NUMBER	% CHANGE

None

3.10. Leave utilisation for the period 1 January 2024 to 31 December 2024

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2024 to 31 December 2024

SALARY BAND	TOTAL DAYS	% DAYS WITH MEDICAL CERTIFICATION	NUMBER OF EMPLOYEES USING SICK LEAVE	TOTAL NUMBER OF EMPLOYEES	% OF TOTAL EMPLOYEES USING SICK LEAVE	AVERAGE DAYS PER EMPLOYEE	ESTIMATED COST (R'000)
Interns	5	60,0	4	5	80,0	1	1
Lower skilled (Levels 1-2)	107	86,0	15	17	88,2	7	55
Skilled (Levels 3-5)	302	90,7	35	43	81,4	9	253
Highly skilled production (Levels 6-8)	309	79,9	46	63	73,0	7	409
Highly skilled supervision (Levels 9-12)	10	80,0	5	9	55,6	2	21
Senior management (Levels 13-16)	8	87,5	2	3	66,7	4	29
TOTAL	741	85,2	107	140	76,4	7	768

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. The three-year sick leave cycle started in January 2022 and ended in December 2024. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

Table 3.10.2: Incapacity leave, 1 January 2024 to 31 December 2024

SALARY BAND	TOTAL DAYS	% DAYS WITH MEDICAL CERTIFICATION	NUMBER OF EMPLOYEES USING INCAPACITY LEAVE	TOTAL NUMBER OF EMPLOYEES	% OF TOTAL EMPLOYEES USING INCAPACITY LEAVE	AVERAGE DAYS PER EMPLOYEE	ESTIMATED COST (R'000)
Interns	-	-	-	5	-	-	-
Lower skilled (Levels 1-2)	-	-	-	17	-	-	-
Skilled (Levels 3-5)	47	100,0	1	43	2,3	47	33
Highly skilled production (Levels 6-8)	19	100,0	1	63	1,6	19	32
Highly skilled supervision (Levels 9-12)	-	-	-	9	-	-	-
Senior management (Levels 13-16)	-	-	-	3	-	-	-
TOTAL	66	100,0	2	140	1,4	66	65

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA).

Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council (PSCBC) in 2000 requires management of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

Table 3.10.3: Annual Leave, 1 January 2024 to 31 December 2024

SALARY BAND	TOTAL DAYS TAKEN	TOTAL NUMBER EMPLOYEES USING ANNUAL LEAVE	AVERAGE NUMBER OF DAYS TAKEN PER EMPLOYEE
Interns	33	4	8
Lower skilled (Levels 1-2)	370	17	22
Skilled (Levels 3-5)	1 048	43	24
Highly skilled production (Levels 6-8)	1 402	61	23
Highly skilled supervision (Levels 9-12)	154	8	19
Senior management (Levels 13-16)	94	3	31
TOTAL	3 101	136	23

Please note there might be updated figures as there were delays with capturing leave and sick days.

Table 3.10.4: Capped leave, 1 January 2024 to 31 December 2024

SALARY BAND	TOTAL CAPPED LEAVE AVAILABLE AS AT 31 DEC 2023	TOTAL DAYS OF CAPPED LEAVE TAKEN	NUMBER OF EMPLOYEES USING CAPPED LEAVE	AVERAGE NUMBER OF DAYS TAKEN PER EMPLOYEE	NUMBER OF EMPLOYEES WITH CAPPED LEAVE AS AT 31 DEC 2024	TOTAL CAPPED LEAVE AVAILABLE AS AT 31 DEC 2024
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	217,78	-	-	-	4	217,78
Highly skilled production (Levels 6-8)	646,82	44,68	5	9	19	602,14
Highly skilled supervision (Levels 9-12)	118,00	-	-	-	2	118,00
Senior management (Levels 13-16)	24,00	-	-	-	1	24,00
TOTAL	1006,6	44,68	5	9	26	961,92

Note: *It is possible for the total number of capped leave days to increase, as employees who were promoted or transferred into the Department retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total. Furthermore, capped leave is only paid out in the event of retirement, ill-health retirement or death. Therefore capped leave forfeited due to resignation and or dismissal is not reflected in the table above.*

Table 3.10.5: Leave pay-outs, 1 April 2024 to 31 March 2025

REASON	TOTAL AMOUNT (R'000)	NUMBER OF EMPLOYEES	AVERAGE PAYMENT PER EMPLOYEE
Leave pay-outs due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay-outs on termination of service	-	-	-
Current leave pay-outs on termination of service	126	3	41 883

3.11. Health promotion programmes, including HIV and AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2024 to 31 March 2025

UNITS/CATEGORIES OF EMPLOYEES IDENTIFIED TO BE AT HIGH RISK OF CONTRACTING HIV AND RELATED DISEASES (IF ANY)	KEY STEPS TAKEN TO REDUCE THE RISK
The nature of the Department's work does not expose employees to an increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department	<p>EHW Services are rendered to all employees in need and include the following:</p> <ul style="list-style-type: none"> • 24/7/365 telephone counselling; • Face-to-face counselling (4-session model); • Trauma and critical incident counselling; • Advocacy on HIV & AIDS awareness, including online services; and • Training, coaching and targeted Interventions, as required.

Table 3.11.2: Details of health promotion including HIV & AIDS programmes, 1 April 2024 to 31 March 2025

QUESTION	YES	NO	DETAILS, IF YES
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.	√		Ms Letitia Isaacs, Director: Transversal People Capacity Enablement (Department of the Premier)
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		<p>The Department of the Premier provides a transversal service the eleven (11) provincial client departments, including GMT, under the auspices of the Department of Mobility.</p> <p>A designated EHW unit within the Directorate Transversal People Capacity Enablement and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners.</p> <p>Budget: R3.7 m.</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this programme.	√		<p>The Department of the Premier has entered into a service level agreement with Lyra Wellbeing (external service provider) to render an EHW Service to the eleven (11) provincial client departments and GMT.</p> <p>The services include: Counselling; trauma debriefing and awareness; managerial consultations; psycho-social development interventions; wellbeing information; communication and education; group therapy and reasonable accommodation.</p>
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		GMT, under the auspices of the Department of Mobility, is represented by Mr Robbie Robberts and Ms Aneeqah Benjamin.

QUESTION	YES	NO	DETAILS, IF YES
<p>5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	√		<p>The Transversal Management Framework for EHW Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province in December 2016. These policies are in the first draft of review, stakeholders have been consulted.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>Under the EHW banner, four EHW Policies were approved, which include HIV & AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health and Wellness, which is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework (2017–2026).</p> <p>During the reporting period, the transversal EHW policies, including the HIV, AIDS and TB Management Policy, have been audited by DPSA against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2022–2027), which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.</p>
<p>6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p>	√		<p>The Provincial Strategic Plan on HIV & AIDS, STIs and TB 2022–2027 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The aim is to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This includes ensuring that the Directorate Employee Relations, within the Department of the Premier, addresses complaints or grievances relating to unfair discrimination and provides training to employees. <p>The Department, including GMT, implemented one Wellness day during March 2025 and information material distributed as follows:</p> <p>Wellness Screenings (Blood pressure, Glucose, Cholesterol, TB, BMI);</p> <ul style="list-style-type: none"> • HCT Screenings; • Distributing posters and pamphlets; and • Condom distribution.
<p>7. Does the Department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.</p>	√		<p>The Department, including GMT, participated in one (1) HCT and Wellness screening session.</p> <p>63 employees were screened for noncommunicable diseases and counselled for HIV, tuberculosis and Sexually Transmitted Infections (STIs)</p>
<p>8. Has the Department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.</p>	√		<p>The EHWP is monitored through quarterly and annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics, i.e. age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individuals and the workplace.</p>

3.12. Labour relations

The following provincial collective agreements were entered into with trade unions for the period under review.

Table 3.12.1: Collective agreements, 1 April 2024 to 31 March 2025

SUBJECT MATTER	DATE
PSCBC Resolution 2 of 2024: Amendment to Resolution 1 of 2017 – Negotiations Protocol Agreement: Wage Negotiations Process	09/07/2024
PSCBC Resolution 1 of 2025: Agreement on the payment of salary adjustments and improvements of conditions of service for the financial years 2025/26, 2026/2027 and 2027/2028	17/02/2025
PSCBC Resolution 2 of 2025: Agreement on matters referred to a further process for research, investigation and negotiations in the financial year 2025/2026	17/02/2025
GPSSBC Resolution 3 of 2024: Appointment of Full-Time Shop Stewards and Release of Trade Union Office Bearers	24/05/2024

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within GMT for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2024 to 31 March 2025

OUTCOMES OF DISCIPLINARY HEARINGS	NUMBER OF CASES FINALISED	% OF TOTAL
	None	

Note: *Outcomes of disciplinary hearings refers to formal cases only.*

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2024 to 31 March 2025

TYPE OF MISCONDUCT	NUMBER	% OF TOTAL
	None	

Table 3.12.4: Grievances lodged, 1 April 2024 to 31 March 2025

GRIEVANCES LODGED	NUMBER	% OF TOTAL
	None	

Table 3.12.5: Disputes lodged with Councils, 1 April 2024 to 31 March 2025

DISPUTES LODGED WITH COUNCILS	NUMBER	% OF TOTAL
	None	

Table 3.12.6: Strike actions, 1 April 2024 to 31 March 2025

STRIKE ACTIONS	NUMBER
	None

Table 3.12.7: Precautionary suspensions, 1 April 2024 to 31 March 2025

PRECAUTIONARY SUSPENSIONS	NUMBER
	None

3.13. Skills development

This section highlights the efforts of GMT with regard to skills development. Table 3.13.1 reflect the training needs as at the beginning of the period under review, and Table 3.13.2 the actual training provided.

Table 3.13.1: Training needs identified, 1 April 2024 to 31 March 2025

OCCUPATIONAL CATEGORY	GENDER	NUMBER OF EMPLOYEES AS AT 1 APRIL 2024	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD			
			LEARNERSHIPS	SKILLS PROGRAMMES AND OTHER SHORT COURSES	OTHER FORMS OF TRAINING	TOTAL
Legislators, senior officials and managers (Salary Band 13-16)	Female	-	-	-	-	-
	Male	3	-	2	-	2
Professionals (Salary Band 9-12)	Female	3	-	3	-	3
	Male	5	-	2	-	2
Technicians and associate professionals (Salary Band 6-8)	Female	26	-	5	-	5
	Male	34	-	-	-	-
Clerks (Salary Band 3-5)	Female	31	-	31	-	31
	Male	13	-	9	-	9
Elementary occupations (Salary Band 1-2)	Female	2	-	-	-	-
	Male	14	-	1	-	1
SUB TOTAL	FEMALE	62	-	39	-	39
	MALE	69	-	14	-	14
TOTAL		131	-	53	-	53
Employees with disabilities	Female	-	-	-	-	-
	Male	4	-	4	-	4

Note: The above table identifies the training needs at the start of the reporting period as per the entity's Workplace Skills Plan.

Table 3.13.2: Training provided, 1 April 2024 to 31 March 2025

OCCUPATIONAL CATEGORY	GENDER	NUMBER OF EMPLOYEES AS AT 31 MARCH 2025	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD			
			LEARNERSHIPS	SKILLS PROGRAMMES AND OTHER SHORT COURSES	OTHER FORMS OF TRAINING	TOTAL
Legislators, senior officials and managers (Salary Band 13-16)	Female	-	-	-	-	-
	Male	2	-	2	-	2
Professionals (Salary Band 9-12)	Female	3	-	5	-	5
	Male	5	-	8	-	8
Technicians and associate professionals (Salary Band 6-8)	Female	31	-	55	-	55
	Male	34	-	54	-	54
Clerks (Salary Band 3-5)	Female	25	-	54	-	54
	Male	14	-	27	-	27
Elementary occupations (Salary Band 1-2)	Female	1	-	1	-	1
	Male	13	-	20	-	20
SUB TOTAL	FEMALE	62	-	47	-	47
	MALE	70	-	64	-	64
TOTAL		132	-	111	-	111
Employees with disabilities	Female	-	-	-	-	-
	Male	4	-	2	-	2

Note: The above table identifies the number of training courses attended by individuals during the period under review.

3.14. Injury on duty

Table 3.14.1 provides basic information on injuries sustained whilst being on official duty.

Table 3.14.1: Injury on duty, 1 April 2024 to 31 March 2025

NATURE OF INJURY ON DUTY	NUMBER	% OF TOTAL
The official fell, injured her left hand and had abrasions on the left knee	1	100

Part E

PFMA COMPLIANCE REPORT



PFMA compliance report

1 Irregular, fruitless and wasteful expenditure and material losses

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
CLOSING BALANCE	NIL	NIL

Reconciling notes

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to prior year and identified during the current year	-	-
Irregular expenditure for the current year	-	-
TOTAL	NIL	NIL

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

DESCRIPTION	2023/24	2022/23
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
TOTAL	NIL	NIL

c) Details of irregular expenditure condoned

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	-	-
TOTAL	NIL	NIL

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

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
TOTAL	NIL	NIL

e) Details of irregular expenditure recoverable

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	-	-
TOTAL	NIL	NIL

f) Details of irregular expenditure written off (irrecoverable)

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	-	-
TOTAL	NIL	NIL

Additional disclosure relating to inter-institutional arrangements

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

DESCRIPTION
None

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

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
None		

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

DISCIPLINARY STEPS TAKEN
None

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
CLOSING BALANCE	NIL	NIL

Reconciling notes

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	-	-
TOTAL	NIL	NIL

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

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
TOTAL	NIL	NIL

c) Details of fruitless and wasteful expenditure recoverable

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
TOTAL	NIL	NIL

d) Details of fruitless and wasteful expenditure not recoverable and written off

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
TOTAL	NIL	NIL

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

DISCIPLINARY STEPS TAKEN
None

1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

MATERIAL LOSSES THROUGH CRIMINAL CONDUCT	2024/2025	2023/2024
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off	-	-
TOTAL	NIL	NIL

Reconciling notes

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure that was under assessment in 2023/24	-	-
Unauthorised expenditure that relates to 2023/24 and identified in 2024/25	-	-
Unauthorised expenditure for the current year	-	-
TOTAL	NIL	NIL

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

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
TOTAL	NIL	NIL

1.4. Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) & (iii)

a) Details of material losses through criminal conduct

MATERIAL LOSSES THROUGH CRIMINAL CONDUCT	2024/2025	2023/2024
	R'000	R'000
Theft	86	236
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
TOTAL	86	236

This expenditure is losses, with the estimated total value of R85 611.35 (2023/24: R235 634.09), due to theft pertaining to the use of fuel cards. It is impractical to determine the exact monetary amount as these cases are still under investigation by various bodies, including GMT, SAPS and Provincial Forensic Services. The outcome of these investigations will determine (amongst other) whether the amounts are Fruitless and Wasteful.

b) Details of other material losses

NATURE OF OTHER MATERIAL LOSSES	2024/2025	2023/2024
	R'000	R'000
None		

c) Other material losses recoverable

NATURE OF LOSSES	2024/2025	2023/2024
	R'000	R'000
None		

d) Other material losses not recoverable and written off

NATURE OF LOSSES	2024/2025	2023/2024
	R'000	R'000
None		

2 Late and/or non-payment of suppliers

To the best of management's knowledge, no late and/or non-payment of suppliers was incurred during the year under review for previous reporting periods.

3 Supply Chain Management

3.1. Procurement by other means

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT
				R' 000
Supply and delivery of vehicle	Mofus Group Ltd t/a Mercedes Benz Jhb North	Limited bid	MLB03/24	1 998
Supply and delivery of vehicle	BMW South Africa (Pty) Ltd	Limited bid	MLB05/24	1 207
Supply and delivery of vehicle	LSM Distributors (Pty) Ltd	Limited bid	MLB06/24	1 907
Procurement of 2 Iveco Chassis Cabs to be converted into a mobile office	Iveco South Africa (Pty) Ltd	Limited bid	MLB09/24	3 484
Procurement to build mobile office	Bobo Motors	Limited bid	MLB10/24	2 844
Fleet Maintenance for GMT	Nedbank	Limited bid	MLB11/24	3 268
Supply and delivery of vehicle	Maserati Johannesburg	Limited bid	MLB12/23	2 020
Supply and delivery of vehicle	Grand Central Motors a division of super group trading (Pty) Ltd	Limited bid	MLB12/24	1 523
Supply and delivery of vehicle	Maserati Johannesburg	Limited bid	MLB13/23	2 020
Supply and delivery of vehicle	Hatfield Holdings (Pty) Ltd t/a Haval Woodmead	Limited bid	MLB15/24	622
Professional IT resources and services	NTT Data	Limited bid	MLB16/23	105 639
Supply and delivery of vehicle	CFAO Mobility t/a Williams Hunt GM Fourways	Limited bid	MLB16/24	620
Supply and delivery of vehicle	William Simpson Cars	Limited bid	MLB17/24	761
Supply and delivery of vehicle	Hatfield Holdings (Pty) Ltd t/a Haval Woodmead	Limited bid	MLB19/24	587
Supply and delivery of vehicle	Jaguar Land Rover	Limited bid	MLB22/24	1 783
Research services from UCT, Stellenbosch University and UWC	University of Cape Town; University of Stellenbosch, University of Western Cape	Limited bid	MLB23/23	20 944
Supply and delivery of vehicle	BBW Morros (PTY)LTD T/A Subaru Eastern Cape	Limited bid	MLB25/24	762

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT	
				R '000	R '000
Security Services - Top Yard Buitenkant Str. 34 Roeland Str. 49 Hope Str: 1 Month (April 2024)	Grinnell Security Services	Limited bid	WCMD5/1/3/L2023-2024		324
TOTAL					152 313

3.2. 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
ICT Professional Information and Communication Technology Resources (reference WCMD ICT Plan 2024/25)	NTT Data	Extension	MLB16/23	105 639	0	105 639
In-vehicle technology for Traffic Law Enforcement & related services	Automated Fleet Solutions	Extension	L119/22	40 434	0	40 434
In-vehicle technology tracking and related services Government Motor Transport (GMT) Go-George Bus Services Golden Arrow Bus Services (GABS)	Automated Fleet Solutions	Extension	L120/22	66 380	0	66 380
TOTAL				212 453		212 453

Part F

FINANCIAL MANAGEMENT



Part F: Financial management

1 Report of the Auditor-General to the Western Cape Provincial Parliament on Government Motor Transport

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Government Motor Transport set out on pages 5 to 96, which comprise the statement of financial position as at 31 March 2025, the statement of financial performance, statement of changes in total net assets, statement of cash flows and statement of comparison of budget and accrual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Government Motor Transport as at 31 March 2025, and its financial performance and cash flows for the year then ended, in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the trading entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA codes) 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 codes.
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 officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting officer 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 officer is responsible for assessing the trading 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 trading entity or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities 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 on page 6, forms part of my auditor's report.

Report on 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 information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
11. I selected the following material performance indicators related to the provision quality, integrated and cost-effective mobility solutions to provincial and national client institutions and other entities presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the trading entity's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Number of vehicles in the fleet;
 - Number of vehicle inspections carried out; and
 - Number of automatic transmission vehicles.
12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the trading 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 trading entity's mandate and the achievement of its planned objectives;
 - All the indicators relevant for measuring the trading 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
 - There is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
14. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
 15. I did not identify any material findings on the reported performance information of the selected indicators.

Other matter

16. I draw attention to the matter below.

Achievement of planned targets

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

Report on compliance with legislation

18. 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 officer is responsible for the trading entity's compliance with legislation.
19. 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.
20. 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 trading 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.
21. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

22. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in core function presented in the annual performance report that have been specifically reported on in this auditor's report.
23. My opinion on the financial statements, the report 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.
24. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in core function presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Internal control deficiencies

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.

I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town

31 July 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit; and
- 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 the selected material performance indicators and on the trading 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 trading 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 related to events or conditions that may cast significant doubt on the trading entity's ability 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 the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a trading entity to cease operating as a going concern; and
- 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 officer 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 officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Public Finance Management Act 1 of 1999 (PFMA)	Section 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); 38(1)(j); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c) Treasury Regulation 16A 3.2; 16A 3.2(a); 16A 6.1; 16A 6.2(a) & (b); 16A 6.3(a); 16A 6.3(b); 16A 6.3(c); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A 7.1; 16A 7.3; 16A 7.6; 16A 7.7; 16A 8.3; 16A 8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A 9.1(f); 16A 9.2; 16A 9.2(a)(ii) Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.6.1 Treasury Regulation 19.8.4
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)
Preferential Procurement Policy Framework Act 5 of 2000 (PPFA)	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation (PPRs), 2017	Regulation 4.1; 4.2 Regulation 5.1; 5.3; 5.6; 5.7 Regulation 6.1; 6.2; 6.3; 6.6; 6.8 Regulation 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Regulation 8.2; 8.5 Regulation 9.1 Regulation 10.1; 10.2 Regulation 11.1; 11.2
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4 Regulation 5.1; 5.2; 5.3; 5.4
National Treasury SCM Instruction No. 03 2021-22	Paragraph 4.1; 4.2(b); 4.3; 4.4(a); 4.17 Paragraph 7.2; 7.6
National Treasury SCM Instruction No. 4A of 2016-17	Paragraph 6
National Treasury SCM Instruction No. 2 of 2021-22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Instruction No. 4 of 2015-16	Paragraph 3.4
National Treasury SCM Instruction No. 11 2020-21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury Instruction No. 1 of 2021-22	Paragraph 4.1
Second amendment National Treasury Instruction No.5 of 2020-21	Paragraph 1
Erratum National Treasury Instruction No.5 of 2020-21	Paragraph 2
National Treasury Instruction No.5 of 2020-21	Paragraph 1; 2; 4.8; 4.9; 5.3
Practice note 5 of 2009-10	Paragraph 3.3
Practice note 7 of 2009-10	Paragraph 4.1.2
Practice note 11 of 2008-09	Paragraph 2.1; 3.1(b)

2 Annual Financial Statements for the year ended 31 March 2025

General information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provision of vehicle fleet services to provincial and national clients
Business address	3 Rusper Street Maitland Cape Town 7405
Postal Address	Private Bag X9014 Cape Town 8000
Bankers	Nedbank
Auditors	Auditor-General of South Africa
Accounting Officer	D Jacobs (as at 31 March 2025)

Accounting Officer's Responsibility and Approval

1. This is the second set of Annual Financial Statements prepared for Government Motor Transport as a Trading Entity under the administration of the Western Cape Mobility Department.
2. The Accounting Officer is required by the Public Finance Management Act, 1999 (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the Annual Financial Statements. It is the responsibility of the Accounting Officer to ensure that the Annual Financial Statements fairly present the state of affairs of the entity as at the end of the reporting period and the results of its operations and cash flows for the period that ended.
3. The Annual Financial Statements have been prepared in accordance with the Standards of GRAP including any interpretations, guidelines and directives issued by the Accounting Standards Board.
4. Standards, Interpretations of GRAP Standards and Guidelines were consistently applied from 2023/24 to the current reporting period. The Annual Financial Statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.
5. The following is an approved guideline that entities are required to apply:
 - a) Accounting for Landfill sites.
6. The following Standards and Interpretations of GRAP standards were approved and the effective dates are indicated next to each:
 - a) GRAP 104 on Financial Instruments (revised) – 1 April 2025; and
 - b) IGRAP 25 on Foreign Currency Transactions and Advance Consideration – 1 April 2025.
7. A summary of the impact of the standards and interpretations contained in paragraph six above are contained in note 44 of the Annual Financial Statements.
8. The Accounting Officer acknowledges that he is ultimately responsible for the system of internal financial control established by the entity and places considerable importance on maintaining a strong control environment. To enable the Accounting Officer to meet these responsibilities, the Accounting Officer sets standards for internal control aimed at reducing the risk of errors 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 is applied and managed within predetermined procedures and constraints.
9. GMT as a trading entity prepared its financial statements as a going concern for the 31 March 2025 reporting period. The Accounting Officer 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.

**GOVERNMENT MOTOR TRANSPORT
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

10. The going concern assessment was done by evaluating all available information for a period up to 18 months after the reporting date, that is, up to 30 September 2026. The evaluation was done on the following areas:
- a) Stable and expanding client base;
 - b) Sound financial standing;
 - c) Budget availability which allocates funding to operations;
 - d) Effective, efficient and economic revenue, cost base and working capital management;
 - e) Alignment to the GMT Strategic Plan 2025/26–2029/30;
 - f) Tariff structures; and
 - g) Alternative revenue sources.
11. In the light of the above, the current financial position and the expected future cash flows for the 18 months ending 30 September 2026, the Accounting Officer is satisfied that the entity has, or has access to, adequate resources and the entity intends to continue its operations in the fleet management environment for the foreseeable future.
12. I would like to thank my predecessor, Ms M Moore and Mr D Jacobs, for their valuable contribution to the Western Cape Mobility Department. I hereby pledge to continue to build on the work they did to support GMT's service delivery to improve the lives of citizens.



D Ribbonaar

Accounting Officer (Acting)

Western Cape Mobility Department

Date: 24/07/2025

GOVERNMENT MOTOR TRANSPORT

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	2024/25 R'000	Restated 2023/24 R'000
NET ASSETS AND LIABILITIES			
Net Assets			
Accumulated surplus		4 376 921	3 903 122
Total Net Assets		4 376 921	3 903 122
Non-current liabilities			
Employee benefit obligation	1	699	630
Provisions	2	1 173	1 150
Total Non-current liabilities		1 872	1 780
Current liabilities			
Payables from exchange transactions	3	135 152	119 360
Payables from non-exchange transactions	4	4 426	4 965
Unspent conditional grants and receipts	5	52 239	66 271
Provisions	6	225	340
Total current liabilities		192 043	190 936
Total liabilities		193 915	192 715
Total Net Assets and Liabilities		4 570 835	4 095 837
ASSETS			
Non-current Assets			
Property, plant and equipment	7	864 759	599 746
Intangible assets	8	443 724	351 659
Heritage assets	9	140	140
Finance lease receivables	10	1 238 246	1 069 283
Total Non-current assets		2 546 869	2 020 827
Current Assets			
Inventory	11	317	284
Receivables from exchange transactions	12	49 121	45 753
Receivables from non-exchange transactions	13	26 416	9 902
Cash and cash equivalents	14	1 703 739	1 801 365
Finance lease receivables	10	244 372	217 705
Total current assets		2 023 966	2 075 009
Total Assets		4 570 835	4 095 837

GOVERNMENT MOTOR TRANSPORT

STATEMENT OF FINANCIAL PERFORMANCE AS AT 31 MARCH 2025

	Notes	2024/25 R'000	Restated 2023/24 R'000
REVENUE			
Revenue from Exchange Transactions			
Revenue	15	951 409	933 198
Other income	16	27 779	9 907
Interest earned	17	130 594	128 807
Government grants and subsidies received	18	34 647	3 016
Revenue from Non-exchange Transactions			
Other grants and subsidies received	18	12 353	-
Services in-kind	19	16 750	13 814
Total Revenue		1 173 533	1 088 742
EXPENDITURE			
Administrative expenses	20	(24 477)	(23 093)
Employee costs	21	(57 969)	(56 073)
Operating expenditure	22	(530 479)	(490 393)
Depreciation	23	(32 586)	(30 089)
Amortisation	24	(26 666)	(22 897)
Accidents and Impairment losses	26	(4 931)	(9 824)
Operating leases	34	(22 627)	(22 628)
Total Expenditure		(699 734)	(654 997)
SURPLUS FOR THE YEAR		473 799	433 744

GOVERNMENT MOTOR TRANSPORT

STATEMENT OF CHANGES IN TOTAL NET ASSETS FOR THE YEAR ENDED 31 MARCH 2025

DESCRIPTION	ACCUMULATED SURPLUS	TOTAL NET ASSETS (RESTATED)
	R'000	R'000
Balance at 31 March 2023	3 469 378	3 469 378
Changes in net assets for the year ended 31 March 2024		
Surplus for the year ended 31 March 2024	433 744	433 744
Surplus previously reported	433 493	433 493
Correction of error (note 39.2)	251	251
Balance at 31 March 2024	3 903 122	3 903 122
Changes in net assets for the year ended 31 March 2025		
Surplus for the year ended 31 March 2025	473 799	473 799
Balance at 31 March 2025	4 376 921	4 376 921

GOVERNMENT MOTOR TRANSPORT

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	Restated 2023/24 R'000
CASH FROM OPERATING ACTIVITIES			
Receipts			
Charges for services provided	28.1	461 366	498 523
Other receipts	28.2	(7 072)	369
Interest earned	28.3	130 594	128 807
Government grants and subsidies received	28.4	21 486	19 550
Transactions entered into by GMT on behalf of client institutions	28.5	-	22 630
Payments			
Employee costs	28.6	(57 482)	(56 074)
Suppliers paid	28.7	(501 815)	(519 398)
Other payments	28.8	(42 378)	(53 164)
Vehicles and equipment procured as procuring agent	28.9	(872)	-
Transactions entered into by GMT on behalf of client institutions	28.5	(14 534)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	28.10	(10 705)	41 243
CASH FROM INVESTING ACTIVITIES			
Proceeds on disposal of property, plant and equipment	28.11	124 082	43 877
Acquisition of property, plant and equipment	28.12	(485 836)	(239 667)
Intangible Assets – development cost	28.13	(46 252)	(11 771)
Intangible Assets – vehicle maintenance plans acquired	28.14	(71 392)	(4 887)
Finance lease receivables	28.15	392 477	334 814
- Vehicle allocated to client institutions		(299 692)	(214 449)
- Cash receipts from finance lease receivables		692 170	549 264
NET CASH FLOWS FROM INVESTING ACTIVITIES		86 919	122 366
NET INCREASE IN CASH AND CASH EQUIVALENTS		(97 625)	163 610
CASH AND CASH EQUIVALENTS – BEGINNING OF THE YEAR		1 801 365	1 637 755
CASH AND CASH EQUIVALENTS – END OF THE YEAR	29	1 703 740	1 801 365

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2025

DESCRIPTION	ORIGINAL BUDGET	BUDGET COMMITMENTS FROM PY	BUDGET ADJUSTMENTS	FINAL ADJUSTMENTS BUDGET	ADDITIONAL BUDGET	SHIFTING OF FUNDS	FINAL BUDGET	ACTUAL OUTCOME	VARIANCE	ACTUAL OUTCOME AS % OF FINAL BUDGET	ACTUAL OUTCOME AS % OF ORIGINAL BUDGET
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		
FINANCIAL POSITION											
Current assets											
Inventories	-	-	-	-	-	-	-	317	317	-	-
Receivables from exchange transactions	-	-	-	-	-	-	-	49 121	49 121	-	-
Receivables from non-exchange transactions	-	-	-	-	-	-	-	26 416	26 416	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	1 703 739	1 703 739	-	-
Finance lease receivables	-	-	-	-	-	-	-	244 372	244 372	-	-
Non-current assets											
Property, plant and equipment	716 645	1 042 973	-	1 759 618	-	(69 750)	1 689 868	864 759	(825 109)	51	121
Intangible assets	53 707	84 169	-	137 876	-	167 989	305 865	443 724	137 859	145	826
Heritage assets	-	-	-	-	-	-	-	140	140	-	-
Finance lease receivables	-	-	-	-	-	-	-	1 068 776	1 068 776	-	-
Total assets	770 352	1 127 142	-	1 897 494	-	98 239	1 995 734	4 570 835	2 575 101	229	593
Current liabilities											
Payables from exchange transactions	-	-	-	-	-	-	-	135 152	135 152	-	-
Payables from non-exchange transactions	-	-	-	-	-	-	-	4 426	4 426	-	-
Unspent conditional grants and receipts	-	-	-	-	-	-	-	52 239	52 239	-	-
Provisions	-	-	-	-	-	-	-	225	225	-	-

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2025

DESCRIPTION	ORIGINAL BUDGET	BUDGET COMMITMENTS FROM PY	BUDGET ADJUSTMENTS	FINAL ADJUSTMENTS BUDGET	ADDITIONAL BUDGET	SHIFTING OF FUNDS	FINAL BUDGET	ACTUAL OUTCOME	VARIANCE	ACTUAL OUTCOME AS % OF FINAL BUDGET	ACTUAL OUTCOME AS % OF ORIGINAL BUDGET
Non-current liabilities											
Employee benefit liability	-	-	-	-	-	-	-	699	699	-	-
Provisions	-	-	-	-	-	-	-	1 173	1 173	-	-
Total liabilities	-	-	-	-	-	-	-	193 915	193 915	-	-
Total assets and liabilities	770 352	1 127 142	-	1 897 494	-	98 239	1 995 734	4 376 921	2 381 186	-	-
Net assets											
Accumulated surplus	-	-	-	-	-	-	-	4 376 921	4 376 921	-	-
Total Net assets	-	-	-	-	-	-	-	4 376 921	4 376 921	-	-

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2024

DESCRIPTION	ORIGINAL BUDGET	BUDGET COMMITMENTS FROM PY	BUDGET ADJUSTMENTS	FINAL ADJUSTMENTS BUDGET	ADDITIONAL BUDGET	SHIFTING OF FUNDS	FINAL BUDGET	ACTUAL OUTCOME	VARIANCE	ACTUAL OUTCOME AS % OF FINAL BUDGET	ACTUAL OUTCOME AS % OF ORIGINAL BUDGET
FINANCIAL PERFORMANCE											
Revenue from exchange transactions											
Revenue	(883 276)	-	-	(883 276)	-	-	(883 276)	(951 409)	(68 134)	108	108
Other income	(13 079)	-	-	(13 079)	-	-	(13 079)	(27 779)	(14 699)	212	212
Interest earned	(117 936)	-	-	(117 936)	-	-	(117 936)	(130 594)	(12 658)	111	111
Government grants and subsidies received	(13 695)	-	-	(13 695)	-	4 800	(8 895)	(34 647)	(25 752)	390	253
Revenue from non-exchange transactions											
Other grants and subsidies received	-	-	-	-	-	-	-	(12 353)	(12 353)	-	-
Services in-kind	(12 355)	-	-	(12 355)	-	(4 800)	(17 155)	(16 750)	405	98	136
Financing through own funds	(667 476)	-	-	(667 476)	-	-	(667 476)	-	667 476	-	-
Total revenue	(1 707 817)	-	-	(1 707 817)	-	-	(1 707 817)	(1 173 533)	534 284	69	69

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2024

DESCRIPTION	ORIGINAL BUDGET	BUDGET COMMITMENTS FROM PY	BUDGET ADJUSTMENTS	FINAL ADJUSTMENTS BUDGET	ADDITIONAL BUDGET	SHIFTING OF FUNDS	FINAL BUDGET	ACTUAL OUTCOME	VARIANCE	ACTUAL OUTCOME AS % OF FINAL BUDGET	ACTUAL OUTCOME AS % OF ORIGINAL BUDGET
Expenditure											
Administrative expenses	47 591	196	-	47 786	-	(20 855)	26 931	24 477	(2 455)	91	51
Employee costs	73 234	-	-	73 234	-	-	73 234	57 969	(15 265)	79	79
Operating expenditure	731 752	9 550	(78 000)	663 302	-	(86 342)	576 960	530 479	(46 481)	92	72
Depreciation	30 951	-	-	30 951	-	3 980	34 931	32 586	(2 345)	93	105
Amortisation	26 247	-	-	26 247	-	2 968	29 215	26 666	(2 549)	91	102
Accidents and Impairment losses	3 944	-	-	3 944	-	1 432	5 376	4 931	(445)	92	125
Operating leases	23 747	2	-	23 748	-	578	24 326	22 627	(1 699)	93	95
Total expenditure	937 464	9 747	(78 000)	869 212	-	(98 239)	770 973	699 734	(71 239)	91	75
Surplus for the year	-	9 747	(78 000)	(838 605)	-	(98 239)	(936 844)	(473 799)	463 045	-	-

&

IS

& Refer to note 45

IS Refer to the Statement of Financial Performance for note references

**NOTES TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR
THE YEAR ENDED 31 MARCH 2025**

Explanation of variances between the Original and Final Budget

The reasons for movements between the Original and Final Budget on the various items disclosed in the Statement of Financial Performance and Statement of Financial Position are explained below:

STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

Revenue from exchange transactions

Government Grants and Subsidies Received

A shifting of funds decrease of R4,8 million between the Original Budget and Final Adjustments Budget was done. The shift decrease of R4,8 million was done to cater for service in-kind benefits.

Revenue from non-exchange transactions

Services in-kind

A shifting of funds increase of R4,8 million between the Original Budget and Final Adjustments Budget was done. The shift increase of R4,8million was done to cater for the services in-kind benefit derived from the use of occupying buildings and sites owned and/or leased by the Western Cape Department of Infrastructure. The escalations in the benefit realisations were higher for some properties than envisaged during the process of setting budget estimates.

EXPENDITURE

Administrative expenses

A budget commitment increase of R196,000 million between the Original Budget and Final Adjustments Budget was done as well as a shifting of funds decrease of R20,885 million between the Final Adjustments Budget to the Final Budget. The budget commitments of R196,000 million mostly consist of purchase orders raised during the 2023/24 financial year for software license, subsistence and travel and printing expenditure which were not yet invoiced by 31 March 2024. The shifting of funds decrease of R20,885 million was mainly due to move funds to the intangible assets for the settlement of the outstanding balance owing for the Intelligent Transport Platform.

Operating expenditure

A budget commitments increase of R9,55 million and R78 million decrease for a budget adjustments between the Original Budget and Final Adjustments Budget was done as well as a shifting of funds decrease of R86,342 million between the Final Adjustments Budget and Final Budget. The budget commitments of R9,55 million mostly consist of purchase orders raised during the 2023/24 financial year for contracted resources' expenditure which were not yet invoiced by 31 March 2024. The budget decrease was due to the amounts which were provided for to incur on electric vehicle infrastructure and the development of a regional hub, which did not come to fruition during the reporting period. The shifting of funds decrease of R86,342 million was mainly due to the under expenditure incurred on fuel and to fund vehicle maintenance plans as well as to intangible assets for the settlement of the outstanding balance owing for the Intelligent Transport Platform.

NOTES TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2025

Explanation of variances between the Original and Final Budget (continued)

Depreciation

A shifting of funds increase of R3,98 million between the Final Adjustments Budget and the Final Budget was done. The shifting of funds increase of R3,98 million was due to fund the depreciation expense on vehicles.

Amortisation

A shifting of funds increase of R2,968 million between the Final Adjustments Budget and the Final Budget was done. The shifting of funds increase of R2,968 million was to fund the Intelligent Transport Platform amortisation.

Accidents and impairment losses

A shifting of funds increase of R1,432 million between the Final Adjustments Budget and the Final Budget was done. The shifting of funds increase of R1,432 million was done to cater for funds required for accidents and losses incurred during vehicle crashes.

Operating leases

A budget commitment increase of R2,000 and a shifting of funds of R578,000 between the Original Budget and Final Adjustments Budget was done. The budget commitments increase of R2,000 was for purchase orders raised during the 2023/24 financial year for expenditure incurred on photocopier machines which were not yet invoiced by 31 March 2024. The shifting of funds increase of R578,000 was done to cater for funds required to lease office machines and tracking units.

STATEMENT OF FINANCIAL POSITION

ASSETS

Non-current assets

Property, plant and equipment

A budget commitment increase of R1,042,973 million between the Original Budget and Final Adjustments Budget as well as a shifting of funds increase of R69,75 million between the Final Adjustments Budget and Final Budget was done. The budget commitments increase of R1,042,973 million were primarily for vehicle related and computer equipment of which the purchase orders raised during the 2023/24 financial year which were not yet invoiced by 31 March 2024. The shifting of funds decrease of R69,75 million was mainly done to fund the vehicle maintenance plans.

Intangible assets

A budget commitment increase of R84,169 million between the Original Budget and the Final Adjustments Budget was done as well as a shifting of funds increase of R167,989 million between the Final Adjustments Budget and Final Budget was done. The budget commitments increase of R84,169 million were for purchase orders raised during the 2023/24 financial year which were not yet invoiced by 31 March 2024. The budget commitments from prior year are open purchase orders on the financial system. An additional capital commitment of R75,664 million for the purchase of software exists and not included in the open purchase orders and funds were shifted to this line to fund vehicle maintenance plans.

NOTES TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2025

The reasons for variances greater than 10% between Final Budget and Actual outcome on the various items disclosed in the Statement of Financial Performance and Statement of Financial Position are explained below:

STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

Revenue from exchange transactions

Other income

The actual other income earned is R14,699 million over the Final Budget. This line item includes profit on the sale of vehicles. The number of vehicles disposed which were expected to attract profits were less than that anticipated during the budget preparation process.

Interest earned

The actual interest earned is R12,658 million over the Final Budget. Interest earned on cash and cash equivalents was higher than originally anticipated during the budget preparation process as capital amount of the main bank account remained consistently higher during the reporting period than the balance used during budget estimates.

Government Grants and Subsidies Received

The actual Government Grants and Subsidies Received is R25,752 million over the Final Budget. The budgeted revenue was calculated on previous year's actual revenue receipts and vehicle allocations. During 2024/25, the additional vehicles allocated to the Western Cape Education Department were higher than the trends expected during the budget preparation.

Other Government Grants and Subsidies Received

The Government Grants and Subsidies received is R12,353 million over the Final Budget. Other grants and subsidies received comprise of taken-in vehicle (9 Volkswagen Crafters) received from the Western Cape Government Health and Wellness during the period under review.

Financing through own funds

GMT envisages to utilise R667,476 million from its own funding to procure the items envisaged under the Statement of Financial Positions and Statement of Financial Performance.

EXPENDITURE

Employee costs

The variance of R15,265 million under the Final Budget is due to GMT having more staff vacancies during the reporting period than that anticipated during the preparation of the budget estimates.

FINANCIAL POSITION

The Final Budget is the total of the expected revenue earned and expenditure incurred during the year ended 31 March 2025. The actual balances of the Statement of Financial Position is the carrying value of the line item which has accrued since its recognition until 31 March 2025.

**NOTES TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR
THE YEAR ENDED 31 MARCH 2025****Current assets****Inventories**

The variance of R317,000 over budget is due to the budget being prepared on the cash basis. The expense is budgeted under administrative expenses.

Receivables from exchange transactions

The variance of R49,121 million over budget is due to the budget being prepared on the cash basis. The revenue is budgeted under Revenue and not under this line item.

Receivables from non-exchange transactions

The variance of R26,416 million over budget is due to the budget being prepared on the cash basis. The items included in this line item are for prepayments for expenditure which will be included in administrative expenses as the period vests, Sundry debtors, employees with debit leave balances, recoverable auction returns and Fleet Risk Debtors.

Cash and cash equivalents

The variance of R1,703 billion over budget is due to the budget being prepared on the cash basis. The net effect of this account is that of the operations reflected under revenue and expenditure and not under this line item.

Finance lease receivables

The variance of R244,372 million over budget is due to the budget being prepared on the cash basis. The revenue is budgeted under Revenue and not under this line item.

Non-current assets**Property, plant and equipment**

The variance of R825,109 million under budget is due to the budget being prepared on the cash basis. The budgeted expenditure is the expenditure which is expected to be incurred during period while the balance of R864,759 million is the carrying value of the line item which has accrued since its recognition until 31 March 2025.

Intangible assets

The variance of R137,859 million over budget is due to the budget being prepared on the cash basis. The budgeted expenditure is the expenditure, which is expected to be incurred during period, while the balance of R443,724 million is the carrying value of the line item which has accrued since its recognition until 31 March 2025.

Heritage assets

The variance of R140,000 over budget is due to the budget being prepared on the cash basis. No expenditure was incurred during the year ended 31 March 2025. The value of this item must be disclosed in terms of the accounting standard on Heritage assets, thus the carrying value of R140 000 is reflected on the Statement of Financial Position.

**NOTES TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR
THE YEAR ENDED 31 MARCH 2025**

Finance lease receivables

The variance of R1,238 billion over budget is due to the budget being prepared on the cash basis. The revenue is budgeted under Revenue with a reallocation of the capital component of the daily tariffs which is included in revenue. The reallocation is made to Finance Lease Receivables.

Current liabilities

Payables from exchange transactions

The variance of R135,152 million over budget is due to the budget being prepared on the cash basis. The expenditure is budgeted under the relevant expenditure items on the Statement of Financial Performance and not under this line item.

Payables from non-exchange transactions

The variance of R4,426 million over budget is due to the budget being prepared on the cash basis. The expenditure is budgeted under the relevant expenditure items on the Statement of Financial Performance and not under this line item.

Unspent conditional grants and receipts

The variance of R52,239 million over budget is due to the budget being prepared on the cash basis. The revenue is budgeted under the relevant income items on the Statement of Financial Performance and not under this line item.

Provisions

The variance of R225,000 over budget is due to the budget being prepared on the cash basis. The expenditure is budgeted under the relevant expenditure items on the Statement of Financial Performance and not under this line item.

Non-current liabilities

Employee benefit liability

The variance of R699,000 over budget is due to the budget being prepared on the cash basis. The expenditure is budgeted under the relevant expenditure items on the Statement of Financial Performance and not under this line item.

Provisions

The variance of R1,173 million over budget is due to the budget being prepared on the cash basis. The expenditure is budgeted under the relevant expenditure items on the Statement of Financial Performance and not under this line item.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
1 EMPLOYEE BENEFIT OBLIGATION		
Provision for Long Service Awards	<u>699</u>	<u>630</u>
The movement in the Employee Benefit Obligation is reconciled as follows:		
Balance at the beginning of the year	630	626
Contributions to the provision	<u>192</u>	<u>65</u>
	822	691
Transfer to current provisions	Note 6 (123)	(61)
Balance at end of the year	<u>699</u>	<u>630</u>

Government Motor Transport operates an unfunded defined benefit obligation for its employees. Under the plan, long service benefits are awarded to employees in the form of leave days or a fixed cash amount after 20, 30 or 40 years of continuous service. The provision is an estimate of the long service based on historical staff turnover. No other long service benefits are provided to employees.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out at 31 March 2025 by Mr. Julian van der Spuy, a Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, and the related current service and past service cost, were measured using the Projected Unit Credit Method.

As at the valuation date, the long service obligation was unfunded, i.e. no dedicated assets have been set aside to meet the liability. Therefore, no assets were valued as part of the valuation.

On 31 March 2025, 128 (31 March 2024: 131) employees were eligible for long service awards.

The current service cost for the year ended 31 March 2025 is estimated to be R37,000, whereas the cost for the year ending 31 March 2026 is estimated to be R42,000 (31 March 2024: R37,000).

GMT is able to settle these amounts by means of the funds held as part of the entity's Cash and Cash Equivalents (note 14). This long-term provision does not create uncertainty on the entity's future cash flows given the quantum of this provision in comparison to the entity's Cash and Cash Equivalents resources.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	9.92%	9.44%
CPI (Consumer Price Inflation)	5.15%	4.09%
Normal Salary Increase Rate	6.15%	5.09%
Net Effective Discount Rate	3.55%	4.14%
Expected Retirement Age – Females	60	60
Expected Retirement Age – Males	62	62

Mortality rates:

Pre-Retirement SA 85 – 90 mortality tables

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000	
1 EMPLOYEE BENEFIT OBLIGATION (continued)			
Movements in the present value of the Defined Benefit Obligation were as follows:			
Balance at the beginning of the year	691	676	
Current service cost	37	37	
Interest cost	67	73	
Benefits paid	(22)	(44)	
Actuarial (gain) / loss	49	(51)	
Present Value of Fund Obligation at the end of the year	822	691	
The amounts recognised in the Statement of Financial Performance are as follows:			
Present value of fund obligations	822	691	
Total Benefit Obligation	822	691	
The amounts recognised in the Statement of Financial Performance are as follows:			
Current service cost	37	37	
Interest cost	67	73	
Actuarial (gain) / loss	49	(51)	
Total Benefit Obligation included in Employee costs	153	59	
The history of experienced adjustments is as follows:			
	2024/25 R'000	2023/24 R'000	2022/23 R'000
Present Value of Defined Benefit Obligation	822	691	676
Deficit	822	691	676
		2024/25 R'000	2023/24 R'000
The effect of a 1% p.a. change in the Consumer Price Inflation assumption is as follows:			
Increase:			
Effect on the aggregate of the current service cost and the interest cost		134	105
Effect on the defined benefit obligation		869	698
Decrease:			
Effect on the aggregate of the current service cost and the interest cost		118	102
Effect on the defined benefit obligation		778	685

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	Restated 2023/24 R'000
2 PROVISIONS		
Capped leave pay:		
Opening balance	1,150	1,100
Increase in the provision during the year	126	49
Current portion transferred to current liabilities	(102)	-
	1,173	1,150

The provision for capped leave pay represents GMT's obligation to pay as a result of employees services provided up to 1 July 2000. Unused leave entitlement that had accumulated at this date had been capped in terms of the instructions of the Provincial Bargaining Council's Resolution 7 of 2000. The provision is measured as the amount that is expected to be paid as a result of the leave days capped as at 1 July 2000, taking into account the undiscounted amount of current cost to employer per employee.

Uncertainty exists at the reporting date on whether the unused capped leave entitlement will be utilised or when the settlement of the capped leave liability will occur. The adjustment of the cost of employment for employees will affect the amount required to settle the liabilities. No amounts are expected to be reimbursed.

GMT is able to settle these amounts by means of the funds held as part of the entity's Cash and Cash Equivalents (note 14). This long-term provision does not create uncertainty on the entity's future cash flows given the quantum of this provision in comparison to the entity's Cash and Cash Equivalents resources.

3 PAYABLES FROM EXCHANGE TRANSACTIONS

Trade creditors		43,263	5,248
Staff leave		3,557	3,128
Staff bonuses		1,549	1,449
Overtime payable		8	7
Accrued expenditure	Note 3.1	86,080	107,666
Sundry creditors		25	92
Payments received in advance – clients with overpaid accounts		669	1,772
		135,152	119,360

Trade creditors are present obligations for goods and services received which arise from past events. The settlement is expected to result in an outflow from GMT's resources included under cash and cash equivalents.

Staff leave accrues to the employees of the entity on an annual basis, subject to certain conditions. The liability is an estimate of the amount due at the reporting date.

Staff bonuses are 13th cheques which accrue to the employees of the entity on an annual basis. The liability is an estimate of the amount due at the reporting date.

Overtime payable are amounts due to officials for overtime worked.

Sundry creditors are liabilities due to third party claims.

Payments received in advance are liabilities due to clients which have paid more towards accounts than due by the reporting date. As at 31 March 2025, the balance above includes an amount of R618,102 refundable to the Department of Health and Wellness. 2023/24: includes an amount of R889,233 due to the Western Cape Education Department in addition to the amount referred to above due to the National Department of Forestry, Fisheries and the Environment.

GMT has financial risk policies in place to ensure that all creditors are paid within 30 days from receipt of an invoice or, in the case of civil claims, from the date of settlement or court judgment as determined by National Treasury Regulation 8.2.3 and section 38(1)(f) of the PFMA.

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Interest is charged in accordance with the credit policies of the various individual creditors that GMT deals with. GMT has policies and procedures in place to facilitate the process of having amounts paid within the credit timeframe.

GMT considers that the carrying amount of creditors approximates their fair value.

The fair value of creditors was determined after considering the standard terms and conditions of agreements entered into between the GMT and other parties. GMT did not default on any payment of its creditors. No terms for payment have been re-negotiated. Discounting of trade and other payables on initial recognition is not deemed necessary.

Restrictions apply for some of the amounts included under Accounts payable and Accrued expenditure on the use of the funds by GMT as these funds must be used for the settlement of accounts owing to a service provider. The restriction amount is disclosed in note 14.

		2024/25 R'000	Restated 2023/24 R'000
3.1 Accrued expenditure			
Accrued expenditure are recognised for transactions, events or conditions when they occur and not only when cash or its equivalent is paid. An analysis of this balance is:			
Employee costs accrual	Note 35.1.3	4,767	4,573
Machinery, equipment and vehicles: repairs, maintenance and other related costs		4,846	7,428
Machinery, equipment and vehicles: fuel and oil		591	3,264
Daily Tariffs refundable to the department of Health and Wellness	Note 39.1.3	-	466
Other goods and services accrual		75,877	91,935
Accrued expenditure for reimbursement	*/ Note 35.1.2	23,667	17,422
Audit fees – Regulatory and ICT audits		61	132
Motor vehicle license fees		1,018	463
Development of Intangible Assets	Note 3.2	9,792	36,649
Mobility assets (including conversions and extras fitted to vehicles)		22,867	19,569
Maintenance Plans		6,058	14,533
Other accrued expenditure	**	2,219	-
		10,195	3,167
Accrued expenditure liability		86,080	107,666
		2024/25 R'000	Restated 2023/24 R'000
3.2 Development of Intangible Assets	Note 3.1	9,792	36,649
FleetMan system		107	1,189
Intelligent Transport Platform	***	7,971	31,396
GMT Website		120	1,067
Employee Wellness System		1,594	2,997

* Accrued expenditure for reimbursement are liabilities which GMT settles upon receipt of funds from a client institution to settle the expenditure on a direct charge principle.

** Other accrued expenditure consists mainly consists of security and cloud hosting expenses. Other items included in the accrued expenditure include employee cell phone and data cost claims, banking administration – and transaction fees, travel, accommodation costs, catering and other office expenses.

*** Refer to note 8.8 for a narrative on the Intelligent Transport Platform.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

4 PAYABLES FROM NON-EXCHANGE TRANSACTIONS

Payments received in advance - funds held for accounts settlement	Note 35.1.2	4,426	4,908
Refundable auction returns	^	-	57
		4,426	4,965

Payments received in advance exist due to the timing of receiving funds from a client institution and the settlement of accounts owing to a service provider. This is disclosed as a related party disclosure. Restrictions apply on the use of the funds by GMT as these funds must be used for the settlement of accounts owing to a service provider. The restriction amount is disclosed in note 14.

^ 2023/24: refundable auction returns consists of R47,000 owing to a government entity based in KwaZulu-Natal for auction returns generated during the disposal of one of their vehicles which was based in the Western Cape. The amount was refunded to the entity on 24 May 2024

Another amount of R10,250 is owed to the Western Cape Mobility Department for the disposal of a trailer. This amount is also disclosed under the related party note (note 35.3.1.2).

These amounts detailed above are payable to the entities as at the reporting dates.

GMT did not default on any payment of its creditors. No payment terms have been re-negotiated by GMT.

The management of GMT is of the opinion that the carrying value of creditors approximates their fair values.

The fair value of creditors was determined after considering the standard terms and conditions of agreements entered into between GMT and other parties.

5 UNSPENT CONDITIONAL GRANTS AND RECEIPTS

	2024/25 R'000	Restated 2023/24 R'000
Grants from Provincial Departments	52,239	66,165
Western Cape Government Health and Wellness	17,723	15,819
Department of Social Development	18,372	15,889
Western Cape Mobility Department	12,217	13,089
Western Cape Education Department	3,927	21,368
Grants from Other stakeholders:	-	107
Paid up value – Judges vehicles	-	107
Total Conditional Grants and Receipts	52,239	66,271

GMT complied with the conditions attached to all grants received to the extent of revenue recognised.

5.1 Grants from Provincial Departments:

5.1.1 Western Cape Mobility Department

Balance at the beginning of the year (2023/24: * Transfer liability from the Department of Transport and Public Works)	13,089	21,704
Reallocation of funds to prepayments	-	(8,615)
Vehicles procured as procuring agent	(872)	-
	12,217	13,089

*transfer on 1 April 2023 from the department previously known as the Department of Transport and Public Works

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	Restated 2023/24 R'000
5.1.2 Western Cape Government Health and Wellness			
Balance at the beginning of the year		15,819	16,854
Current year receipts		2,720	1,616
Conditions met – transferred to revenue	Note 18	-	(2,650)
Unspent grants refunded to the department		(815)	-
		<u>17,723</u>	<u>15,819</u>
5.1.3 Department of Social Development			
Balance at the beginning of the year		15,889	6,797
Current year receipts		-	8,294
Conditions met – transferred to revenue	Note 18	(9,559)	-
Unspent grants refunded to the department		12,042	798
		<u>18,372</u>	<u>15,889</u>
5.1.4 Department of Transport and Public Works			
	^		
Balance at the beginning of the year		-	21,704
**Transfer of liability to the Western Cape Mobility Department		-	(21 704)
		<u>-</u>	<u>-</u>
<i>**transfer on 1 April 2023 to the Western Cape Mobility</i>			
5.1.5 Western Cape Education Department			
Balance at the beginning of the year		21,368	4,383
Current year receipts		-	16,985
Conditions met – transferred to revenue	Note 18	(25 080)	-
Additional invoices raised		7 639	-
		<u>3,927</u>	<u>21,368</u>
5.2 Grants from Other stakeholders:			
5.2.1 Paid up value – Judges vehicles			
Current year receipts		107	472
Paid up value – refund to Judge		(100)	-
Conditions met – transferred to revenue	Note 18	(7)	(365)
		<u>-</u>	<u>107</u>

^ Premier Alan Winde announced the establishment of the Department of Infrastructure and the Western Cape Mobility Department during the State of the Province address on 15 February 2022. The Department of Transport and Public Works and the Department of Human Settlements ceased to exist from 1 April 2023 due to the formation of the two new departments referred to above. The annual financial statements for the year ended 31 March 2023 were compiled for Government Motor Transport as a Trading Entity under the administration of the Department of Transport and Public Works. The unspent conditional grant balances which were disclosed on 31 March 2023 were transferred during the reporting period to the Department of Infrastructure and the Western Cape Mobility Department.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
6 PROVISIONS			
Personnel expense related commitments:			
Employee benefit obligation	Note 1	123	61
Capped leave	Note 2	102	-
Early retirement provision		-	279
		<u>225</u>	<u>340</u>

Commitments

Employee Benefit Obligations are paid only after the time period is reached as staff may still leave the service before they reach their 20/30/40 service dates. The timing and amount of the outflow of these provisions are uncertain due to the nature of the specific provisions.

Capped leave are the amounts payable within one year from the reporting date due to employees leaving GMT's service. Refer to note 2 for the description of the uncertainties about the amount and expected timing of the resulting cash outflows of economic benefits. The provision amount was based on officials who indicated that they intend on leaving GMT's services and/or applied for formal exit approaches from the entity. It is assumed that the applications would all be approved for the purposes of this note. No amounts are expected to be reimbursed.

The early retirement provision is recognised at the reporting period for officials who will be retiring without penalisation of pension benefits. The approval to retire without penalisation was granted by the end of the financial year, with GMT being fully responsible for the resultant liability to the Government Employees Pension Fund ('GEPF'). The last day of service of the officials are known as this is contained in the approval documentation. However, uncertainty exists about the amounts which are subject to change due to the calculation results are sensitive to input provided leading up to final settlement.

The movement on current provisions are reconciled as follows:

31 March 2025:	Early retirement provision R'000	Employee benefit obligation R'000	Capped leave provision R'000	Total R'000
Balance at the beginning of the year	279	61	-	340
(Reductions) / contributions to the provisions	8	(39)	-	(32)
Transfer from non-current provisions	-	123	102	225
Expenditure incurred	(286)	(22)	-	(308)
Balance at the end of the year	<u>-</u>	<u>123</u>	<u>102</u>	<u>225</u>
31 March 2024:				
	Early retirement provision R'000	Employee benefit obligation R'000	Capped leave provision R'000	Total R'000
Balance at the beginning of the year	710	50	243	1,003
Contributions / (reductions) to the provisions	(16)	(6)	60	38
Transfer from non-current provisions	-	61	-	61
Expenditure incurred	(415)	(44)	(303)	(762)
Balance at the end of the year	<u>279</u>	<u>61</u>	<u>-</u>	<u>340</u>

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

7 PROPERTY, PLANT AND EQUIPMENT

31 March 2024

Reconciliation of Carrying Value

DESCRIPTION	PLANT AND EQUIPMENT	VEHICLES	TOTAL
	R'000	R'000	R'000
Carrying amount at 1 April 2023	11,138	539,907	551,045
Cost	24,995	750,828	775,822
Accumulated depreciation	(13,853)	(208,115)	(221,968)
Accumulated impairment losses	(4)	(2,806)	(2,810)
Additions at cost (for vehicles refer to note 7.3.1)	1,539	276,467	278,006
Depreciation	(3,166)	(26,923)	(30,089)
Impairment losses	-	(9,316)	(9,316)
Disposals	(1)	(37,853)	(37,854)
Cost (for vehicles refer to note 7.3.3)	(59)	(92,844)	(92,903)
Accumulated depreciation	58	52,858	52,916
Accumulated impairment	-	2,133	2,133
Alienated	-	(221)	(221)
Cost (for vehicles refer to note 7.3.4)	-	(407)	(407)
Accumulated impairment	-	187	187
Vehicles moved from client institutions to GMT	-	80,162	80,162
Cost (for vehicles refer to note 7.3.5)	-	170,774	170,774
Accumulated depreciation	-	(90,612)	(90,612)
Vehicles moved from GMT to client institutions	-	(229,421)	(229,421)
Cost (for vehicles refer to note 7.3.6)	-	(230,294)	(230,294)
Accumulated depreciation	-	873	873
Stolen	-	(2,615)	(2,615)
Cost (for vehicles refer to note 7.3.7)	-	(3,549)	(3,549)
Accumulated depreciation	-	934	934
Stolen vehicle recovered	-	50	50
Cost (for vehicles refer to note 7.3.8)	-	50	50
Accumulated depreciation	-	-	-
Net Carrying amount – 31 March 2024	9,509	590,237	599,746
Cost	26,475	871,025	897,499
Accumulated depreciation	(16,961)	(270,798)	(287,759)
Accumulated impairment losses	(4)	(9,989)	(9,993)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

7 PROPERTY, PLANT AND EQUIPMENT (continued)

31 March 2025

Reconciliation of Carrying Value

DESCRIPTION	PLANT AND EQUIPMENT	VEHICLES	TOTAL
	R'000	R'000	R'000
Carrying amount at 1 April 2024	9,509	590,237	599,746
Gross carrying amount	26,475	871,025	897,499
Accumulated depreciation	(16,961)	(270,798)	(287,759)
Accumulated impairment losses	(4)	(9,989)	(9,993)
Additions at cost (for vehicles refer to note 7.3.1)	3,919	539,310	543,229
Take in vehicles (for vehicles refer to note 7.3.2)	-	12,353	12,353
Depreciation	(3,392)	(29,194)	(32,586)
Impairment losses	-	(4,847)	(4,847)
Disposals	-	(104,574)	(104,574)
Cost (for vehicles refer to note 7.3.3)	-	(256,179)	(256,179)
Accumulated depreciation	-	142,890	142,890
Accumulated impairment	-	8,715	8,715
Vehicles moved from client institutions to GMT	-	50,723	50,723
Cost (for vehicles refer to note 7.3.5)	-	114,564	114,564
Accumulated depreciation	-	(63,841)	(63,841)
Vehicles moved from GMT to client institutions	-	(193,997)	(193,997)
Cost (for vehicles refer to note 7.3.6)	-	(195,572)	(195,572)
Accumulated depreciation	-	1,575	1,575
Stolen	-	(5,987)	(5,987)
Cost (for vehicles refer to note 7.3.7)	-	(7,527)	(7,527)
Accumulated depreciation	-	1,540	1,540
Stolen vehicle recovered	-	699	699
Cost (for vehicles refer to note 7.3.8)	-	699	699
Accumulated depreciation	-	-	-
Net Carrying amount – 31 March 2025	10,035	854,723	864,759
Cost	30,393	1,078,674	1,109,067
Accumulated depreciation	(20,353)	(217,830)	(238,182)
Accumulated impairment losses	(4)	(6,121)	(6,125)

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
7 PROPERTY, PLANT AND EQUIPMENT (continued)		
No restrictions are applicable on the Property, Plant and Equipment and no assets have been pledged as security for liabilities. The commitments for the acquisition of Property, Plant and Equipment are disclosed under the note for commitments for expenditure		
7.1.1 Audio Equipment		
Carrying amount at the beginning of the year	1,638	1,588
Cost	2,210	1,830
Accumulated depreciation	(572)	(242)
Additions at cost	195	380
Depreciation	(380)	(330)
Carrying amount at the end of the year	1,453	1,638
Cost	2,405	2,210
Accumulated depreciation	(952)	(572)
7.1.2 Computer Equipment		
Carrying amount at the beginning of the year	2,379	4,064
Cost	13,730	13,715
Accumulated depreciation	(11,351)	(9,652)
Additions at cost	3,180	15
Depreciation	(1, 903)	(1,699)
Carrying amount at the end of the year	3,656	2,379
Cost	16,910	13,730
Accumulated depreciation	(13,254)	(11,351)
7.1.3 Telephone		
Carrying amount at the beginning of the year	-	4
Cost	138	138
Accumulated depreciation	(138)	(134)
Depreciation	-	(4)
Carrying amount at the end of the year	-	-
Cost	138	138
Accumulated depreciation	(138)	(138)
7.1.4 Workshop Equipment		
Carrying amount at the beginning of the year	191	104
Cost	463	334
Accumulated depreciation	(269)	(227)
Accumulated impairment losses	(3)	(3)
Additions at cost	200	129
Depreciation	(76)	(42)
Carrying amount at the end of the year	315	191
Cost	663	463
Accumulated depreciation	(345)	(269)
Accumulated impairment losses	(3)	(3)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
7 PROPERTY, PLANT AND EQUIPMENT (continued)		
7.1.5 Office Furniture and Fittings		
Carrying amount at the beginning of the year	2,741	3,374
Cost	5,258	5,304
Accumulated depreciation	(2,516)	(1,929)
Accumulated impairment losses	(1)	(1)
Additions at cost	192	-
Depreciation	(605)	(632)
Carrying value of disposals:	-	(1)
Cost	-	(46)
Accumulated depreciation	-	45
Carrying amount at the end of the year	2,328	2,741
Cost	5,450	5,258
Accumulated depreciation	(3,121)	(2,516)
Accumulated impairment losses	(1)	(1)
7.1.6 Office Equipment		
Carrying amount at the beginning of the year	171	169
Cost	542	484
Accumulated depreciation	(371)	(315)
Additions at cost	75	61
Depreciation	(53)	(59)
Carrying value of disposals:	-	-
Cost	-	(3)
Accumulated depreciation	-	3
Carrying amount at the end of the year	193	171
Cost	617	542
Accumulated depreciation	(424)	(371)
7.1.7 Domestic Equipment		
Carrying amount at the beginning of the year	10	7
Cost	54	46
Accumulated depreciation	(44)	(39)
Additions at cost	-	8
Depreciation	(4)	(4)
Carrying amount at the end of the year	5	10
Cost	54	54
Accumulated depreciation	(49)	(44)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
7 PROPERTY, PLANT AND EQUIPMENT (continued)		
7.1.8 Domestic Furniture		
Carrying amount at the beginning of the year	222	286
Cost	453	462
Accumulated depreciation	(230)	(175)
Additions at cost	10	1
Depreciation	(59)	(65)
Carrying value of disposals	-	-
Cost	-	(10)
Accumulated depreciation	-	10
Carrying amount at the end of the year	174	223
Cost	463	453
Accumulated depreciation	(289)	(230)
7.1.9 Security Equipment and Systems		
Carrying amount at the beginning of the year	236	400
Cost	1,286	1,286
Accumulated depreciation	(1,050)	(885)
Depreciation	(117)	(165)
Carrying amount at the end of the year	119	235
Cost	1,286	1,286
Accumulated depreciation	(1,167)	(1,050)
7.1.10 Kitchen Appliances		
Carrying amount at the beginning of the year	56	74
Cost	156	153
Accumulated depreciation	(100)	(79)
Additions at cost	-	3
Depreciation	(13)	(21)
Carrying amount at the end of the year	43	56
Cost	156	156
Accumulated depreciation	(113)	(100)
7.1.11 Photographic Equipment		
Carrying amount at the beginning of the year	13	61
Cost	138	138
Accumulated depreciation	(124)	(76)
Accumulated impairment losses	(1)	(1)
Depreciation	(2)	(48)
Carrying amount at the end of the year	11	13
Cost	138	138
Accumulated depreciation	(126)	(124)
Accumulated impairment losses	(1)	(1)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
7 PROPERTY, PLANT AND EQUIPMENT (continued)		
7.1.12 Crockery		
Carrying amount at the beginning of the year	5	7
Cost	32	32
Accumulated depreciation	(27)	(25)
Depreciation	(1)	(2)
Carrying amount at the end of the year	4	5
Cost	32	32
Accumulated depreciation	(28)	(27)
7.1.13 Containers		
Carrying amount at the beginning of the year	759	801
Cost	866	866
Accumulated depreciation	(107)	(65)
Depreciation	(42)	(42)
Carrying amount at the end of the year	717	759
Cost	866	866
Accumulated depreciation	(149)	(107)
7.1.14 Garden Equipment		
Carrying amount at the beginning of the year	3	5
Cost	9	9
Accumulated depreciation	(6)	(4)
Depreciation	(1)	(2)
Carrying amount at the end of the year	2	3
Cost	9	9
Accumulated depreciation	(7)	(6)
7.1.15 Alternative Energy Solutions (Equipment)		
Carrying amount at the beginning of the year	76	96
Cost	96	96
Accumulated depreciation	(20)	-
Depreciation	(19)	(20)
Carrying amount at the end of the year	57	76
Cost	96	96
Accumulated depreciation	(39)	(20)

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
7	PROPERTY, PLANT AND EQUIPMENT (continued)	
7.1.16	Alternative Energy Solutions (Batteries)	
	81	96
Carrying amount at the beginning of the year		
Cost	96	96
Accumulated depreciation	(15)	-
Depreciation	(14)	(15)
Carrying amount at the end of the year	67	81
Cost	96	96
Accumulated depreciation	(29)	(15)
7.1.17	Emergency Equipment	
	6	-
Carrying amount at the beginning of the year		
Cost	8	-
Accumulated depreciation	(2)	-
Additions at cost	67	8
Depreciation	(8)	(2)
Carrying amount at the end of the year	65	6
Cost	75	8
Accumulated depreciation	(10)	(2)
7.1.18	Handheld Devices	
	236	-
Carrying amount at the beginning of the year		
Cost	240	-
Accumulated depreciation	(4)	-
Additions at cost	-	240
Depreciation	(48)	(4)
Carrying amount at the end of the year	188	236
Cost	240	240
Accumulated depreciation	(52)	(4)
7.1.19	Office Pods	
	686	-
Carrying amount at the beginning of the year		
Cost	694	-
Accumulated depreciation	(8)	-
Additions at cost	-	694
Depreciation	(46)	(8)
Carrying amount at the end of the year	640	686
Cost	694	694
Accumulated depreciation	(54)	(8)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2024/25
R'000

2023/24
R'000

7 PROPERTY, PLANT AND EQUIPMENT (continued)

7.2 Impairment of Property, Plant and Equipment

Impairment losses on Property, Plant and Equipment to the amount of R4,847 million (31 March 2024: R 9,316 million) was recognised in operating surplus and are included in Impairment losses in the Statement of Financial Performance as indicated in note 26.

There were no reversals of impairment losses during the year under review.

Government Motor Transport assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the individual asset.

The recoverable service amount of vehicles has been determined on the basis of their fair value less cost to sell. The fair value of vehicles was determined by reference to active market prices or reserve prices as determined by management for vehicles to be sold after the reporting period for which active market prices are not yet available.

7.3.1 Analysis of additions at cost

Vehicles purchased during the year	519,112	260,297
Extras purchased during the year	20,198	16,170
Total vehicle additions at cost	539,310	276,476

7.3.2 Analysis of take-in vehicles at fair value

Vehicles	12,353	-
Extras fitted to vehicles	-	-
Total cost	12,353	-

Government Motor Transport received 9 Volkswagen Crafters from the Western Cape Government Health and Wellness during the period under review.

7.3.3 Analysis of disposals at cost

Vehicles	241,945	86,028
Extras fitted to vehicles	14,234	6,816
Total cost	256,179	92,844

7.3.4 Analysis of alienations at cost

Vehicles	-	400
Extras fitted to vehicles	-	7
Total cost	-	407

Two Toyota Quests were donated to Mossel Bay Municipality during the 2023/24 financial year

7.3.5 Analysis of movements from client institutions to GMT at cost

Vehicles	101,330	157,882
Extras fitted to vehicles	13,235	12,892
Total cost	114,564	170,774

7.3.6 Analysis of movements from GMT to client institutions at cost

Vehicles	180,536	214,293
Extras fitted to vehicles	15,036	16,000
Total cost	195,572	230,294

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
7	PROPERTY, PLANT AND EQUIPMENT (continued)		
7.3.7	Analysis of stolen vehicles at cost		
	Vehicles	7,447	3,497
	Extras fitted to vehicles	80	52
	Total cost	7,527	3,549
	<p>Four Toyota Hilux pickups, five Toyota Starlets, twelve Volkswagen Polos and two VW crew buses were stolen during the year under review (2023/24: Four Toyota Hilux Double Cabs, two Toyota Quest, one Toyota Avanza and four Volkswagen Polos).</p>		
7.3.8	Analysis of stolen vehicles recovered at fair value		
	Vehicles	693	50
	Extras fitted to vehicles	6	-
	Total cost	699	50
	<p>During the year under review, Government Motor Transport recovered a Toyota Hilux (GFJ116G) that had been stolen in the 2023/24 financial year and allocated to GMT's General Hire pool. A VW Polo (GFK554G) was also recovered, which was stolen in the same financial year and permanently allocated to the Western Cape Government Health and Wellness. (Government Motor Transport recovered a Toyota Avanza (GCW274G) during the 2023/24 that was stolen during the 2022/23 financial year and permanently allocated to the Western Cape Government Health and Wellness.)</p>		
7.4	Expenditure incurred to repair and maintain Property, Plant and Equipment		
	Vehicles	96,634	106,153
	Plant and Equipment	-	73
		96,634	106,102

Refer to note 22.1 for an analysis of the repair and maintenance expenditure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
8 INTANGIBLE ASSETS		
Net carrying value at beginning of the year	351,659	321,010
Cost	489,115	434,962
Cost – Software Applications	248,118	248,118
Cost – Vehicle maintenance plans acquired	5,735	-
Costs – Intangible assets under development	130,870	82,919
Cost – Internal Development	104,392	103,925
Accumulated impairment losses	(24)	(24)
Accumulated Amortisation	(137,432)	(113,928)
Accumulated Amortisation – Software Applications	(31,010)	(14,341)
Accumulated Amortisation – vehicle maintenance plans	(606)	-
Accumulated Amortisation – Internal Development	(105,816)	(99,587)
Vehicle maintenance plans acquired	73,060	5,735
Internal Development - Cost capitalised	-	468
Intangible assets under development	55,168	47,952
Intangible assets under development - transferred	268	-
Internal Development – Retirements	(268)	-
Cost – Internal Development	(268)	-
Amortisation during the year	(36,162)	(23,504)
Software Applications	Note 24 (20,905)	(16,669)
Internal Development	Note 24 (5,762)	(6,229)
Vehicle maintenance plans	Note 22 (9,496)	(606)
Net carrying value at end of the year	443,724	351,659
Cost	617,343	489,116
Cost – Software Applications	248,118	248,118
Cost – Vehicle maintenance plans	78,796	5,735
Costs – Intangible assets under development	186,306	130,870
Cost – Internal Development	104,124	104,392
Accumulated impairment losses	(24)	(24)
Accumulated Amortisation	(173,594)	(137,432)
Accumulated Amortisation – Software Applications	(51,915)	(31,010)
Accumulated Amortisation – Internal Development	(111,578)	(105,816)
Accumulated Amortisation – Vehicle Maintenance Plans	(10,102)	(606)

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
8	INTANGIBLE ASSETS (continued)		
	<u>Analysis of Intangible assets:</u>		
8.1	<u>FleetMan System:</u>		
	Net carrying amount at beginning of the year	9,945	13,263
	Cost	59,877	61,667
	Costs - Intangible assets under development	13,889	16,147
	Cost – Internal Development	45,988	45,520
	Accumulated impairment losses	(24)	(24)
	Accumulated Amortisation	(49,907)	(48,381)
	Accumulated Amortisation – Internal Development	(49,907)	(48,381)
	Internal Development – Cost capitalised	-	468
	Intangible assets under development	602	2,860
	Internal Development - Retirements	(268)	-
	Cost – Internal Development	(268)	-
	Intangible assets under development – transferred	366	(5,117)
	Cost – Intangible assets under development	366	(5,117)
	Amortisation during the year	(1,563)	(1,526)
	Internal Development	(1,563)	(1,526)
	Net carrying amount at end of the year	9,084	9,946
	Cost	60,577	59,878
	Costs – Intangible assets under development	14,858	13,889
	Cost – Internal Development	45,719	45,989
	Accumulated impairment losses	(24)	(24)
	Accumulated Amortisation	(51,470)	(49,907)
	Accumulated Amortisation – Internal Development	(51,470)	(49,907)

Note 24

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
8	INTANGIBLE ASSETS (continued)		
8.2	<u>Oracle Financial System:</u>		
	Net carrying amount at beginning of the year	61,756	66,262
	Cost	132,210	131,808
	Cost – Software Applications	28,118	28,118
	Costs – Intangible assets under development	45,688	45,286
	Cost – Internal Development	58,404	58,404
	Accumulated Amortisation	(70,454)	(65,547)
	Accumulated Amortisation – Software Applications	(14,545)	(14,341)
	Accumulated Amortisation – Internal Development	(55,909)	(51,206)
	Intangible assets under development	298	201
	Intangible assets under development – transferred	-	201
	Cost – Intangible assets under development	-	201
	Amortisation during the year	Note 24 (4,380)	(4,907)
	Software Applications	(181)	(204)
	Internal Development	(4,199)	(4,703)
	Net carrying amount at end of the year	57,674	61,756
	Cost	132,508	132,210
	Cost – Software Applications	28,118	28,118
	Costs – Intangible assets under development	45,986	45,688
	Cost – Internal Development	58,404	58,404
	Accumulated Amortisation	(74,834)	(70,454)
	Accumulated Amortisation – Software Applications	(14,726)	(14,545)
	Accumulated Amortisation – Internal Development	(60,108)	(55,909)
8.3	<u>Intelligent Transport Platform:</u>		
	Net carrying amount at beginning of the year	269,609	241,006
	Cost	286,074	241,006
	Cost – Software Applications	220,000	220,000
	Costs – Intangible assets under development	66,074	21,006
	Accumulated Amortisation	(16,465)	-
	Accumulated Amortisation – Software Applications	(16,465)	-
	Intangible assets under development – transferred	84	4,916
	Cost – Intangible assets under development	84	4,916
	Intangible assets under development	43,182	40,152
	Amortisation during the year	Note 24 (20,723)	(16,465)
	Software Applications	(20,723)	(16,465)
	Net carrying amount at end of the year	292,152	269,609
	Cost	329,340	286,074
	Cost – Software Applications	220,000	220,000
	Costs – Intangible assets under development	109,340	66,074
	Accumulated Amortisation	(37,188)	(16,465)
	Accumulated Amortisation – Software Applications	37,188	16,465

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
8	INTANGIBLE ASSETS (continued)		
8.4	<u>Employee Wellness:</u>		
	Net carrying amount at beginning of the year	3,848	480
	Cost	3,848	480
	Costs – Intangible assets under development	3,848	480
	Accumulated Amortisation	-	-
	Accumulated Amortisation – Intangible assets under development	-	-
	Intangible assets under development	10,425	3,368
	Net carrying amount at end of the year	14,273	3,848
	Cost	14,273	3,848
	Costs – Intangible assets under development	14,273	3,848
	Accumulated Amortisation	-	-
	Accumulated Amortisation – Intangible assets under development	-	-
8.5	<u>GMT Website:</u>		
	Net carrying amount at beginning of the year	1,371	-
	Cost	1,371	-
	Costs – Intangible assets under development	1,371	-
	Accumulated Amortisation	-	-
	Accumulated Amortisation – Intangible assets under development	-	-
	Intangible assets under development – Transfers	(183)	-
	Intangible assets under development	660	1,371
	Net carrying amount at end of the year	1,848	1,371
	Cost	1,848	1,371
	Cost – Software Applications	1,848	1,371
	Accumulated Amortisation	-	-
	Accumulated Amortisation – Intangible assets under development	-	-
8.6	<u>Vehicle Maintenance Plans:</u>		
	Net carrying amount at beginning of the year	5,130	-
	Cost	5,735	-
	Cost – Vehicle maintenance plans acquired	5,735	-
	Accumulated Amortisation	(606)	-
	Accumulated Amortisation – Vehicle maintenance plans	606	-
	Vehicle maintenance plans acquired	73,060	5,735
	Amortisation during the year	(9,496)	(606)
	Vehicle maintenance plans	(9,496)	(606)
	Net carrying amount at end of the year	68,693	5,130
	Cost	78,795	5,735
	Cost – Vehicle maintenance plans acquired	78,795	5,735
	Accumulated Amortisation	(10,102)	(606)
	Accumulated Amortisation – Vehicle maintenance plans	(10,102)	(606)

Note 22

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
8 INTANGIBLE ASSETS (continued)		
8.7 Intangible assets in the process of being developed		
Cumulative expenditure recognised in the carrying value of Intangible Assets - computer software	186,305	130,870

8.8 Other information

Refer to note 32 for the capital commitments in respect of the acquisition of intangible assets.

Intangible assets comprise of computer software and vehicle maintenance plans in the following categories:

Computer software:

- The Fleetman is an internally developed Oracle based fleet management system. This system is used for the operational functionality of GMT's fleet.
- The Oracle Financial System of modules is used for the financial management within GMT.
- The Intelligent Transport Platform is the basis of innovative mobility solutions to delivery mobility as a service in the future. It contains foundational and advanced mobility capabilities. These capabilities can be deployed to specific applications which promote achieving the outcomes as per GMT's strategic plan.
- During the 2022/23 financial year there was a transfer of an instance of the Employee Wellness system (previously known as the Life Events Management System - 'LEMS') from Traffic Law Enforcement within the Department of Transport and Public Works at that stage to GMT at no cost with no acquisition cost implications. Employee Wellness system will be used to provide a technology platform for managing staff wellness as well as provide learning and development applications. GMT will further develop the Employee Wellness system based on its own business requirements and will have exclusive usage of the revised version of the software. The system configuration commenced and is still in progress of having Employee Wellness.
- The GMT Website is technology which enhances access and communication with stakeholders for mobility solutions and services.

Vehicle maintenance plans:

- The maintenance plans are distinct contractual agreements between GMT and the Original Equipment Manufacturers ('OEMs'), providing specific maintenance and associated services separate from other assets (i.e. the vehicles to which they are linked). They are acquired assets.

The amortisation expense has been included in the Statement of Financial Performance. Amortisation is charged on a straight-line basis over the intangible assets' useful lives. All intangible assets have finite useful lives. No fully amortised intangible assets exist and are still in use on the reporting date. Intangible assets have not been pledged as security for liabilities.

The currency exchange rate affects certain components of the costs which are capitalised as part of intangible assets.

No delays have been encountered during the year review. No developments have been halted either during the period and the comparative year.

None of the intangible assets have been provided as a guarantee for liabilities.

The remaining useful lives of intangible assets are as follows:

- * Oracle Financial System: 11 years and 6 months (31 March 2024: 11 years and 6 months)
- * FleetMan System: 2 years and 6 months (31 March 2024: 3 years and 6 months)
- * Intelligent Transport Platform: 10 years (31 March 2024: 10 years)
- * Employee Wellness System: 10 years (31 March 2024: 10 years)
- GMT Website: 4 years (31 March 2024: 4 years)
- Vehicle Maintenance Plans: ranging between 3 months to 5 years and 5 months (31 March 2024: 1 year and 3 months to 5 years and 11 months)

* Useful life reassessed during 2024/25

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

8.8 Other information (continued)

The following restrictions apply to Intangible assets:

- GMT ERP and vehicle maintenance plans are not transferable

8.9 Impairment of Intangible Assets

No impairment of intangible assets occurred during the year (2022/24: R nil).

	2024/25 R'000	2023/24 R'000
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9 HERITAGE ASSETS

None of the intangible assets have been provided as a guarantee for liabilities.

Gross carrying amount

	140	140
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The movement in Heritage Assets is reconciled as follows:

Gross carrying amount at the beginning of the year

	140	140
--	-----	-----

Cost

	146	146
--	-----	-----

Accumulated impairment losses

	(6)	(6)
--	-----	-----

Gross carrying amount at the end of the year

	140	140
--	-----	-----

Cost

	146	146
--	-----	-----

Accumulated impairment losses

	(6)	(6)
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Heritage assets consist of an antique vehicle (GVY444G - 1942 Ford Ambulance) which is protected, cared for and preserved for the benefit of present and future generations.

No heritage assets have been pledged as security for any liabilities of GMT. There are no restrictions on title and the disposal of the heritage asset. No contractual commitments exist for any further acquisition, maintenance and restoration of heritage assets. The heritage asset is not used for any alternative use.

The fair value of the heritage asset is R280,000 (2023/24: R250,000) at the reporting date.

There are no contractual commitments for the acquisition, maintenance and restoration of the heritage asset as at the reporting date

No amounts are included in the Statement of Financial Performance at the reporting date for compensation received from third parties as none were impaired, lost or given up.

The following sources of information were considered to determine whether impairment losses must be recognised on the heritage asset:

External: Decline in the market value of the asset.

Internal: Evidence of physical damage or deterioration.

The estimated market value of the asset remained at R280,000 (31 March 2024: R250,000). No physical damage or deterioration is visible on the asset. No impairment losses are considered necessary as the estimated recoverable service amount of the asset exceeds the carrying value thereof.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
10 FINANCE LEASE RECEIVABLES		
Finance Lease receivables	1,482,618	1,286,987
Sub-total	1,482,618	1,286,987
Less: Current Portion transferred to Current Assets	244,372	217,705
Finance Lease Receivables	244,372	217,705
Total Long-term portion of Finance Lease Receivables	1,238,246	1,069,283

The management of GMT is of the opinion that the carrying value of Finance Lease Receivables recorded at amortised cost in the Annual Financial Statements approximate their fair values.

10.1 Amounts receivables under Finance Leases

GMT as Lessor:

Finance Leases relate to vehicles that are permanently allocated to certain user departments with remaining lease terms of between 0.44 and 7.81 years as at 31 March 2025 (31 March 2024: 0.3 and 7.88 years). Five Isuzu trucks and six VW Crafters were purchased during the 2022/2023 financial year with remaining lease terms between 5.48 and 5.87 years. Two Isuzu trucks purchased in the 2023/2024 financial year, have remaining lease terms between 6.81 and 6.96 years. In the 2024/2025 financial year, GMT allocated three Iveco 4x4 trucks, thirteen 35-seater Hino buses and one 50-seater Hino 50 bus with remaining lease terms of 7.52 to 7.81 years. If these vehicles are excluded, the remaining lease terms are between 0.44 and 4.96 years. The effective annual interest rate on new vehicles purchased and permanently allocated to departments during the year under review is between 10.92% and 50.73% (31 March 2024: 15.53% and 47.71%).

Interest rates on finance lease receivables are calculated once-off in accordance with the monthly cash flows over the period of the lease. The following factors affects the calculated effective annual interest rate over the lease period: (1) Daily tariffs charged over the lease period, (2) the residual value/proceeds on disposal at the end of the lease period, (3) lease period which coincide with the useful life of the vehicle. The 3 factors above are re-assessed on an annual basis which have an impact on the effective annual interest, in some cases resulting in high interest rates. To ensure fair presentation, only the interest rates on new vehicles purchased and permanently allocated to departments are therefore disclosed.

Ownership of the leased vehicles is not transferred to the user departments at the conclusion of the lease agreements. GMT's rights under Finance Leases are secured by the lessors' title to the leased assets.

The amounts receivable under Finance Leases are as follows:

	Minimum Lease Receivables		Present Value of Minimum Lease Receivables	
	2024/25 R'000	2023/24 R'000	2024/25 R'000	2023/24 R'000
Amounts receivable under finance leases:				
Within one year	711,083	659,357	244,372	217,705
In the second to fifth years, inclusive	2,044,396	1,822,256	1,205,923	1,060,307
Over five years	42,494	10,955	32,323	8,975
	2,797,973	2,492,569	1,482,618	1,286,987
Less: Unearned Future Finance Income	1,315,355	1,205,581	-	-
Present Value of Minimum Lease Receivables	1,482,618	1,286,987	1,482,618	1,286,987
Less: Amounts due for settlement within 12 months (current portion)			244,372	217,705
Finance lease receivables due for settlement after 12 months (Non-current portion)			1,238,246	1,069,283
GMT has finance lease agreements for the following significant classes of assets:				
• Vehicles				
Unguaranteed residual values (R'000)			806,165	735,724

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
10	FINANCE LEASE RECEIVABLES (continued)		
	Included in these classes are the following significant leases:		
	i) GFD336G:		
	• Instalments are payable monthly in arrears	43.89%	29.21%
	• Average monthly instalment (Rands only)	10,052	12,643
	• Average monthly instalment (Rands only)	2.69%	3.10%
	• Annual escalation (average tariff increase over the next 3 years per MTEF)		
	ii) GFC192G:		
	• Instalments are payable monthly in arrears		
	• Average effective interest rate	43.57%	30.57%
	• Average monthly instalment (Rands only)	25,350	23,751
	• Annual escalation (average tariff increase over the next 3 years per MTEF)	2.69%	3.10%
11	INVENTORY		
	Consumables store	Note 11.1 317	284
	Total Inventory	317	284

Inventories are held for own use and measured at the lower of Cost and Current Replacement Cost. No write-down of inventory was recognised as expenditure during the year ended 31 March 2025 (2023/24: none). No reversal of write-down expenditure incurred.

		2024/25 R'000	2023/24 R'000
11	INVENTORY (continued)		
11.1	Analysis of consumables store		
	Office supplies and stationary	317	284

The cost of inventories recognised as an expense for the year amounted to R324,206 (2023/24: R369,188).

No Inventories have been pledged as collateral for liabilities of the Entity.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
12 RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Accounts receivable	49,121	46,736
Less: Provision for impairment	-	(983)
Total receivables from Exchange Transactions	49,121	45,753
12.1 Ageing of Receivables from Exchange Transactions		
Current: 0 - 30 days	72,552	69,969
Gross Balances	72,552	69,969
Less: Provision for Impairment	-	-
More than 30 days and not more than 60 days	69	91
Gross Balances	69	92
Less: Provision for Impairment	-	(1)
More than 60 days and not more than 90 days	482	(236)
Gross Balances	482	(234)
Less: Provision for Impairment	-	(2)
More than 90 days	219	109
Gross Balances	219	1,089
Less: Provision for Impairment	-	(980)
	73,322	69,933
Adjustment for daily tariffs included in the finance lease receivables	(24,201)	(24,180)
Net Balances	49,121	45,753
As at 31 March 2025, R770,000 were past due but not impaired (31 March 2024: the receivables indicated below were past due but not impaired). The age analysis of these receivables is as follows:		
More than 30 days and not more than 60 days	69	91
Gross Balances	69	92
Less: Provision for Impairment	-	(1)
More than 60 days and not more than 90 days	482	(236)
Gross Balances	482	(234)
Less: Provision for Impairment	-	(2)
More than 90 days	219	109
Gross Balances	219	1,089
Less: Provision for Impairment	-	(980)
Net Balances	770	(35)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
12	RECEIVABLES FROM EXCHANGE TRANSACTIONS (continued)		
12.2	Summary of Receivables from Exchange Transactions by Customer Classification		
	National and Provincial client institutions:		
	<u>Current:</u>		
	0 - 30 days	48,351	45,789
	<u>Past Due:</u>		
	More than 30 days and not more than 60 days	69	92
	More than 60 days and not more than 90 days	482	(234)
	More than 90 days	219	1,089
	Sub-total	49,121	46,736
	Less: Provision for Impairment	-	(983)
	Total Trade Receivables by Customer Classification	49,121	45,753
12.3	Summary of Receivables from Exchange Transactions by Customer Classification - Provincial		
	<u>Current:</u>		
	0 - 30 days	59,771	54,683
	<u>Past Due:</u>		
	More than 30 days and not more than 60 days	-	-
	More than 60 days and not more than 90 days	-	(117)
	More than 90 days	135	34
	Sub-total	59,906	54,600
	Less: Provision for Impairment	-	-
	Total Trade Receivables by Provincial customer classification	59,906	54,600
12.4	Summary of Receivables from Exchange Transactions by Customer Classification - National		
	<u>Current:</u>		
	0 - 30 days	12,781	15,286
	<u>Past Due:</u>		
	More than 30 days and not more than 60 days	69	92
	More than 60 days and not more than 90 days	482	(117)
	More than 90 days	83	1,054
	Sub-total	13,416	16,316
	Less: Provision for Impairment	-	(983)
	Total Trade Receivables by National customer classification	13,416	15,333
	Total Trade Receivables by Provincial and National customer classification	73,322	69,933
12.5	Reconciliation of the Provision for Impairment		
	Balance at beginning of the year	(983)	(517)
	Provision impairment losses recognised	-	(466)
	Amounts written off as uncollectable	983	-
	Balance at end of the year	-	(983)

Provision for impairment of Receivables has been made for all balances outstanding based on the collectability of the amounts outstanding. No further credit provision is required in excess of the Provision for Impairment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
13	RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
	Software license fees	503	5,851
	Prepayments for Academia Research	6,699	-
	Sundry debtors	18,157	3,623
	Sundry debtors - reimbursement of remuneration	727	-
	Employees with leave debits	63	41
	Fleet Risk Debtors	266	387
	Total Receivables from Non-exchange Transactions	26,416	9,902

Software license fees are for payments for software application modules license fees which are paid for periods after the reporting date.

Prepayments for academic research is for payments made to universities based in the Western Cape for research and associated costs pertaining to the transitioning to new energy vehicles.

The balance recognised for employees with leave debits are for officials employed at GMT which utilised more annual leave by the reporting date than the leave accrual on 31 March 2025.

Fleet Risk Debtors are recoverable amounts from parties arising from incidents with mobility assets.

Sundry debtors consist of business transactions entered into by GMT on behalf of the Western Cape Mobility Department for which the amounts are recoverable from the Department.

Sundry debtors - reimbursement of remuneration is the recoverable amount from Western Cape Mobility Department for the acting period of the Director: Fleet Finance, whom acted as the Chief Director: Management Support Services (CFO) during 1 Aug 2024 to 31 March 2025, as the salary was paid by GMT. The recovery amount was refunded to GMT by the Western Cape Mobility Department on 17 April 2025.

None of the receivables have been pledged as security for the entity's financial liabilities.

13.1 Fleet Risk Debtors

Receivable balances	391	555
Less: Provision for Impairment	(125)	(168)
Balance of receivables from Fleet Risk Debtors	266	387

13.2 Ageing of Fleet Risk Debtors

Current: 0 - 30 days	1	102
Gross Balances	1	102
Less: Provision for Impairment	-	-
More than 30 days and not more than 60 days	2	2
Gross Balances	2	2
Less: Provision for Impairment	-	-
More than 60 days and not more than 90 days	-	-
Gross Balances	-	-
Less: Provision for Impairment	-	-
More than 90 days	263	283
Gross Balances	387	451
Less: Provision for Impairment	(125)	(168)
Net Balances	266	387

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
13 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (continued)		
13.2 Ageing of Fleet Risk Debtors (continued)		
As at 31 March 2025 receivables of R265,000 (31 March 2024: R285,000) were past due date but not impaired. The age analysis of these receivables is as follows:		
More than 30 days and not more than 60 days	2	2
Gross Balances	2	2
Less: Provision for Impairment	-	-
More than 60 days and not more than 90 days	-	-
Gross Balances	-	-
Less: Provision for Impairment	-	-
More than 90 days	263	283
Gross Balances	387	451
Less: Provision for Impairment	(125)	(168)
Net Balances	265	285
13.3 Reconciliation of the Provision for Impairment		
Balance at beginning of the year	(168)	(323)
Provision impairment losses recognised	-	(5)
Provision impairment losses reversed	37	36
Amounts written off as uncollectable	3	96
Amounts recovered	2	28
Balance at end of the year	(125)	(168)
Provision for impairment of Receivables has been made for all balances outstanding based on the collectability of the amounts outstanding. No further credit provision is required in excess of the Provision for Impairment.		
13.4 Ageing of impaired Receivables from Non-Exchange Transactions		
<u>Current:</u>		
0 - 30 days	-	-
<u>Past Due:</u>		
More than 30 days and not more than 60 days	-	-
More than 60 days and not more than 90 days	-	-
More than 90 days	125	168
Sub-total	125	168
Less: Provision for Impairment	(125)	(168)
Total	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
14 CASH AND CASH EQUIVALENTS		
Bank accounts	1,182,032	1,318,527
Cash-on-hand	2	2
Current investment deposits	521,705	482,836
	1,703,739	1,801,365
<p>Cash and cash equivalents comprise of cash and short-term, highly liquid investments that are held with a registered banking institution which is subject to insignificant interest rate risk. The carrying amount of these assets approximates their fair value.</p> <p>For the purposes of the Statement of Financial Position and the Cash Flow Statement, Cash and Cash Equivalents include Cash-on-hand and Cash in the bank.</p>		
14.1 Bank Accounts		
Nedfleet bank account		
<i>Nedbank Account</i>		
Cash book balance at the beginning of the year	11,032	12,955
Cash book balance at the end of the year	11,032	11,032
<i>Nedbank Account Number: 1452 049 831</i>		
Bank statement balance at the beginning of the year	11,032	12,955
Bank statement balance at the end of the year	11,032	11,032
Primary bank account		
<i>Nedbank Account</i>		
Cash book balance at the beginning of the year	1,307,495	1,179,278
Cash book balance at the end of the year	1,171,001	1,307,495
<i>Nedbank Account Number: 1452 056 226</i>		
Bank statement balance at the beginning of the year	1,304,767	1,177,719
Bank statement balance at the end of the year	1,169,143	1,304,767
14.2 Cash-on-hand		
Cash float	2	2
14.3 Current investment deposits		
<i>Investments through Provincial Treasury:</i>		
Corporation of Public Deposits	521,705	482,836
	521,705	482,836
Total Cash and Cash Equivalents	1,703,739	1,801,365

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
14 CASH AND CASH EQUIVALENTS (continued)			
14.4 Cash and Cash equivalents held under restrictions			
GRAP 2 on Cash Flow Statements states the following:			
Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value (GRAP 2.07).			
An entity shall disclose, together with a commentary by management, the amount of significant cash and cash equivalent balances held by the entity that are not available for use by the economic entity (GRAP 2.49).			
Funds held in the primary bank account and included in the following line items:			
Unspent Conditional Grants and Receipts	Note 5	52,239	66,271
Payables from exchange transactions		5,509	13,799
Accrued expenditure		5,509	13,799
Payables from non-exchange transactions	Note 4	4,426	4,965
Payments received in advance		4,426	4,908
Refundable auction returns		-	57
		62 175	85,035

Conditional grants and receipts:

The use of these funds is restricted and must be used to fulfil conditions associated with liabilities recognised as unspent conditional grants and receipts. Note 5 contains details on the movement in the balance.

Payables from Exchange transactions and Payables from Non-exchange transactions:

Refer to notes 3 and 4 for the narratives of these line items.

14.5 Other disclosure

GMT does not have any overdrawn current account facilities with its banker and therefore does not incur interest on overdrawn current accounts. Interest is earned on favourable balances.

The entity did not pledge any of its cash and cash equivalents as collateral for its financial liabilities.

As required in section 7(2) and 7(3) of the Public Finance Management Act, the National Treasury has approved the local banks where the bank accounts are held.

Nedbank has an AA long-term SA National scale ratings through Standards and Poor's Ratings Services.

The management of the entity is of the opinion that the carrying value of cash and cash equivalents recorded at amortised cost in the Annual Financial Statements approximate their fair values.

The fair value of Cash and Cash Equivalents was determined after considering the standard terms and conditions of agreements entered into between the entity and financial institutions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
15 REVENUE			
An analysis of the entity's revenue is as follows:			
Rendering of services:			
National Departments		57,048	58,466
Provincial Departments		408,809	439,950
Interest earned:			
Finance lease receivables		485,553	434,783
		951,409	933,198
An analysis of the entity's revenue as per:			
Kilometre tariffs		396,706	417,178
Daily tariffs		69,151	81,237
Interest earned		485,553	434,783
		951,409	933,198

The amounts disclosed above for revenue are in respect of services rendered, which are billed to the clients on a monthly basis according to approved tariffs, as well as interest earned on finance lease receivables.

16 OTHER INCOME			
Profit on sale of vehicles and stolen vehicles recovered	Note 16.1	27,545	9,426
Parking income		3	2
Fair value adjustment	Note 16.2	53	36
Donations received	Note 16.3	178	442
Total Other Income		27,779	9,907

16.1 Analysis of profit on sale of vehicles and stolen vehicles recovered

Profit on vehicle sales and extras		26,846	9,376
Stolen vehicles recovered at fair value	Note 7.3.8	699	50
		27,545	9,426

16 OTHER INCOME (continued)**16.2 Fair value adjustment**

The fair value adjustment is for the amendment of the provision for bad debts on fleet risk debtors. The recoverable amount of the debtors were revised from previous reported levels as the debtors since made payments, which were previously considered irrecoverable.

16.3 Donations received

The donations received consists of office furniture which was transferred to GMT from the Department of Infrastructure. This was done to equip the phase one building at 3 Rusper Street, Maitland.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
17	INTEREST EARNED		
	Bank account	91,726	91,487
	Investments	38,869	37,316
	Accounts receivable	-	4
	Total Interest Earned	130,594	128,807
17.1	Interest earned - Bank account		
	Interest is earned on the primary bank account held with Nedbank. Interest is earned on a credit balance held with the bank. The rate at which interest was earned during the year varied between 7% to 7.75% (2023/24: 7.25% to 7.75%).		
	Interest earned - Nedbank primary account	91,726	91,487
17.2	Interest earned - investments		
	Interest is earned on investments held with the Corporation of Public Deposits. The interest earned and yields on investments are detailed below.		
	Interest rate:		
	Corporation of Public Deposits	7.34% to 8.61%	7.34% to 8.72%
	Interest earned:		
	Corporation of Public Deposits	38,869	37,316
	Total interest earned – Investments	38,869	37,316
17.3	Interest earned - Accounts receivable		
	Interest is earned on accounts receivable balances in excess of 30 days. The interest rate on which the interest is earned is determined by the National Minister of Finance for interest rates to be levied on debts owing to the State in terms of s80 of the Public Finance Management Act (Act 1 of 1999). No accounts were overdue during the reporting period which attracted interest earned. The rate at which interest yield during the year ended 31 March 2025 varied 11% to 11.75% (2023/24: 10.75% to 11.75%).		
	Interest earned - Accounts receivable	-	4
	Total Interest Earned	130,594	128,807

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
18	GOVERNMENT GRANTS AND SUBSIDIES RECEIVED		
	Conditional Grants		
	Grants from Provincial Departments	34,639	2,650
	Western Cape Government Health and Wellness	-	2,650
	Department of Social Development	9,559	-
	Western Cape Education Department	25,080	-
	Grants from Other stakeholders:	7	365
	Paid up value - Judges vehicles	7	365
	Government Grants and Subsidies received from exchange transactions	34,647	3,016
	Government Grants and Subsidies received from non-exchange transactions		
	Other grants and subsidies received	12,353	-
		12,353	-

Refer to note 5 for the reconciliation of the movements in Unspent Conditional Grants and Receipts. GMT complied with the conditions attached to all grants received to the extent of revenue recognised. Other grants and subsidies received comprise of take-in vehicles (9 Volkswagen Crafters) received from the Western Cape Government Health and Wellness during the period under review.

19	SERVICES IN-KIND		
	Services in-kind benefit revenue	16,750	13,814
	Services in-kind benefit revenue - accommodation	16,750	13,814
19.1	Services in-kind benefit revenue – accommodation	16,750	13,814
	In-kind benefit for leased property	5,931	3,512
	In-kind benefit for properties owned	10,820	10,302

Services in-kind benefit revenue - accommodation:

GMT occupies buildings and sites owned and leased by the Western Cape Department Infrastructure at no cost. These buildings and sites are located at:

Owned properties:

3 Rusper Street, Maitland, Cape Town

Erf 3472, George

19 Hermes Road, Paarden Eiland, Cape Town

Leased property:

Site adjacent to 3 Rusper Street, Maitland, Cape Town

418 Voortrekker Road, Maitland

These buildings and sites are considered significant as per GRAP 23 for the operations of GMT on 31 March 2025

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
20 ADMINISTRATIVE EXPENSES		
Bank charges	3,141	3,116
Fees for services		
- Housing and hosting	8,286	8,179
Legal fees	256	30
License and software support fees	11,444	10,350
* Other administrative expenses	173	101
Stationery and printing	879	686
Training and staff development	6	48
Travel and subsistence	291	583
Total Administrative expenses	24,477	23,093

The amounts disclosed above for administrative expenses are in respect of costs incurred in the general management of GMT and not directly attributable to a specific service or class of expense.

* Other administrative expenses are catering costs, postage and other minor costs associated to the general management of GMT.

21 EMPLOYEE COSTS		
Salaries		
Basic salaries	40,669	39,262
Periodic payments	3,194	3,318
Other non-pensionable allowances	3,772	3,878
Overtime and long service awards	214	94
Social contributions		
Medical	4,779	4,403
Official unions and associations	16	16
Pension	5,165	5,058
Defined Benefit Obligation expenses (see note 1):		
Current service cost	37	37
Interest cost	67	73
Net actuarial (loss) / gain recognised	49	(51)
Early retirement - (reduction) / cost to GMT	8	(16)
Total Employee costs	57,969	56,073

Employee costs are shown at cost to entity package, based upon salary, bonuses, allowances and employee benefit contributions by GMT for the year. Employee costs are charged to the Statement of Financial Performance in the year to which it relates.

The increase in the Employee Costs is due to the increase in the number of officials employed by the entity and the effective annual salary increases. The amounts reflected in note 21.1 are included in the amounts above.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

21 EMPLOYEE COSTS (continued)

21.1 The following is the disclosure of management remuneration:

	Basic Salary	Other short-term benefits	Medical Aid Contribution	Pension Contribution	Total
	R'000	R'000	R'000	R'000	R'000
Year ended 31 March 2024					
Personnel members appointed as SMS members (including those appointed in acting capacities) within Government Motor Transport					
Chief Director: Government Motor Transport	982	506	21	128	1,636
Director: Fleet Finance	850	254	-	111	1,214
Director: Fleet Services	814	237	6	106	1,162
TOTAL (SMS members)	2,645	997	27	344	4,013
Other management personnel (including those appointed in acting capacities) within Government Motor Transport					
Deputy Director: Financial Accounting (retired)	248	335	-	32	615
Acting Deputy Director: Financial Accounting	362	133	-	47	541
Acting Deputy Director: Management Support Services	435	79	54	57	624
Acting Deputy Director: Fleet Risk Management (retired)	70	153	-	9	232
Acting Deputy Director: Fleet Risk Management	245	90	31	32	399
Deputy Director: Internal Control	406	66	-	53	524
Deputy Director: Management Accounting	591	177	-	77	845
Acting Deputy Director: Fleet Operations	379	126	10	49	565
Acting Deputy Director: Fleet Repairs and Maintenance	447	57	54	58	617
TOTAL (other management personnel)	3,183	1,216	150	414	4,962
TOTAL (management remuneration for the year ended 31 March 2024)	5,828	2,213	177	758	8,975
Year ended 31 March 2025					
Personnel members appointed as SMS members (including those appointed in acting capacities) within Government Motor Transport					
Chief Director: Government Motor Transport	429	320	9	56	814
Acting Chief Director: Government Motor Transport	525	236	-	68	829
Director: Fleet Finance	297	89	-	39	424
Acting Director: Fleet Finance	422	143	-	55	620
Director: Fleet Services	865	252	6	112	1,235
TOTAL (SMS members)	2,537	1,041	15	330	3,923

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

21 EMPLOYEE COSTS (continued)

	Basic Salary	Other short-term benefits	Medical Aid Contribution	Pension Contribution	Total
	R'000	R'000	R'000	R'000	R'000
Other management personnel (including those appointed in acting capacities) within Government Motor Transport					
Deputy Director: Financial Accounting	637	130	-	83	850
Deputy Director: Management Support Services	563	74	52	73	763
Acting Deputy Director: Fleet Risk Management	443	209	22	58	732
Deputy Director: Internal Control	637	130	-	83	850
Deputy Director: Management Accounting	207	45	-	27	279
Acting Deputy Director: Fleet Operations	534	154	15	69	774
Acting Deputy Director: Fleet Repairs and Maintenance	503	166	59	65	793
TOTAL (other management personnel)	3,526	908	148	458	5,041
TOTAL (management remuneration for the year ended 31 March 2025)	6,064	1,948	163	788	8,963

Notes:

- a Mrs. Kathy Proctor-Fourie retired on 31 July 2023
- b Mr. Yandisa Gqamlana acted as Deputy Director: Financial Accounting from 1 August 2023 to 31 October 2023 and was appointed on a permanent basis in this position from 1 November 2023
- c Mr. Christiaan Kriegler acted as Deputy Director: Management Support Services (4 April 2023 to 31 March 2024)
- d Mr. Phaldine Williams acted as Deputy Director: Fleet Risk Management from 3 April 2023 to 31 May 2023 and retired on 31 May 2023
- e Mrs. Carol Jacobs acted as Deputy Director: Fleet Risk Management (1 June 2023 to 29 September 2023 and 8 January 2024 to 31 March 2024)
- f Ms. Yvette Ismail was appointed as Deputy Director: Internal Control with effect from 1 August 2023
- g Mr. Johannes Fourie acted as Deputy Director: Fleet Operations (3 April 2023 to 7 August 2023 and 2 October 2023 to 31 March 2024)
- h Mr. Shawn Tyman acted as Deputy Director: Fleet Repairs and Maintenance (3 April 2023 to 30 June 2023, 3 July 2023 to 30 September 2023, 2 October 2023 to 29 December 2023 and 8 January 2024 to 28 March 2024)
- i Mr. Yasir Ahmed left service on 31 August 2024
- j Mr. Gamza Martin acted as Chief Director: Government Motor Transport from 9 September 2024 to 31 March 2025
- k Mr. Riaan Wiggill fulfilled the role of Director: Fleet Finance between 1 April 2024 to 31 July 2024, and acted as Chief Director: Management Support Services (CFO) from 1 August 2024 to 31 March 2025. The cost of employment for Mr Wiggill while acting as Chief Director: Management Support Services (CFO) was settled by the Western Cape Mobility Department.
- l Ms. Bianca Hendricks fulfilled the role of Deputy Director: Management Accounting between 1 April 2024 to 31 July 2024, and acted as Director: Fleet Finance from 1 August 2024 to 31 March 2025
- m Mr. Christiaan Kriegler acted as Deputy Director: Management Support Services from 1 April 2024 to 31 August 2024 and was appointed in this role with effect from 1 September 2024.
- n Ms. Carol Jacobs acted as Deputy Director: Fleet Risk Management from 1 April 2024 to 30 November 2024, 2 December 2024 to 28 February 2025 and 3 March 2025 to 31 March 2025
- o Mr. Johannes Fourie acted as Deputy Director: Fleet Operations from 1 April 2024 to 11 October 2024, 14 October 2024 to 1 December 2024 and was appointed as Deputy Director: Fleet Operations with effect from 2 December 2024
- p Mr. Shawn Tyman acted as Deputy Director: Fleet Repairs and Maintenance from 1 April 2024 to 31 January 2025 and was appointed as Deputy Director: Fleet Repairs and Maintenance on 1 February 2025.

Consist of SMS car allowance, Public Service Co-ordinating Bargaining Council contributions, General Public Service Bargaining Council / Public Health and Welfare Sector Bargaining Council contributions, non-pensionable cash allowance and component of remuneration package, acting allowance, thirteenth cheques, payments for leave gratuity and capped leave payments.

By management's judgement, management remuneration is disclosed for months during which the officials were appointed for the majority of the month during which remuneration was earned. These include acting periods.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
22 OPERATING EXPENDITURE			
Consultant, contractors and special services		97,915	64,357
• Audit fees - regulatory and ICT audits		3,737	2,656
• Computers and systems service providers:			
Support staff: scan centre		3,811	3,630
System maintenance: xECM		-	33
Systems Architecture and Integration		2,870	2,789
Support services: Operations		20,619	13,191
Business Analyst(s)		9,603	2,307
Fleet Finance: system maintenance and support		6,838	4,122
FleetBase: system maintenance and support		9,074	5,343
Development operations management		636	613
Linux support		675	116
Employee Wellness Systems support		5,527	4,457
Fleet Client: system maintenance and support		205	208
Database administrator: system maintenance and support		1,345	1,399
• Security services		9,523	2,428
• Consultant fees - contracted accountants		1,482	1,344
• Consultant fees - change management		1,598	1,347
• Consultant fees - project management		9,791	5,097
• Consultant fees - research and advisory services		10,579	13,276
• Other services (including medical and cleaning services)		3	-
Maintenance, repairs and running costs		325,652	348,271
• Amortisation - vesting of vehicle maintenance plans	Note 8.6	9,496	606
• Machinery, equipment and vehicles: repairs and maintenance	Note 22.1	96,634	106,102
• Vehicles: losses due to fuel theft	^/ Note 37.1	86	236
• Vehicles: fuel, oil and vehicle electricity charges	Note 22.4	219,437	241,328
Loss on sale of property, plant and equipment; and stolen vehicles	Note 22.2	13,324	6,189
Loss on finance lease receivables		40,739	22,527
Other operating costs of associated to leases	^^	26,294	26,311
Services in-kind	Notes 19	16,750	13,814
Motor vehicle license fees	Notes 35	7,549	6,508
Third party claims		1,704	1,948
Stores and consumables		399	331
Communication costs		141	122
Courier and delivery charges		11	14
		530,479	490,393

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
22 OPERATING EXPENDITURE (continued)		
Additional narratives:		
^ This expenditure are losses with the estimated total value of R85,611 (2023/24: R235,634) during the comparative year due to theft pertaining to the use of fuel cards. It is impractical to determine the exact monetary amount as these cases are still under investigation by various bodies, including GMT, SAPS and Provincial Forensic Services. The outcome of these investigations will determine (amongst other) whether the amounts are Fruitless and Wasteful of nature and then subsequently be disclosed in note 37 to these financial statements.		
^^ Other operating costs associated to leases and re-fuelling consist of the following:		
Maintenance, support and other services	10,072	10,088
Operating systems	10,916	10,916
SIM card subscription	3,359	3,359
Management fee	1,948	1,948
	26,294	26,311
22.1 Expenditure incurred to repair and maintain property, plant and equipment		
The following specific costs included in the amount of repairs and maintenance were incurred by Government Motor Transport during the year:		
Vehicles	Note 7.4	96,634
• General maintenance and services		106,029
• Tyres, tubes and associated maintenance		58,939
• Glass repairs		15,035
• Accident repairs		2,291
• Exhaust repairs		17,840
• Shocks		115
• Batteries		81
		207
		2,859
Plant and Equipment	Note 7.4	-
• Computer equipment		73
• Office equipment		-
• Domestic equipment		1
• Kitchen appliances		5
• Containers		58
• Office furniture and fittings		9
		96,634
		106,102
22.2 Analysis of loss on sale of vehicles, stolen vehicles and alienations		
Vehicle sales	7,338	3,354
Vehicles alienated	-	221
Stolen vehicles	5,987	2,615
	13,324	6,189

Vehicles alienated:

Two Toyota Quests were donated to Mossel Bay municipality during the 2023/24 financial year. Refer to note 7 for the detail of the cost prices and accumulated depreciation.

Stolen vehicles:

Four Toyota Hilux, five Toyota Starlets, twelve Volkswagen Polos and two VW were buses were stolen during the year under review (2023/24: Four Toyota Hilux Double Cabs, two Toyota Quest, one Toyota Avanza and four Volkswagen Polos)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2024/25
R'000

2023/24
R'000

22 OPERATING EXPENDITURE (continued)

22.3 Consultant, contractors and special services: description of service provided

Audit fees - Regulatory and ICT audit:

Assurance services during the annual regulatory and ICT audits, and associated inspections.

Support staff: scan centre

Scan centre staff providing an in-line scanning service to business.

System maintenance: xECM

Annual support on the OpenText Mycontent instance in the GMT environment.

Systems Architecture and Integration

Conceptual modelling of the systems structures, systems landscape, behaviour and integration platform.

Support services: Operations

Annual support services to business in the Directorate: Fleet Services.

Linux support

Support services to business in the Linux open source software.

Employee Wellness System support

Support services to business for the Employee Wellness Management System.

Business Analyst(s)

Business analysis functions to document business requirements across the business.

Fleet Finance: system maintenance and support

Annual maintenance and support for Oracle EBS.

FleetBase: system maintenance and support

Annual maintenance and support for FleetMan APEX modules.

Fleet Client: system maintenance and support

Annual maintenance and support for Enterprise Asset Management (Oracle EAM in Oracle EBS).

Security Services

Contracted services to provide security at some of GMT's operational sites.

Database Administrator: system maintenance and support

Database management, maintenance and support on all systems to ensure continuity.

Consultant fees - contracted accountants:

Assist GMT with the accounting of leases, preparation of underlying asset registers and support on preparation of disclosure notes for financial statements for GMT and client institutions.

Consultant fees - project management

Planning and managing all projects across the business.

Consultant fees - research and advisory services

Professional and strategic advice from subject matter experts.

Development operations management Linux support

Configuration and support of the Linux Operating Systems within the GMT Azure Cloud Subscription.

Consultant fees - Change management

Change Management deliverables within the organisation regarding Business Transformation.

Consultant fees - competency based assessments

Costs associated to competency-based assessments during the recruitment processes.

Other services

Other services required on an ad-hoc basis e.g. removal services during relocation.

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
22	OPERATING EXPENDITURE (continued)		
22.4	Vehicles: fuel, oil and vehicle electricity charges		
	Fuel	219,128	241,00
	Oil	309	327
	Vehicle electricity charges	-	1
		219,437	241,328
23	DEPRECIATION		
	Plant and equipment	Note 7 3,392	3,166
	Vehicles	Note 7 29,194	26,923
		32,586	30,089
24	AMORTISATION		
	Intangible asset – FleetMan	Note 8.1 1,563	1,526
	Intangible asset - Oracle financial system	Note 8.2 4,380	4,907
	Intangible asset - Intelligent Transport Platform	Note 8.3 20,723	16,465
		26,666	22,898
25	FINANCE COSTS		
	No finance costs were incurred during the period under review (2023/24: Rnil).		
26	ACCIDENTS AND IMPAIRMENT LOSSES		
26.1	Impairment losses on fixed assets		
	Impairment losses recognised:		
	Property, plant and equipment	Note 26.3.1 4,847	9,316
	• Vehicles	4,847	9,316
	• Plant and Equipment	-	-
26.2	Impairment losses and uncollectability of financial instruments		
26.2.1	Impairment losses recognised:		
	Receivables from non-exchange transactions	Note 26.3.2 84	42
	• Bad debt written off	84	37
	• Provision for bad debt	-	5
26.2.2	Impairment losses recognised:		
	Receivables from exchange transactions	Note 26.3.3 -	466
	• Bad debt written off	-	-
	• Provision for bad debt	-	466
		4,931	9,824

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
26.3	The following events and circumstances resulted in the recognition of impairment losses:	
26.3.1	Property, plant and equipment	
	4,847	9,316
• Vehicles	4,847	9,316
• Plant and Equipment	-	-

External sources:

Condition assessments performed.

Actual selling prices received for vehicles auctioned after the reporting date.

Internal sources:

GMT's internal reporting on accidents vehicles.

GMT's internal reporting indicating the economic performances of vehicles.

Reserve prices determined by GMT's fleet operations section for vehicles that will be auctioned after the year-end.

The impairment loss identified was the result of asset valuations performed at the end of the reporting period. The recoverable amount was based on the assets' fair value less cost to sell as accident vehicles and vehicles in a very poor or bad condition are normally withdrawn from service and sold on the following auction. The fair value was determined after taking into account current market values and market conditions.

Reserve prices determined by GMT's fleet operations section for auction purposes are based on Transunion values which provide a guide for retail prices for used vehicles and used extensively by the used car industry and dealers. In addition, the actual prices obtained during auctions are also used in calculating reserve prices.

26.3.2 **Receivables from non-exchange transactions**

- Fleet Risk Debtors

84	42
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GRAP 104 requires that entities shall disclose by class of financial instrument the maximum credit risk exposure. For financial assets, this is typically the gross carrying amount, net of impairment losses.

The process for estimating impairment considers all credit exposures of financial instruments, not only those of low credit quality. GMT evaluates the following groupings of financial assets as these are deemed to have similar characteristics:

Receivables from Non-exchange Transactions

- Fleet Risk Debtors; and
- Sundry debtors.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
26.3.3 Receivables from exchange transactions		
• <i>Receivables from Exchange transactions</i>	-	466

GRAP 104 requires that entities assess at the end of each reporting period whether there is an objective evidence that a financial asset or group of financial assets are impaired.

The process for estimating impairment considers all credit exposures of financial instruments, not only those of low credit quality. GMT evaluates receivables generated through tariffs and interest charges are groupings of financial assets as these are deemed to have similar characteristics.

GRAP 104 states that a financial asset may be impaired that evidence exists indicating that there is a measurable decrease in the estimated future cash flows from the financial asset since the initial recognition due to adverse changes in the payment status in the group and an increased number in delayed payments. No payments have been received for the financial asset provided as bad debt, thus the existence of a measurable decrease in the future cash flow. These debts were provided as bad debt.

Identification for impairment losses and uncollectability of financial instruments

Receivables from Exchange Transactions:

GMT charges tariffs for the rendering of goods and services for mobility solutions to other organs of State. Corresponding debts are raised against the accounts of client institutions. The debt levels for the period correspond to the 2023/24 levels. Internal control procedures pertaining to debt management includes monthly reconciliations of working capital accounts, debt recovery processes and reporting in terms of s40 of the PFMA. The collection of debts subsequent to 31 March 2025 has been within the expectation levels of management. In addition, interest is charged on overdue accounts at the effective interest rate as determined by the National Minister of Finance.

Receivables from Non-Exchange Transactions:

Fleet Risk Debtors were evaluated against the payments received prior to the reporting date and the subsequent period. Adequate provision for doubtful debts was made.

Sundry debtors were assessed for impairment, however no indication exists that there would be a decrease in the estimated future cash flows, as the debt is owing by the Department under which GMT's administration is. It is deemed as a related party, and the cash outflows will only be incurred upon receipt of the funds from the Department.

Other receivables as disclosed in note 13 were also assessed for impairment and the potential loss of future economic benefits associated to the assets. No such indicators exist which require for these assets to be impaired.

27 GRANTS AND SUBSIDIES PAID

No grants and subsidies were paid during the year under review or during the comparative reporting period.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000	
28	CALCULATION OF CASH FLOW			
28.1	Charges for services provided			
	Revenue	15	951,409	933,198
	Decrease / (increase) in receivables from exchange transactions	12	(3,368)	1,375
	Opening balance of receivables from exchange transactions		45,753	47,129
	Closing balance of receivables from exchange transactions		(49,121)	(45,754)
	Less: Interest earned on finance lease receivables	15	(485,553)	(434,783)
	Debtors adjustment (Daily Tariffs on Finance Lease Receivables)	12.1	(21)	(3,037)
	Opening balance		24,180	21,143
	Closing balance		(24,201)	(24,180)
	Increase)/ Decrease in payments received in advance	3	(1,102)	1770
	Opening balance of payables from exchange transactions		(1,772)	(2)
	Closing balance of payables from exchange transactions		669	1,772
			461,366	498,523
28.2	Other receipts			
	Other income	16	27,779	9,907
	Decrease/ (increase) in receivables from non-exchange transactions	13	(16,514)	22,070
	Opening balance of receivables from non-exchange transactions		9,902	31,972
	Closing balance of receivables from non-exchange transactions		(26,416)	(9,902)
	Adjustment for:			
	Profit on disposal of property, plant and equipment	16	(27,545)	(9,426)
	Transactions entered into by GMT on behalf of client institutions	13	14,534	(22,630)
	Opening balance of sundry debtors		(3,623)	(26,253)
	Closing balance of sundry debtors		18,157	3,623
	Pre-payment of software license fees	13	(5,348)	418
	Opening balance of sundry debtors		(5,851)	(5,433)
	Closing balance of sundry debtors		503	5,851
	Employees with leave debits	13	22	31
	Opening balance of sundry debtors		(41)	(10)
	Closing balance of sundry debtors		63	41
			(7,072)	369
28.3	Interest earned			
	Interest earned	17	130,594	128,807

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
28	CALCULATION OF CASH FLOW (continued)		
28.4	Government grants and subsidies received	Note	
	Government grants and subsidies received	18	34,647
	(Decrease)/Increase in unspent conditional grants and receipts		3,016
	Opening balance of unspent conditional grants and receipts	5	(14,032)
	Closing balance of unspent conditional grants and receipts	5	16,534
	Adjustment for:		
	Vehicles and equipment procured as procuring agent		872
	Western Cape Mobility Department	5.1.1	-
			872
			-
			21,486
			19,550
28.5	Transactions entered into by GMT on behalf of client institutions		
	Decrease/ (increase) in trade receivables from non-exchange transactions		
	Opening balance of sundry debtors	13	3,623
	Closing balance of sundry debtors	13	26,253
			(18,157)
			(3,623)
			(14,534)
			22,630
28.6	Employee costs		
	Employee costs	21	(57,969)
	Increase in provisions - Contributions to provisions		(56,073)
	Employee benefit obligation	1	286
	Capped leave	2	192
	Current provision	6	126
			(32)
	Cash payments made against provisions - Expenditure incurred		
	Current provisions	6	(308)
			(762)
	Increase in Payables from Exchange transactions - Employee cost		530
	Opening balance of staff leave accrued	3	(3,128)
	Opening balance of staff bonuses	3	(1,449)
	Closing balance of staff leave accrued	3	3,557
	Closing balance of staff bonuses	3	1,549
	Employees with leave debits	13	(22)
	Opening balance of sundry debtors		41
	Closing balance of sundry debtors		(63)
			(57,482)
			(56,074)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
28	CALCULATION OF CASH FLOW (continued)		
28.7	Suppliers paid		
	Operating expenditure	22 (530,479)	(490,393)
	Decrease /(increase) in inventories	(33)	(146)
	Opening balance of inventory	11 284	138
	Closing balance of inventory	11 (317)	(284)
	Increase in payables from exchange transactions	16,364	4,153
	Opening balance of payables from exchange transactions	3 (119,360)	(112,800)
	Closing balance of payables from exchange transactions	3 135,152	119,360
	Excluding payments received in advance		
	Opening balance of payables from exchange transactions	3 1,772	2
	Closing balance of payables from exchange transactions	3 (669)	(1,772)
	Excluding movement in Payables from Exchange transactions - Employee cost		
	Opening balance of staff leave accrued	3 3,128	2,596
	Opening balance of staff bonuses	3 1,449	1,342
	Closing balance of staff leave accrued	3 (3,557)	(3,128)
	Closing balance of staff bonuses	3 (1,549)	1,449
	Adjustment for:		
	Loss on Finance Lease Receivables	22 40,739	22,527
	Vehicles moved from GMT to client institutions	7 193,997	229,421
	Vehicles moved from client institutions to GMT	7 (50,723)	(80,162)
	Finance Lease Receivables - Vehicles moved from GMT to client institutions	(195,053)	(320,404)
	Finance Lease Receivables - Vehicles moved from client institutions to GMT	62,607	180,617
	Finance Lease Receivables - Stolen vehicles	11,690	4,703
	Finance Lease Receivables - Vehicles sold	18,220	8,352
	Operating expenditure - services in-kind	22 16,750	13,814
	Amortisation - vesting of vehicle maintenance plans	22 9,496	606
	Loss on disposal of property, plant and equipment	22 13,324	6,189
	Vehicles delivered and not paid at year-end	(19,465)	(19,569)
	Vehicles	(17,797)	(18,721)
	Maintenance plans	(1,668)	(848)
	Accruals raised for development of Intangible Assets	(8,916)	(36,649)
	Creditors raised for vehicles as at 31 March 2025	(39,595)	(19,618)
	Prior year correction for:		
	Accrued expenditure	39.1.4 -	(313)
		(501,815)	(519,398)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
28	CALCULATION OF CASH FLOW (continued)		
28.8	Other payments		
	Administrative expenses	20	(24,477)
	Depreciation	23	(32,586)
	Amortisation	24	(26,666)
	Accidents and Impairment losses	26	(4,931)
	Operating leases	34	(22,627)
			(111,286)
	Adjustment for:		64,100
	Depreciation - property, plant and equipment	23	32,586
	Amortisation - intangible assets	24	22,666
	Impairment losses on property, plant and equipment	26.1	4,847
	(Decrease) in payables from non-exchange transactions		(482)
	Opening balance of payables - Payments in advance	4	(4,908)
	Closing balance of payables - Payments in advance	4	4,426
	(Decrease)/ increase in payables from non-exchange transactions		(57)
	Opening balance of payables - other creditors	4	(57)
	Closing balance of payables - other creditors	4	-
	Decrease / (increase) in trade receivables from non-exchange transactions		57
	Pre-payment of software License fees	13	5,348
	Opening balance of sundry debtors		(418)
	Closing balance of sundry debtors		5,851
			(503)
			(42,378)
			(53,164)
28.9	Vehicles and equipment procured as procuring agent		
	Western Cape Mobility Department	5.1.1	(872)
			(872)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
28	CALCULATION OF CASH FLOW (continued)		
28.10	RECONCILIATION OF CASH GENERATED FROM OPERATIONS		
	Note		
	Surplus for the year	473,799	433,744
	Adjustment for:		
	Revenue – services in-kind	(16,750)	(13,814)
	Operating expenditure - services in-kind	16,750	13,814
	Depreciation - property, plant and equipment	32,586	30,089
	Amortisation - intangible assets	26,666	22,897
	Amortisation - vesting of vehicle maintenance plans	9,496	606
	Interest earned on finance lease receivables	(485,553)	(434,783)
	Loss on Finance Lease Receivables	40,739	22,527
	Finance Lease Receivables - Vehicles moved to client institutions	(195,053)	(320,404)
	Finance Lease Receivables - Vehicles moved from client	62,607	180,617
	Finance Lease Receivables - Stolen vehicles	11,690	4,703
	Finance Lease Receivables - Vehicles sold	18,220	8,352
	PPE: Vehicles moved from GMT to client institutions	193,997	229,421
	PPE: Vehicles moved from client institutions to GMT	(50,723)	(80,162)
	Impairment losses – vehicles	4,847	9,316
	Take-in vehicles	(12,353)	-
	Increase in provision for doubtful debts - non-exchange	-	5
	Loss on disposal of property, plant and equipment	13,324	6,189
	Profit on disposal of property, plant and equipment	(27,545)	(9,426)
	Increase in provisions	286	152
	Increase in provision for doubtful debts – Exchange	-	466
	Operating cash flows before working capital changes	76,293	81,783
	Working capital changes	(86,999)	(40,542)
	Decrease / (increase) in inventories	(33)	(146)
	Decrease / (increase) in receivables from exchange transactions	(3,389)	(2,128)
	Decrease / (increase) in receivables from non-exchange transactions	(16,514)	22,064
	Increase / (decrease) in payables from non-exchange transactions	(539)	(6,517)
	Increase / (decrease) in payables from exchange transactions	(3,673)	(13,322)
	Increase / (decrease) in unspent conditional grants and receipts	(14,032)	16,534
	Accruals raised at year-end for vehicles and intangible assets	(48,512)	(56,266)
	Cash payments made against provisions	(308)	(762)
	Cash generated from operations	(10,705)	41,243
28.11	Proceeds on disposal of Property, Plant and Equipment and Intangible Assets		
	Carrying value of PPE disposals	7	104,574
	Carrying value of stolen vehicles	7	5,987
	Carrying value of vehicles alienated	7	-
	Adjustment for:		
	Profit on disposal of property, plant and equipment	16	27,545
	Stolen vehicle recovered	7	(699)
	Loss on disposal of Property, Plant and Equipment and Intangible Assets	22	(13,324)
		124,082	43,877

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
28	CALCULATION OF CASH FLOW (continued)		
		Note	
28.12	Acquisition of property, plant and equipment (continues)		
	PPE additions at cost	7	(543,229) (278,006)
	Adjustment for:		
	Vehicles delivered and not paid at year-end		17,797 18,721
	Creditors raised for vehicles as at 31 March 2025		39,595 19,618
			<u>(485,836) (239,667)</u>
28.13	Intangible Assets - development cost capitalised		
	Internal Development - Cost capitalised	8	- (468)
	Intangible assets under development	8	(55,168) (47,952)
	Adjustment for:		
	Accruals raised for development of Intangible Assets		8,916 36,649
			<u>(46,252) (11,771)</u>
28.14	Intangible Assets - vehicle maintenance plans acquired		
	Vehicle maintenance plans acquired	8	(73,060) (5,735)
	Adjustment for:		
	Maintenance plans for vehicles delivered and not paid at year-end		1,668 848
			<u>(71,392) (4,887)</u>
28.15	Increase in finance lease receivables		
	(Increase) in Finance Lease Receivables Current and Non-current	10	(195,631) (229,737)
	Opening balance of Finance Lease Receivables Non-Current		1,069,283 879,743
	Opening balance of Finance Lease Receivables Current		217,705 177,507
	Closing balance of Finance Lease Receivables Non-Current		(1,238,246) (1,069,283)
	Closing balance of Finance Lease Receivables Current		(244,372) (217,705)
	Loss on Finance Lease Receivables		102,535 126,732
	Finance Lease Receivables - Vehicles moved from GMT to client institutions		195,053 320,404
	Finance Lease Receivables - Vehicles moved from client institutions to GMT		(62,607) (180,617)
	Finance Lease Receivables - Stolen vehicles		(11,690) (4,703)
	Finance Lease Receivables - Vehicles sold		(18,220) (8,352)
	Interest earned on Finance Lease Receivables	15	485,553 434,783
	Debtors' adjustment (Daily Tariffs on Finance Lease Receivables)	12.1	21 3,037
	Opening balance		(24,180) (21,143)
	Closing balance		24,201 24,180
			<u>392,477 334,814</u>
29	CASH AND CASH EQUIVALENTS - STATEMENT OF CASH FLOWS		
	Cash and Cash Equivalents included in the Statement of Cash Flows, comprise the following Statement of Financial Position amounts:		
	Bank balances, investments and cash-on-hand		1,703,739 1,801,365
			<u>1,703,739 1,801,365</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
	Note		
30	TAXATION		
	No provision has been made for taxation, as GMT is exempt from income tax in terms of section 10(1) of the Income Tax Act, 1962 (Act No 58 of 1962).		
31	CONTINGENT LIABILITIES		
31.1	Claims are instituted against GMT:		
	Claims are instituted against GMT by third parties who are party to a motor vehicle accident involving a government vehicle. An amount of R25,388 for the year (2023/24: R91,583) in respect of claims made against GMT as at 31 March 2025 and paid during the subsequent period has been raised as a payable in the Statement of Financial Position. The estimated total amount of claims made against GMT as at 31 March 2025 amounts to R2,332,297. A contingent liability of R2,306,909 exists, but has not been raised in the financial statements as the existence of this obligation will only be acknowledged by the future payment of these claims.		
32	COMMITMENTS FOR EXPENDITURE		
32.1	Capital commitments		
	Commitments for the acquisition of capital expenditure:		
	Approved and contracted for:	695,364	1,159,038
	Property, plant and equipment	Note 32.2 571,163	1,006,549
	Intangible assets	Note 32.2 124,201	152,490
	Total capital commitments	<u>695,364</u>	<u>1,159,038</u>
	This expenditure will be financed from:		
	Own resources	<u>695,364</u>	<u>1,159,038</u>
32.2	Analysis of capital commitments		
	The amount of contractual commitments for the acquisition of intangible assets, property, plant and equipment is detailed below:		
	Vehicles:	571,163	1,003,288
	New vehicle purchases	502,248	896,685
	Conversion of vehicles	55,292	96,217
	Extras fitted to vehicles	13,623	10,386
	Plant and Equipment:	-	3,260
	Office Equipment	-	40
	Computer Equipment	-	3,195
	Office Furniture and Fittings	-	25
	Total for property, plant and equipment	Note 32.1 <u>571,163</u>	<u>1,006,549</u>
	Intangible assets:	124,201	152,490
	Systems – development	-	1,489
	Software – procurement	75,664	75,664
	Maintenance plans on mobility assets	48,537	75,337
	Total for intangible assets	Note 32.1 <u>124,201</u>	<u>152,490</u>
	Total capital commitments	<u>695,364</u>	<u>1,159,038</u>
32.3	Other commitments		
	Non-cancellable operating lease commitments are disclosed in note 34.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

33 EVENTS AFTER THE REPORTING DATE

33.1 Non-adjusting events

33.1.1 *Claims, losses and damages*

The following information is disclosed as non-adjusting events after the reporting date in the financial statements and represents preliminary claims from third parties against GMT as well as the estimated loss value with regard to government vehicles. The estimated loss value will only be confirmed after finalisation of these claims.

33.1.2 *Third Party claims*

Eight claims with a total estimated value of R888,104 were issued to GMT after 31 March 2025 (31 March 2024: Four claims with a total estimated value of R203,297 was issued to GMT after 31 March 2024 for the comparative reporting period).

33.1.3 *Damages/Losses - government vehicles*

115 cases were registered after 31 March 2025 with a probable loss amount of R1,563,523 (31 March 2024: 336 cases were registered after 31 March 2024 with a probable loss amount of R3,302,388 for the comparative reporting period).

33.1.4 *Compliance to governance prescripts for procurement done through transversal contracts*

The Western Cape Mobility Department (including GMT) in addition to processes followed by National Treasury, performs due diligence processes through checks of its databases and Western Cape Supplier Evidence Bank to ensure compliance during procurement through participation of transversal contracts before any orders are placed.

33.1.5 *Stolen vehicles*

Nineteen vehicles were reported stolen after 31 March 2025.

Vehicles included in Property, Plant and Equipment:

The total cost and carrying values of seven vehicles included in PPE which were stolen after the reporting date amount to:	2,254
Vehicles at cost	
Carrying amount as at 31 March 2025	857
Two vehicles were recovered but it is still uncertain if they will be sold or reallocated to client departments based on their condition, which is under investigation.	
Vehicles at cost	492
Vehicles permanently allocated to client department, included in Finance Lease Receivables	
The total balance of finance lease receivables of twelve vehicles which were stolen after the reporting period date, amount to	
Balance of Finance Lease receivables as at 31 March 2025	3,503
One vehicle was recovered but it's still uncertain if the vehicle will be sold or reallocated to the client department, based on its conditions, which is under investigation	
Balance of Finance Lease receivables as at 31 March 2025	243

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

33 EVENTS AFTER THE REPORTING DATE (continued)

33.2 Adjusting events

33.2.1 *Amounts receivable under Finance Leases:*

Interest rates on Finance Lease Receivables are calculated once-off in accordance with the monthly cash flows over the period of the lease. The following factors affects the calculated effective annual interest rate over the lease period: (1) daily tariffs charged over the lease period, (2) the residual value/proceeds on disposal at the end of the lease period (3) lease period which coincide with the useful life of the vehicle. The three factors above are re-assessed on an annual basis which have an impact on the effective annual interest.

Future Lease instalment and tariff increases:

Increases in future lease instalments agree with approved future tariff increases as recorded in the Medium-Term Expenditure Framework (MTEF guidelines). A proposal by management was approved by Provincial Treasury that tariff should decrease with 1% from 2024/25 pricing levels. The tariffs would thus support client institutions in acquiring fleet management services from GMT whilst still being within the financial means of GMT as a services organisation. Future lease instalments have therefore been increased as follows:

2025/26: -1.00%
 2026/27: 4.55%
 2027/28: 4.52%

Annual increase beyond the 2029 financial year: 2.69% (average of the previous 3 financial years).

If tariffs were increased in line with MTEF guidelines by GMT, future lease instalments would have been increased as follows:

2024/25: 4.61%
 2025/26: 4.55%
 2026/27: 4.52%

Annual increase beyond the 2029 financial year: 4.56% (average of the previous 3 financial years).

The daily tariffs in 2024/25 remained unchanged from 2023/24 pricing levels.

The effect on amounts receivable under finance leases receivables:

	Minimum Lease Receivables	
	2024/25 R'000	2024/25 R'000
	MTEF (4.61%) tariff increase in 2026 and 4.56% increase beyond 2029	-1% tariff increase in 2026 and 2.69% increase beyond 2029
Amounts receivable under finance leases:		
Within one year	745,304	711,083
In the second to fifth years, inclusive	2,128,378	2,044,396
Over five years	45,258	42,494
	2,918,950	2,797,973
Less: Unearned Future Finance Income	1,411,986	1,315,355
Present Value of Minimum Lease Receivables	1,506,964	1,482,618

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

33 EVENTS AFTER THE REPORTING DATE (continued)

	Present Value of Minimum Lease Receivables	
	2024/25 R'000	2024/25 R'000
	MTEF (4.61%) tariff increase in 2026 and 4.56% increase beyond 2029	-1% tariff increase in 2026 and 2.69% increase beyond 2029
Amounts receivable under finance leases:		
Within one year	246,317	244,372
In the second to fifth years, inclusive	1,226,987	1,205,923
Over five years	33,660	32,323
Present Value of Minimum Lease Receivables	1,506,964	1,482,618
	2024/25 R'000	2024/25 R'000
	MTEF (4.61%) tariff increase in 2026 and 4.56% increase beyond 2029	-1% tariff increase in 2026 and 2.69% increase beyond 2029
The effect on Interest earned on finance lease receivables in 2024/25.		
Interest earned:		
Finance Lease Receivables	510,100	485,553

33.2.2 *Settlement of cases*

Two claims with a total value of R25,388 were settled in terms of an agreed payment after the reporting date but before the financial statements (31 March 2024: three claims amounting to R91,583).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

34 OPERATING LEASE ARRANGEMENTS

GMT as Lessor:

Leasing arrangements:

The trading activities of GMT's focus are mainly on the provision of vehicles to national and provincial departments and institutions, used for transportation in order that each client may carry out its services efficiently and effectively. These rentals are classified as contingent rentals due to uncertain lease periods and fluctuating tariff increases for vehicles classified as operating leases and leased to client institutions from the general hire pool as well as permanently allocated vehicles classified as operating leases. The operating lease payments are therefore not subject to straight-lining and it is impracticable to disclose the future minimum lease payments expected to be received for each of the following periods as required by GRAP 13:

- no later than one year
- later than one year and not later than five years
- later than five years.

GMT as Lessee:

Leasing arrangements:

GMT uses vehicle tracking units fitted to vehicles in its fleet for tracking associated services. The ownership of the device remains with the lessor at the end of the lease, GMT does not have the option to purchase the devices, the lease term is not considered to be the major part of the economic life of the devices and the devices can easily be transferred without major modifications.

These rentals are classified as contingent rentals due to uncertain tariff increases. The operating lease payments are therefore not subject to straight-lining and it is impracticable to disclose the future minimum lease payments expected to be paid for each of the following periods as required by GRAP 13:

- no later than one year
- later than one year and not later than five years
- later than five years.

Other operating leases relate to office equipment with lease terms up to 3 years. GMT does not have an option to purchase the leased asset at the expiry of the lease period.

At the reporting date GMT had outstanding commitments of future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024/25 R'000	2023/24 R'000
Up to 1 year	265	264
2 to 5 years	412	58
More than 5 years	-	-
Total future minimum lease payments	676	322

Note 34.1.1

34.1 Commitments under non-cancellable operating leases for future minimum lease payments

34.1.1 Office equipment

Up to 1 year	264	264
2 to 5 years	412	58
More than 5 years	-	-
Total future minimum lease payments	676	322

An analysis of the operating expenses recorded is detailed below:

The following payments have been recognised as an expense in the Statement of Financial Performance:

Minimum lease payments	22,628	27,292
Contingent rentals	-	-
Total Operating Lease Expenses - as Lessee	22,627	22,628

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
34	OPERATING LEASE ARRANGEMENTS (continues)		
34.1.1	Office equipment		
	In respect of non-cancellable Operating Leases the following liability has been recognised:		
	Operating lease liability as at reporting date:		
	Balance at beginning of the year	-	-
	Operating expenses recorded	22,627	22,628
	Operating lease payments affected	(22,627)	(22,628)
	Total Operating Lease Liabilities	-	-
	GMT has operating lease agreements for the following class of assets:		
	<ul style="list-style-type: none"> • Vehicle tracking units • Office equipment 		
	GMT is restricted to the hiring of office equipment and labour-saving devices by National Tender RT3-2022.		
34.2	Operating expenses recorded		
	An analysis of the operating expenses recorded is detailed below:		
	Vehicle tracking units	22,344	22,344
	Office equipment	283	284
	Total operating expenses recorded	22,627	22,628
35	RELATED PARTY DISCLOSURES		
35.1	Western Cape Mobility Department		
	The details of the transaction totals and balances disclosed below are done to enable users of these financial statements to understand the effect of the transactions and balances on the financial statements as contained in GRAP 20.34.		
	The following related party transactions with the Western Cape Mobility were made on terms equivalent to those that prevail in arm's length transactions from 1 April 2023:		
		2024/25 R'000	2023/24 R'000
35.1.1	Revenue and expenditure		
	Revenue		
	Transport claims	115,532	100,170
	Kilometre tariffs	53,624	51,323
	Daily tariffs	61,908	48,847
	Interest earned on finance lease receivables	41,395	35,859
		156,927	136,029
	Expenditure		
	License fees	7,549	6,508
		7,549	6,508

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
35	RELATED PARTY DISCLOSURES (continued)		
35.1.2	Other receipts, payments and balances receivable/due for mobility solutions		
	Receipts and balances receivable		
	Reimbursive income	78,031	97,088
	Reimbursements for mobility solutions	517	931
	Reimbursements for in-vehicle technology equipment, fitment- and other devices	30,696	40,781
	Reimbursements for in-vehicle technology licenses, maintenance and support	7,035	14,703
	Reimbursements for induction programme training	-	13
	Reimbursements for settlement of tracking and related services	39,783	40,661
	Balances due to GMT and excluded from the receipts listed above:		
	Receipts during prior reporting periods:	4,426	4,918
	Opening balance on 1 April	4,918	11,482
	Funds received not allocated against expenditure	-	10
	Allocation against receipts during the financial year	(492)	(6,574)
	Receivables from non-exchange transactions - Sundry Debtors	18,157	3,623
	Opening balance on 1 April	3,623	-
	Transfer liability to the Western Cape Mobility Department	-	26,253
	Receipt of debtor during the period	(3,623)	(26,253)
	Reimbursements for settlement of tracking and related services	6,138	2,984
	Reimbursement for in-vehicle technology licenses, maintenance and support	11,928	639
	Reimbursements for in-vehicle technology equipment, fitment- and other devices	92	-
	Total of other receipts and balances receivable	100,614	105,629
	Payments and balances due		
	Reimbursive expenses	(72,521)	(83,276)
	Reimbursements for mobility solutions	(517)	(931)
	Reimbursements for in-vehicle technology equipment and other devices	(25,186)	(35,147)
	Reimbursements for in-vehicle technology licenses, maintenance and support	(7,035)	(4,510)
	Reimbursements for settlement of tracking and related services	(39,783)	(42,688)
	Balances due by GMT and excluded from the payments listed above:		
	Payables from exchange transactions - Accrued expenditure	(23,667)	(17,435)
	Opening balance on 1 April	(17,435)	-
	Transfer liability to the Western Cape Mobility Department	-	(46,017)
	Settlement of liability during the period	17,435	28,769
	Reallocation of liabilities to reimbursements by nature of the transactions	-	17,248
	^ Reimbursements for tracking and related services	(6,138)	(3,722)
	^ Reimbursements for in-vehicle technology equipment, fitment and other services	(5,601)	(2,868)
	Reimbursements for induction programme training	-	(13)
	^ Reimbursements for in-vehicle technology licenses, maintenance and support	(11,928)	(10,832)
	^ refer to note 3.1		

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
35	RELATED PARTY DISCLOSURES (continued)		
	Payables from non-exchange transactions - Payments received in advance – funds held for accounts settlements	Note 4 (4,426)	(4,908)
	Payables from non-exchange transactions – Refundable auction returns	Note 4 -	(10)
	Trade creditors	-	-
	Opening balance on 1 April	-	-
	Transfer liability to the Western Cape Mobility Department	-	(4,626)
	Settlement of liability during the year	-	4,626
	Total of other payments and balances due	(100,614)	(105,629)
35.1.3.1	Settlements made on behalf of GMT for reimbursement - employee costs		
	Settlements for employee costs	57,605	56,076
	Total of other receipts and balances receivable	57,605	56,076
	Payments and balances due		
	Reimbursive expenses	(52,838)	(51,503)
	Reimbursements for employee costs	(52,838)	(51,503)
	Payables from exchange transactions – Accrued expenditure	Note 3.1 (4,767)	(4,573)
	Opening balance on 1 April	(4,573)	-
	Transfer liability to the Western Cape Mobility Department	-	(9,078)
	Settlement of liabilities during the year	4,573	9,078
	Accrued liability at the reporting date	(4,767)	(4,573)
	Total of other payments and balances due	(57,605)	(56,076)
35.1.3.2	Settlements made on behalf of GMT for reimbursement – ICT hosting and licenses		
	Settlements for ICT hosting and licenses	6,889	6,061
	Total of other receipts and balances receivable	6,889	6,061
	Payments and balances due		
	Reimbursive expenses	(5,675)	(5,213)
	Reimbursements for ICT hosting and licenses	(5,675)	(5,213)
	Payables from exchange transactions – Accrued expenditure	(1,214)	(848)
	Opening balance on 1 April	(848)	-
	Settlement of liabilities during the year	848	-
	Accrued liability at the reporting date	(1,214)	(848)
	Total of other payments and balances due	(6,889)	(6,061)
	Total other receipts and balances receivable due to mobility solutions and employee costs	165,109	167,766
	Total other payments and balances due to mobility solutions and employee costs	(165,109)	(167,766)
	Reimbursive income and reimbursive expenditure does not meet the definitions of revenue and expenses as stated in GRAP 1. These items are thus disclosed under other payments and other receipts.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
35	RELATED PARTY DISCLOSURES (continued)		
35.1.4	Balances included under assets as at the reporting date		
	Finance lease receivables	138,204	135,415
	Trade receivables from exchange transactions	10,423	3,514
	Receivables from non-exchange transactions	18,885	3,623
	Sundry debtors	18,157	3,623
	Sundry debtors – reimbursement of remuneration	727	-
		167,512	142,552
35.1.5	Balances included under liabilities as at the reporting date		
	Payables from non-exchange transactions	4,426	4,908
	*Unspent conditional grants and receipts	12,217	13,089
		16,643	17,997

*Refer to note 5.1.2 for an analysis of the movements during the financial reporting period.

35.2 Employee costs of Government Motor Transport

Employee costs of Government Motor Transport as per note 21 are paid by the Western Cape Mobility Department and refunded by GMT.

35.3 Related party relationships

Employee costs of Government Motor Transport as per note 21 are paid by the Western Cape Mobility Department and refunded by GMT.

35.3.1 Members of the governing body (Western Cape Mobility Department)

- Mr. Ricardo Mackenzie - Provincial Minister of Mobility (elected during February 2023, with effect from 1 April 2023)
- Mr. Isaac Sileku - Provincial Minister of Mobility (elected during June 2024, with effect from 13 June 2024)
- Ms. Marissa Moore - Head of Department (from 1 August 2023 to 31 October 2024)
- Mr. Darryl Jacobs - Acting Head of Department (from 1 November 2024)
- Mr. Francois de Wet - Chief Director: Management Support/CFO (up to 31 July 2024)
- Mr. Riaan Wiggill - Acting Chief Director: Management Support/CFO (from 1 August 2024)

35.3.2 Personnel members appointed as SMS members (including on acting capacities)

- Mr. Yasir Ahmed - Chief Director: Government Motor Transport (up to 31 August 2024)
- Mr. Gamza Martin - Acting Chief Director: Government Motor Transport (from 9 September 2024)
- Mr. Riaan Wiggill - Director: Fleet Finance (up to 31 July 2024)
- Mr. Anthonie Janse van Rensburg - Director: Fleet Services
- Ms. Bianca Hendricks - Acting Director: Fleet Finance (from 1 August 2024)

Other members of management personnel (including on acting capacities)

- * Mr. Yandisa Gqamlana - Acting Deputy Director: Financial Accounting
- * Mr. Christiaan Kriegler acted as Deputy Director: Management Support Services
- Mrs. Bianca Hendricks - Deputy Director: Management Accounting
- * Mr. Phaldine Williams acted as Deputy Director: Fleet Risk Management
- * Mr. Shawn Tyman acted as Deputy Director: Fleet Repairs and Maintenance
- * Mrs. Carol Jacobs acted as Deputy Director: Fleet Risk Management
- * Mrs. Yvette Ismail - Deputy Director: Internal Control
- * Mr. Johannes Fourie acted as Deputy Director: Fleet Operations

* refer to note 21 for periods of appointment in management capacities (personnel not indicated with an asterisk were appointed for the entire period during 2024/25 and the comparative year in permanent capacities)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

35 RELATED PARTY DISCLOSURES (continued)

35.3.3 Remuneration of management personnel

Compensation of the management personnel remuneration for the officials listed in note 35.5.2 is disclosed in note 21 of the Annual Financial Statements. The remuneration of the Provincial Minister, Head of Department, Acting Head of Department and Chief Director: Management Support/CFO and Acting Chief Director: Management Support/CFO are not remunerated by Government Motor Transport.

35.3.4 Remuneration of close family members of personnel employed at GMT during the period. Refer to note 21 for the periods during which the officials were appointed as management members. The remuneration of family members is stated for periods during which officials served as management members.

	2024/25 R'000	2023/24 R'000
35.3.4.1 Remuneration of Mr. Helgard Janse van Rensburg (Administration Clerk: Fleet Administration)		
Basic salary	287	265
Other short-term benefits	45	64
Medical Aid Contribution	12	12
Pension Contribution	37	34
	381	376

Mr. Anthonie Janse van Rensburg is the Director: Fleet Services. Mr. Helgard Janse van Rensburg is the brother of Mr. Anthonie Janse van Rensburg.

35.3.4.2 Remuneration of Mr. Johannes Fourie (Assistant Director: Fleet planning and Acquisitions)

Basic salary	-	150
Other short-term benefits	-	44
Medical Aid Contribution	-	4
Pension Contribution	-	19
	-	217

Mrs. Kathy Proctor Fourie was the Deputy Director: Financial Accounting (retired) as indicated on note 21. Mr. Johannes Fourie is the spouse of Mrs. Kathy Proctor Fourie.

35.3.4.3 Remuneration of Mrs. Kathy Proctor Fourie (Deputy Director: Financial Accounting) (retired)

Basic salary	-	248
Other short-term benefits	-	335
Pension Contribution	-	32
	-	615

Mr. Johannes Fourie was appointed as Acting Deputy Director: Fleet Operations as indicated on note 21. Mrs. Kathy Proctor Fourie is the spouse of Mr. Johannes Fourie.

35.3.4.4 Remuneration of Mr. Keith Jacobs (Site Coordinator: Fleet Planning and Acquisitions)

Basic salary	236	216
Other short-term benefits	41	38
Medical Aid Contribution	45	-
Pension Contribution	31	28
	353	282

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

35 RELATED PARTY DISCLOSURES (continued)

Mrs. Carol Jacobs was appointed as Acting Deputy Director: Fleet Risk Management as indicated on note 21. Mrs. Carol Jacobs is the spouse of Mr. Keith Jacobs. The periods during which Mrs Carol Jacobs acted as Deputy Director: Fleet Risk Management during 2023/24 was shorter than during 2024/25, thus there as on for the lower remuneration disclosed for Mr. Keith Jacobs as a related party to management during 2023/24.

35.4 Remuneration of a close family member of management personnel employed at GMT during the period. Refer to note 21 for the periods during which the official was appointed as a management member. The remuneration of family members are stated for periods during which the official served as a management member.

	2024/25 R'000	2023/24 R'000
Fees for data capturing services	400	354

Mr. Shawn Tyman acted as Deputy Director: Fleet Repairs and Maintenance as indicated on note 21. Mr. Junaid Tyman is the son of Mr. Shawn Tyman is contracted through a resource contracting company as a data capturer. The company is appointed through supply chain management processes. The fees stated above were the fees paid to the resource contracting company for the services rendered by Mr. Junaid Tyman during the period which contracted and Mr. Shawn Tyman performed duties as Deputy Director: Fleet Repairs and Maintenance.

35.5 OTHER INTER-GOVERNMENTAL TRANSACTIONS NOT DEFINED AS RELATED PARTIES

The Western Cape Mobility Department received corporate services from the Corporate Service Centre of the Department of the Premier in the Western Cape. The services consists of the following services:

- a) Information and Communication Technology
- b) Organisation Development
- c) Provincial Training and Empowerment (transversal)
- d) People Management Practices
- e) Enterprise Risk Management
- f) Internal Audit
- g) Forensic Services
- h) Legal Services
- i) Corporate Communication

35.5.2 Other Provincial Departments and Public Entities

All Western Cape Provincial Departments, Public Entities and GMT are considered to be related parties as they are under common control of the Provincial legislature.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

36 FINANCIAL INSTRUMENTS

36.1 Classification of financial instruments

Financial Assets:

In accordance with GRAP 104 the financial assets of the GMT are classified as follows:

<u>Financial Assets:</u>	<u>Classification</u>	2024/25 R'000	2023/24 R'000
Finance lease receivables (non-current portion)	Financial assets at amortised cost	1,238,246	1,069,283
Receivables from exchange transactions	Financial assets at amortised cost	49,121	45,753
Receivables from non-exchange transactions	Financial assets at amortised cost	19,151	4,010
Cash and cash equivalents	Financial assets at amortised cost	1,703,739	1,801,365
Finance lease receivables (current portion)	Financial assets at amortised cost	244,372	217,705
Total financial assets		3,254,629	3,138,115

Summary of financial assets:

Financial assets at amortised cost:

Finance lease receivables (non-current portion)	1,238,246	1,069,283
Finance lease receivables (current portion)	244,372	217,705
Receivables from exchange transactions	49,121	45,753
Receivables from non-exchange transactions	19,151	4,010
Cash and cash equivalents	1,703,739	1,801,365
Total financial assets	3,254,629	3,138,115

Financial Liabilities:

In accordance with GRAP 104 the financial liabilities of the entity are classified as follows (FLAC = financial liabilities at amortised cost):

<u>Financial Liabilities</u>	<u>Classification</u>	2024/25 R'000	2023/24 R'000
<i>Payables from exchange transactions</i>			
Trade creditors	FLAC	43,263	5,248
Staff bonuses	FLAC	1,549	1,449
Overtime payable	FLAC	8	7
Accrued expenditure	FLAC	86,080	107,666
Sundry creditors	FLAC	25	92
Payments received in advance – clients with overpaid accounts	FLAC	669	1,772
<i>Payables from non-exchange transactions</i>			
Refundable auction returns	FLAC	-	57
Total financial liabilities		131,595	116,290

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
36 FINANCIAL INSTRUMENTS (continued)		
36.1 Classification of financial instruments		
<u>Summary of financial liabilities:</u>		
<i>Financial liabilities at amortised cost (FLAC):</i>		
Trade creditors	43,263	5,248
Accrued expenditure	86,080	107,666
Overtime payable	8	7
Sundry creditors	25	92
Payments received in advance – clients with overpaid accounts	669	1,772
Staff bonuses	1,549	1,449
Refundable auction returns	-	57
Total financial liabilities	131,595	116,290

36.2 Capital Risk Management

GMT manages its capital to ensure that the entity will be able to continue as a going concern while delivering sustainable services to its clients through the optimisation of the debt and equity balance.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Debt	193,915	1921,715
Equity	4,376,921	3,903,122
Debt to equity ratio	4%	5%

Debt is defined as current- and non-current liabilities.

Equity consists of reserves of GMT, disclosed as Net Assets in the Statement of Financial Position.

36.3 Financial risk management objectives

GMT monitors and manages the financial risks relating to their operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by internal and external auditors on a continuous basis. The entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

36.4 Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenue and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the accounting policies to the financial statements.

36.5 Interest rate management

Interest rate risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate, in amount, as a result in market interest changes.

GMT limits its counterparty exposures from its investment operations by only dealing with Nedbank which has an AA long-term SA National scale ratings through Standards and Poor's Ratings Services.

GMT is not exposed to interest rate risk on its consumer debtors as the rates applicable are fixed interest rates as determined by the Minister of Finance.

GMT limits its interest rate risk relating to finance lease receivables by ensuring that the costs (including extras) of the permanently allocated vehicles subject to finance lease is recovered through the daily tariffs and the residual values at the end of the useful lives.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
36 FINANCIAL INSTRUMENTS (continued)		
36.6 Credit risk management		
Credit risk refers to the risk that counterparties will default on contractual obligations resulting in financial loss to the entity. GMT does not have any significant credit risk exposure due to the fact that it only has government debtors and theoretically there should be no risk of non-recovery of these debtors.		
Maximum credit risk exposure	2024/25 R'000	2023/24 R'000
Finance lease receivables (non-current portion)	1,238,246	1,069,283
Cash and cash equivalents	1,703,739	1,801,365
Receivables from exchange transactions	49,121	45,753
Receivables from non-exchange transactions	19,151	4,010
Finance lease receivables (current portion)	244,372	217,705
	<u>3,254,629</u>	<u>3,138,115</u>

The following is an analysis of the age of accounts receivable that are past due as at the reporting date but not impaired.

Financial assets past due

Receivables from Exchange Transactions:

More than 30 days and not more than 60 days	69	91
More than 60 days and not more than 90 days	482	(236)
More than 90 days and not more than 120 days	219	109
Total	<u>770</u>	<u>(35)</u>

Financial assets past due

Receivables from Non-exchange Transactions:

More than 30 days and not more than 60 days	2	2
More than 60 days and not more than 90 days	-	-
More than 90 days and not more than 120 days	263	283
Total	<u>265</u>	<u>285</u>

36.7 Liquidity risk management

The entity manages liquidity risk through Provincial Treasury by reviewing its tariff structure on an annual basis.

The entity manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The entity ensures that it has sufficient cash on demand or access to facilities to meet expected operational and capital expenses.

The following tables detail the entity's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the entity can be required to pay. The table includes both interest and principal cash flows.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
36	FINANCIAL INSTRUMENTS (continued)		
		Within 1 year	Between 2 - 5 years
		More than 5 years	
	2024/25		
	<i>Non-interest bearing:</i>		
	Payables from non-exchange transactions	4,426	-
	<i>Variable interest rate instruments:</i>		
	Payables from exchange transactions	135,152	-
		139,578	-
	2023/24		
	<i>Non-interest bearing:</i>		
	Payables from non-exchange transactions	4,965	-
	<i>Variable interest rate instruments:</i>		
	Payables from exchange transactions	119,360	-
		124,325	-

36.8 Fair value

The estimated net fair values of financial instruments have been determined as at the reporting date using available market information and appropriate valuation methodologies and are not necessarily indicative of the amounts that the institution could realise in the normal course of business.

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Management considers the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements to approximate their fair values.

		2024/25 R'000	2023/24 R'000
37	IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE		
37.1	Fruitless and Wasteful expenditure		
	* To the best of management's knowledge, the following are details of Fruitless and Wasteful expenditure under assessment and for the previous reporting year is disclosed in the narrative below.		
	Suspected fraud due to multiple instances of apparent cloned fuel cards	-	-
37.2	Irregular expenditure		
	To the best of management's knowledge, no Irregular Expenditure was incurred during the year under review (2023/24: R nil).	-	-

Additional narratives:

The National Treasury Instruction number 4 of 2022/23: PFMA Compliance and Reporting Framework requires that the movements in IFW&U are disclosed in the Financial Statements, with reconciliations of the movements in the amounts disclosed in the Annual Report of the Entity.

* Refer to note 22 for the narrative on losses under investigation for alleged fuel fraud.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

38 GOING CONCERN

A going concern is the assumption that GMT will continue to operate for the foreseeable future, which is usually regarded as at least the next 18 months from the reporting date, however not limited to this timeframe. This assumption implies that the GMT will meet its financial obligations and that there are no material uncertainties related to events or conditions that may cast significant doubt upon GMT's ability to continue as a going concern. Thus, some references are made to documentation, plans and reports for periods which extend past the reporting period. GMT as a trading entity is self-funded, thus does not receive any funding allocations.

38.1.1 GOING CONCERN ASSESSMENT

The following factors are considered by management to determine the relevance of the going concern assumptions for which the financial statements were prepared on the 31 March 2025 reporting date:

38.1.2 *Stable and expanding client base*

GMT has a well-established client base with a footprint in the National and Provincial government sphere. The demand for the service offering of GMT remained stable from 31 March 2025 to subsequent periods up to the submission date of the financial statements. GMT is experiencing an increase in the number of vehicles allocated to a National client institution and tariffs are generated from these vehicle allocations.

All active client institutions as at 31 March 2025, remained in the service offering of GMT for the subsequent period. This situation is expected to remain unchanged in the foreseeable future to management's best knowledge.

38.1.3 *Sound financial standing*

GMT is a trading entity under the administration of the Western Cape Mobility Department. The entity must recover the costs associated to offering mobility solutions in the forms of services and goods through tariff charges. It is imperative that the entity maintains a position of sound financial standing to ensure that it is able to meet its operational and capital obligations during the foreseeable future.

GMT is an asset orientated organisation, with its primary value chain activities focused on the provision of mobility solutions in vehicle fleet management. Management determined that liquidity, solvency and ratios indicative of its working capital management are pivotal in the assessment of the entity continuing as a going concern. On 31 March 2025, the liquidity (cash to total liabilities) and solvency (total assets to total liabilities) ratios are multiples of that of industry standards. The entity has sufficient funding to settle its liabilities and commitments.

Strict daily cash management processes are embedded in the entity's operations to manage and monitor all actual cash inflows and cash outflows in terms of the cash-flow forecast supporting the budget. The cash management processes is complemented with monthly reporting completed in terms of s40 of the PFMA, highlighting the actual cash position, including the associated risks and remedial actions to be instituted.

38.1.4 *Budget*

The budget for 2025/26 was retabled, no changes were requested and was accepted. This three-year Medium-Term Revenue and Expenditure Framework is to support the on-going delivery of services to clients. The entity's budget is subjected to an assessment process. The budget is cash backed.

38.1.5 *Revenue, cost base, and working capital management*

GMT was able to realise a surplus for the year ended 31 March 2025 as reflected on the Statement of Financial Performance. The annual tariff adjustment for the 2025/26 financial year was approved by Provincial Treasury on 26 March 2025. The kilometre tariffs are adjusted on a monthly basis with the fluctuations in the fuel price. This allows GMT to align the funding requirements for operating expenditure to its revenue earnings. The settlement of the tariffs is contained in the Services Levels Agreements which GMT entered with its various client institutions.

GMT applies working capital management to ensure that liquidity levels are maintained to meet funding requirements, while collecting debts from client institutions. It is imperative for GMT to ensure that receivables due to the Entity are converted to cash funds with the shortest possible timeframes. Internal control procedures exist and will continue to be applied to ensure that client debts are collected in the shortest possible timeframe. In addition, those liabilities are settled within the agreed timeframes. Further, GMT's exposure to liabilities is limited to amounts payable arising from the acquisition of goods and services as well as those which arise from staff employment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

38 GOING CONCERN (continued)

38.1.6 Alignment to the GMT Strategic Plan 2025/26 to 2029/30

The GMT Strategic Plan for the period 1 April 2025 to 31 March 2030 was signed off by the Executive Authority during March 2025. The Strategy contains various themes across focus areas to support the entity's core mandate to deliver effective fleet management services to its client institutions.

Various initiatives are planned for the Strategic Plan period which includes the development of technology, development of regional hubs, reviewing financial and governance frameworks and other aspects for the development of mobility solutions. Management's intent with these initiatives remained unchanged since the reporting date, reflecting that the entity intends to continue its operating activities. These activities are further detailed in the entity's Annual Performance Plan for 2025/26 and resource allocation to achieve these initiatives.

38.1.7 Tariff structures

GMT has the power to charge daily and kilometre tariffs for goods and services rendered. These tariffs are known and accepted.

38.1.8 Alternative revenue sources

GMT has various revenue streams consisting from Revenue, Profit on the sale of vehicles and PPE, Interest earned and Grants and Subsidies Received. These are disclosed on the Statement of Financial Performance and the disclosure notes. The entity does not have an over dependency on the maximising a specific (or combination) of revenue streams. In the context of the above, GMT has an extensive client base which has been trading with the entity for an extensive period of time. GMT generated daily and kilometre tariffs from these client institutions, reflected in the Revenue earned on the Statement of Financial Performance.

Summary:

Taking the aforementioned into account, management has prepared the Interim Financial Statements on the going concern basis. The entity has the intention, positioning and financial standing to continue its operations in providing goods and services to National and Provincial government clients institutions to meet their mobility requirements.

39 CORRECTION OF ERROR

2023/24
R'000

39.1 STATEMENT OF FINANCIAL POSITION

39.1.1 Unspent conditional grants and receipts

During 2023/24, revenue was recognised on unspent conditional grants and received for a Judge's pay up value. The vehicle was only allocated during 2024/25, thus the revenue should only have been recognised during the 2024/25 financial year. In addition, an amount was refunded to the Judge during 2024/25 as the amount recovered from the Judge was in excess of the actual amount which was invoiced. This transaction was incorrectly recognised during 2023/24.

Balance previously reported as at 31 March 2024:

66,164

Add:

Component	Detail
Paid up value – Judges vehicles (note 5.2.1)	Amounts recognised during 2023/24 for transactions which occurred during 2024/25

107

Restated total as at 31 March 2024

66,271

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2023/24
R'000

39 CORRECTION OF ERROR (continued)

39.1.2 Finance Lease Receivables (note 10)

An amortization schedule prepared for one finance lease vehicle for the 2023/24 financial year has been corrected due to an error in the interest calculation.

Current Portion of Finance Lease Receivables previously reported as at 31 March 2024	217,700
Non-Current Portion of Finance Lease Receivables previously reported as at 31 March 2024:	1,068,776
	1,286,476

Add:

Component	Detail	
Current Portion of Finance Lease Receivables (note 10)	Interest earned on Finance lease Receivables	5
Non-Current Portion of Finance Lease Receivables (note 10)	Interest earned on Finance lease Receivables	506

Restate Current Portion of Finance Lease Receivables as at 31 March 2024	217,705
Restate Non-Current Portion of Finance Lease Receivables as at 31 March 2024	1,069,283
	1,286,987

39.1.3 Payables from Exchange Transactions (note 3)

A creditor was raised for Credit Notes issued to the department of Health for daily tariffs charged for a general hire vehicle used by the department.

Total previously reported for 2023/24	118,895
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Add:

Component	Detail	
Accumulated surplus as at 31 March 2023	Revenue – Daily Tariffs correction	313
Revenue – Daily Tariffs	Revenue – Daily Tariffs correction	153

Restated total for 2023/24	119,361
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39.1.4 Accumulated Surplus as at 31 March 2023

A creditor was raised for Credit Notes issued to the department of Health for daily tariffs charged for a general hire vehicle used by the department.

Total previously reported as at 31 March 2023	3,469,690
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Component	Detail	
Accumulated surplus as at 31 March 2023	Revenue – Daily Tariffs correction	313

Restated total as at 31 March 2023	3,469,378
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39.2 STATEMENT OF FINANCIAL PERFORMANCE

Profit for the year ended 31 March 2024 has been restated due to certain errors that were corrected during the current reporting period:

39.2.1 Government grants and subsidies received (note 18)

Refer to the explanation provided in note 39.1.1

Total previously reported for 2023/24:	3,123
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2023/24
R'000

39 CORRECTION OF ERROR (continued)

39.2.1 Government grants and subsidies received (note 18) (continued)

Add:

Component	Detail	
Paid up value – Judges vehicles (note 5.2.1)	Amounts recognised during 2023/24 for transactions which occurred during 2024/25	(107)

Restated total for 2023/24

3,016

39.2.2 Revenue

A creditor was raised for Credit Notes issued to the department of Health for daily tariffs charged for a general hire vehicle used by the department.

Total previously reported for 2023/24

933,351

Add:

Component	Detail	
Revenue – Daily Tariffs	Revenue – Daily Tariffs correction	(153)

Restated total for 2023/24

933,198

39.2.3 Interest earned: Finance Lease Receivables (note 15)

Total previously reported for 2023/24

434,272

Add:

Component	Detail	
Revenue: Interest earned on Finance Lease Receivable (note 15)	An amortization schedule prepared for one finance lease vehicle for the 2023/24 financial year has been corrected due to an error in the interest calculation.	511

Restated total as at 31 March 2023

434,783

Total surplus previously reported:

433,493

Adjustments to surplus for the year ended 31 March 2024:

Correction of errors as per 39.2.1 and 39.2.2 above

251

Restated surplus for the year ended 31 March 2024:

433,744

39.3 CASH FLOW STATEMENT

Corrections to the Cash Flow Statements for vehicles delivered at year-end that were not yet paid, which were excluded from the acquisitions of property, plant & equipment, vehicle maintenance plans and corrected against payments to suppliers

39.3.1 Acquisition of property, plant and equipment (Note 28.12)

Total previously reported for 2023/24:

(278,006)

Add:

Component	Detail	
Acquisition of property, plant and equipment	Vehicles delivered at year-end and not paid.	18,721
Acquisition of property, plant and equipment	Creditors raised for vehicles as at 31 March 2025	19,618

Restated total for 2023/24

(239,667)

GOVERNMENT MOTOR TRANSPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

**2023/24
R'000**

39 CORRECTION OF ERROR (continued)

39.3.2 Intangible Assets – vehicle maintenance plans acquired (Note 28.14)

Total previously reported for 2023/24: **(5,735)**

Add:

Component	Detail	
Intangible Assets – vehicle maintenance plans acquired	Maintenance plans for vehicles delivered and not paid at year-end	848

Restated total for 2023/24 **(4,887)**

39.3.3 Intangible Assets – development cost (Note 28.13)

Total previously reported for 2023/24: **(48,419)**

Add:

Component	Detail	
Intangible Assets – development cost	Accruals raised for development of Intangible Assets.	36,649

Restated total for 2023/24 **(11,711)**

39.3.4 Suppliers paid (Note 28.7)

Total previously reported for 2023/24: **(443,715)**

Add:

Component	Detail	
Suppliers paid	Accrual for vehicles delivered at year-end and not paid.	(18,721)
Suppliers paid	Accrual for maintenance plans for vehicles delivered and not paid at year-end	(848)
Suppliers paid	Creditors raised for vehicles as at 31 March 2025	(19,618)
Suppliers paid	Creditors raised for Credit Notes issued to the department of Health for daily tariffs charged	153
Suppliers paid	Accruals raised for development of Intangible Assets	(36,649)

Restated total for 2023/24 **(519,398)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2023/24
R'000**39 CORRECTION OF ERROR (continued)****39.4 DISCLOSURE****39.4.1 Service in-kind (note 19)**

The disclosure of the services in-kind benefit was restated for 31 March 2024. The leased property located at 418 Voortrekker Road, Maitland was included under owned property. This property is leased by the Department of Infrastructure. The total amount of the services in-kind benefit is unchanged, with only the classification of this property to leased property.

Disclosure previously reported for 2023/24:

Service in-kind benefit revenue – accommodation	13,814
In-kind benefit for leased property	1,353
In-kind benefit for properties owned	12,461

Restated comparative disclosure for 2023/24:

Services in-kind benefit revenue – accommodation	13,814
In-kind benefits for leased property	3,512
In-kind benefits for properties owned	10,302

39.4.2 Related party disclosure (note 35)

The disclosure of the related party disclosures was restated for 31 March 2024. There imbursements for ICT hosting and licenses was omitted from the 2023/24 disclosure note. This was restated to reflect there imbursements done by GMT to the Western Cape Mobility Department.

Disclosure previously reported for 2023/24:

Total other receipts and balances receivable due to mobility solutions and employees costs **161,705**

Total other payments and balances receivable due to mobility solutions and employees costs **(161,705)**

Restated disclosure for 2023/24:

Settlements for ICT hosting and licenses 6,061

Total of other receipts and balances receivables 6,061

Payments and balance due

Reimbursive expenses (5,213)

Reimbursements for ICT hosting and licenses (5,213)

Payables from exchange transactions – Accrued expected (848)

 Opening balance on 1 April -

 Settlement of liabilities during the period -

 Accrued liability at the reporting date (848)

Total of other payment and balance due **(6,061)**

Total other receipts and balances receivable due to mobility solutions, employee costs and ICT hosting and licenses **167,766**

Total other payments and balances receivable due to mobility solutions, employee costs and ICT hosting and licenses **(167,766)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2023/24
R'000

40 CHANGE IN ESTIMATES

40.1 Reassessment of residual values and useful lives of vehicles

Residual values and useful lives of vehicles are annually reassessed and the impact on the depreciation expense in the current- and future periods, on all vehicles purchased in prior years which were available for use as at 31 March 2024 and 31 March 2025, are as follows:

Depreciation expense

Decrease in the depreciation expense for the year ended 31 March 2025.	(362)
Increase in the depreciation expense for future periods after 31 March 2025.	99
	<u><u>(263)</u></u>

Residual values and useful lives of vehicles are annually reassessed and future lease instalments are annually increased according to tariff increases as recorded in the Medium-Term Expenditure Framework (MTEF guidelines). The impact on interest earned on finance lease receivables and amounts receivable under finance leases in the current year and future periods, on vehicles purchased in prior years which were still permanently allocated to client departments as at 31 March 2025, is as follows:

Revenue

Decrease in interest earned on finance lease receivables within one year.	(8,811)
Increase in interest earned on finance lease receivables more than one year.	35,626
	<u><u>26,816</u></u>

Amounts receivable under finance leases

Decrease in the present value of finance lease receivables within one year.	(24,347)
Increase in the present value of finance lease receivables more than one year.	24,347
	<u><u>-</u></u>

40.2 Reassessment of useful lives of Intangible Assets

The useful lives of Intangibles assets are annually reassessed and the impact on the amortisation expense in the current period and future periods is as follows:

Depreciation expense

Decrease in the amortisation expense for the period ended 31 March 2025	(1,766)
Increase in the amortisation expense for future periods	1,766
	<u><u>-</u></u>

41 CHANGE IN ACCOUNTING POLICY

The Accounting Standards Board determines the accounting reporting framework for Trading Entities such as GMT. The application of accounting standards is outlined in Directive 9 of the accounting reporting framework, with reference to Directive 5 in determining the GRAP reporting framework.

The framework requirements were consistently applied and no changes were adopted during the reporting period, this there were no changes to the accounting policies.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

42 ACCOUNTING BY PRINCIPALS AND AGENTS

GMT is a party to principal-agent arrangements.

Details of arrangements are as follows:

42.1 Management of repairs and maintenance

GMT is the Principal.

GMT utilizes the services of a service provider to manage fleet repairs and maintenance services in conjunction with GMT. The following categories of work for which administration and transaction fees are charged to GMT:

- Service Provider Call Centre operations;
- To have a 24/7 0800 toll free number;
- Service providers and/or contractors to have a Call Centre based in and around the City of Cape Town;
- Mechanical and maintenance repairs – authorisation procedures;
- Crash and/or vehicle body repairs – authorisation procedures;
- Tow-in services for mechanical or crash repairs;
- Maintain detailed electronic records of all vehicle and merchant inspections and provide a weekly report via the platform and/or topology to GMT with summary of findings;
- Repair and maintenance Inspections, with digital photos and reports; and
- Provide and maintain a merchant database of registered and compliant subcontractors and/or merchants, with proof of agreements being in place between the service provider and their subcontractors and/or merchants

The services described above are entered with third parties, which are classified in various categories (depending on the nature of the service).

An agent on behalf of or to the benefit of the principal (GRAP 109.24-25). Evaluation of the criteria of an agent:

- i. Does not have power to determine the significant terms and conditions of the transactions (including the purpose and benefits of the arrangement)

GMT drafted the specifications of how fleet repairs and maintenance services must be conducted. These services referred to above were specified by GMT prior to appointing the service provider. The service provider acts upon these specifications and in certain cases after consultation with GMT and must execute the transactions in line the specification as determined by GMT (GRAP 109.30).

- ii. Does not have the ability to use all, or substantially all, of the resources that result from the transactions for its own benefit

The fleet repairs and maintenance services are done for the GMT vehicle fleet. Thus, GMT obtains the service benefit of these transactions as the fleet is repaired and maintained, along with the other specified services.

- iii. It is not exposed to the variability in the results of the transaction

The contracts entered into by the service provider with parties for the fleet repairs, maintenance and running costs bind GMT towards those parties, thus GMT has a liability to those parties rather than the service provider.

Management evaluated all the aspects above and view that all the requirements of GRAP 109 are met for the service provider being an agent acting on behalf of GMT as the principal during the repairs and maintenance services. No assets were recognised by the service provider. Transaction- and administration fees are being charged by the service provider during the execution of the tasks stipulated in this arrangement. The total fees incurred by GMT are:

Transaction fees:

2024/25: R196,132 (2023/24: R 192,130)

Administration fees:

2024/25: R9,630 (2023/24: R 9,630)

These fees are included under Administrative expenses. The contract was extended for a further 21 months from 1 October 2022 to 30 June 2024. A limited bid was entered into for the period 1 July 2024 to 31 March 2025 with an estimated cost of R 3,627,959 (incl. VAT). From 6 May 2022 the running costs of fuel, oil and toll was managed through a separate arrangement as detailed in note 42.4.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

42 ACCOUNTING BY PRINCIPALS AND AGENTS (continued)

42.1 Management of repairs and maintenance (continued)

Based on above, all three criteria are met for the service provider being an Agent in terms of the repairs and maintenance services. GMT is by default deemed to be the principal (GRAP 109.27).

GMT recognises the repairs and maintenance costs in its chart of accounts. Refer to note 22 on Operating expenditure for resources remitted and included in these line items.

42.2 Auctioneering services

GMT is the Principal.

GMT utilizes the services of a service provider to render auctioneering services of vehicles and other goods. The vehicles and other goods are disposed to third parties who bid for these items. The auctioneer charges a buyers commission based on the sales prices. The services of the service provider are contracted by GMT through SCM practices and documentation to govern the arrangement are in place.

An agent on behalf of or to the benefit of the principal (GRAP 109.25). Evaluation of the criteria of an agent:

- i. Does not have power to determine the significant terms and conditions of the transactions (including the purpose and benefits of the arrangement)

GMT drafted the specifications of how auctioneering services must be conducted, also which vehicles are prepared for auctioning. In addition, GMT reserves the right to determine the reserve prices and may take a final decision on bidder's prices during auctions. The auctioneer acts upon these specifications and decisions after consultation with GMT and must execute the transactions in line the specification as determined by GMT (GRAP 109.30).

- ii. Does not have the ability to use all, or substantially all, of the resources that result from the transactions for its own benefit

The auctioneer is entitled to retain a buyer's commission which is an insignificant percentage of the total sales prices obtained during the auctions of vehicles and goods. GMT recognises the significant balance of these auction returns on its chart of accounts. These returns can then be used during the continued business operations of GMT. The service potential benefit is thus obtained by GMT, given the disposals are for its vehicles and goods, rather than that of the auctioneer. The disposal of vehicles and goods is a pivotal component of GMT operations, and management within the asset life cycle management (GRAP 109.30).

- iii. It is not exposed to the variability in the results of the transaction

GMT carries the exposure of fluctuations of the auction returns. These may be in the form fluctuations in the returns generated during auction processes, and exposure to the end result during auction processes – i.e. the vehicles and goods would have to be returned to the GMT's operations if the items are not disposed during auction processes. The auctioneer also has exposure to varying auction returns as their commission is based on the sales prices obtained, however this is considered to be limited to that of the exposure carried by GMT during these transactions (GRAP 109.40).

'Transactions with third parties' as stated in GRAP 109.10 are vehicles and goods are offered to willing buyers in the market which constitute third parties.

Management evaluated all the aspects above and view that all the requirements of GRAP 109 are met for the auctioneer being an agent acting on behalf of GMT as the principal during the disposal process. No assets were recognised by the auctioneer. Buyers commission is charged by the auctioneer based on the disposal price of the vehicles.

No changes occurred during the reporting period and comparative year on any significant terms and conditions contained in the arrangement, apart from the extension period of the original contract was effected during 2022/23. The original 36-month contract ended on 14 April 2022, with a 36-month extension effected from 15 April 2022. Total buyers commission is estimated to be R1,071,225 during the three-year extension period.

Based on above, all three criteria are met for the auctioneer being an Agent in terms of the auctioneering services. GMT is by default deemed to be the principal (GRAP 109.27).

GMT recognises the profits and losses generated during auction processes in its chart of accounts, after the buyers commission of 4.5% due to the auctioneer was deducted. The profits on disposal of vehicles are disclosed under Other Income in note 16, with losses on disposal disclosed under Operating Expenditure (note 22).

The arrangement is entered to expand the footprint for vehicle auctions as part of the services rendered by GMT.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

42 ACCOUNTING BY PRINCIPALS AND AGENTS (continued)

42.3 Investments of behalf of GMT

GMT invests cash funds not immediately required through the Provincial Treasury with approved financial institutions. The investments are done in accordance with the Investment Policy held by Provincial Treasury. The Investment Policy governs the parameters within which the investments are done. These include the type of institutions which may be invested in, the maximum investment period and other risk parameters which must be met by the financial institution before investment in these institutions can be considered. The Provincial Treasury acts on behalf of GMT by managing the investment with financial institutions.

GMT recognises the interest earned on the investment and discloses this in note 17, with no administration fees or any other fees payable to Provincial Treasury. The investment is disclosed on the GMT chart of accounts under Cash and Cash Equivalents (note 14).

An agent on behalf of or to the benefit of the principal (GRAP 109.24-...25). Evaluation of the criteria of an agent:

- i. Does not have power to determine the significant terms and conditions of the transactions (including the purpose and benefits of the arrangement)

Even though the investment is done in terms of the Provincial Treasury Investment Policy, significant terms are determined by the Accounting Officer of the Western Cape Mobility Department – which constitutes the power to affect the result of the transaction (GRAP 109.30).

- ii. Does not have the ability to use all, or substantially all, of the resources that result from the transactions for its own benefit

GMT recognises all the interest yield along with the investment amount on its chart of accounts (note 17). No administration fees or any other fees are payable to Provincial Treasury.

- iii. It is not exposed to the variability in the results of the transaction

GMT carries the exposure of fluctuations in the interest yield of the investment. In addition, GMT is exposed to risk elements such as credit risk of the financial institutions through which the investment is done. Based on above, all three criteria are met for Provincial Treasury being an Agent in terms of the investment. GMT is by default deemed to be the principal (GRAP 109.27).

The request to invest funds on behalf of GMT serves as a binding arrangement between GMT and Provincial Treasury (GRAP 109.05A, GRAP 109.17 - .18). In addition, investments have been made over several years and all of the actions performed by parties indicate a binding arrangement during the period of investment (GRAP 109.20).

Transactions with third parties' as stated in GRAP 109.10 are the cash funds not immediately required are invested with approved financial institutions. The 'transaction' is deemed to be the investment of the cash funds, also the interactions by Provincial Treasury with the financial institutions.

Management evaluated all the aspects above and view that all the requirements of GRAP 109 are met for Provincial Treasury being an agent acting on behalf of GMT as the principal during investments done on behalf of GMT. No assets were recognised by Provincial Treasury. Termination fees for early withdrawal or termination of the investment from financial institutions may be charged by the applicable financial institution where the investment is held, the fees are unknown. No fees will be charged by Provincial Treasury in the case of early withdrawal or termination of the investment.

Investment details the year ended 31 March 2025:

R482 835 707 invested in the Corporation of Public Deposits from 1 April 2024. The interest yields varied between 7.34% to 8.61% during the year.

Investment details during 2023/24:

R445 519 999 invested in the Corporation of Public Deposits from 1 April 2023. The interest yields varied between 4.34% to 8.72% during the year.

The arrangement is entered to optimise the yields on cash funds which are not immediately required in business operations.

No changes occurred during the reporting period and comparative year on any significant terms and conditions contained in the arrangement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

42 ACCOUNTING BY PRINCIPALS AND AGENTS (continued)

42.4 Management of fuel, oil and toll fees (continued)

GMT is the Principal.

GMT utilizes the services of a service provider for fuel management services in conjunction with GMT. The following categories of work are:

- Operational capabilities;
- Electronic systems;
- Electronic fuel, oil and toll card management;
- e-Toll management;
- Diesel rebates;
- Financial responsibility; and
- Sharing of best practices and training

The services described above are entered with third parties, which are classified in various categories (depending on the nature of the service).

An agent on behalf of or to the benefit of the principal (GRAP 10924-.25). Evaluation of the criteria of an agent:

- i. Does not have power to determine the significant terms and conditions of the transactions (including the purpose and benefits of the arrangement)

GMT drafted the specifications of how fuel, oil and toll fee management services must be conducted. These services referred to above were specified by GMT prior to appointing the service provider. The service provider acts upon these specifications and in certain cases after consultation with GMT and must execute the transactions in line the specification as determined by GMT (GRAP 109.30).

- ii. Does not have the ability to use all, or substantially all, of the resources that result from the transactions for its own benefit

The fuel, oil and toll fee services are done for the GMT vehicle fleet. Thus, GMT obtains the service benefit of these transactions, along with the other specified services.

- iii. It is not exposed to the variability in the results of the transaction

GMT carries the exposure of fluctuations of services associated to the transactions. It may mean that vehicles are adequately filled, along with oil and toll transactions (GRAP 109.40).

The contracts entered into by the service provider with parties for fuel, oil and toll bind GMT towards those parties, thus GMT has a liability to those parties rather than the service provider.

Management evaluated all the aspects above and view that all the requirements of GRAP 109 are met for the service provider being an agent acting on behalf of GMT as the principal during the repairs, maintenance and running costs services. No assets were recognised by the service provider. Transaction- and administration fees are being charged by the service provider during the execution of the tasks stipulated in this arrangement. The total fees incurred by GMT are:

Transaction fees:

2024/25: R1,174,825 (2023/24: R1,182,964)

Administration fees:

2024/25: R1,760,777 (2023/24: R1,731,231)

These fees are included under Administrative expenses. The period of the arrangement is for 36 months from 6 May 2022 to 5 May 2025 with a total estimated cost of R7,368,866 during the 36-month arrangement.

Based on above, all three criteria are met for the service provider being an Agent in terms of the fuel, oil and toll fee services. GMT is by default deemed to be the principal (GRAP 109.27).

GMT recognises the expenditure according to the nature of the items on its chart of accounts. Refer to notes 20 and 22 on Administration and Operating expenditure for resources remitted which are included in these line items.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

42 ACCOUNTING BY PRINCIPALS AND AGENTS (continued)

42.5 Procurement of mobility assets

GMT is the agent.

An agent on behalf of or to the benefit of the principal (GRAP 109.24-25). Evaluation of the criteria of an agent:

- i. Does not have power to determine the significant terms and conditions of the transactions (including the purpose and benefits of the arrangement)

A Memorandum of Agreement ('MOA') is entered between GMT and a client institution for procuring assets. This is done based on the contractual reach which GMT has – GMT is the contract holder or participant in contracts on which items are offered. Funds are transferred by the client institution to GMT based on the details contained in the MOA. GMT procures these assets and alienates the items to client institution (thus no further involvement by GMT in managing the assets on behalf of the client institution).

- ii. Does not have the ability to use all, or substantially all, of the resources that result from the transactions for its own benefit

The specified items as contained in the MOA are alienated to the client institution for use in its service delivery objectives, rather than being used by GMT for its own service delivery or to obtain economic benefits (GRAP 109.35). Further, GMT derecognises all transactions associated to this transaction from its chart of accounts.

GMT does not charge fees for these services; thus, no revenue is recognised by GMT for this arrangement. In addition, GMT does not incur expenses, liabilities and/or assets for this arrangement.

- iii. It is not exposed to the variability in the results of the transaction

The client institution carries the exposure of the results in the transaction. This may be in the form of unavailability of assets, delays in procurement and other factors which may result in the fulfilment of the conditions as contained in the MOA giving the client institution exposure rather than GMT (GRAP 109.40). Based on above, all three criteria are met for GMT being an Agent in terms of the procurement of mobility assets.

Funds are held on behalf of the Principals as detailed in the following notes:

42.5.1 Procurement of mobility assets

Western Cape Mobility Department

Note 5.1.1

Balance at the beginning of the year

2024/25 R'000	2023/24 R'000
872	872
(872)	-
-	872
-	872

Assets procured as procuring agent

The amount of R872,000 incurred during 2024/25 as part of a Principal-Agent arrangement was for the procurement of batteries for handheld devices. The opening balance of R872,000 was included in the Unspent Conditional Grants and Receipts balance (refer to note 5.1.1).

No risks are transferred from the Western Cape Mobility Department (The department deemed as 'Principals' in these arrangements) to GMT ('the Agent'). This confirms the details as contained under the exposure to the variability in the results of the transaction.

No changes occurred during the reporting periods on any significant terms and conditions contained in the arrangements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

43 MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION

GMT makes provision for post-retirement benefits to eligible employees who belong to the Government Employees Pension Fund.

This fund does not fall under the ambit of the Pension Funds Act (1956) since it is governed by its own statute.

The Government Employee Pension Fund is a multi-employer plan with the latest available actuarial valuation as at 31 March 2024, showing the financial progress of the fund since the previous valuation as at 31 March 2021. The fund financial condition is required to be investigated and reported upon by the valuator at least once every three years.

The only obligation of GMT with respect to the pension fund is to make the specified contributions. Where employees leave the fund prior to full vesting of the contributions, the contributions payable by GMT are reduced by the amount of forfeited contributions.

The Pension Fund has been valued by making use of the Discounted Cash Flow method of valuation.

The fund is subject to an actuarial valuation. The last statutory valuation was performed as at 31 March 2024. There were sufficient assets to cover the actuarial liabilities in full. The contribution rate paid by the members (7.5% of pensionable salary) and GMT (13%) is sufficient to fund the benefits accruing from the fund in the future.

The net assets available for benefits amounted to R2,343,754 million as at 31 March 2024 (31 March 2021: R2,041,346 million).

As reported by the Actuaries, in terms of the fund's own Funding Level Policy, the fund was considered to be financially sound as at 31 March 2024. The actuarial results of the March 2024 valuation show that the fund is 119% funded (31 March 2021: 110.1%), i.e. there are sufficient assets to cover the actuarial liabilities in full.

44 STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE AND ADOPTED

The following GRAP standard and Interpretation were issued but are not yet effective at the reporting date for trading entities and has therefore not been early adopted by GMT:

GRAP 104 on Financial Instruments (revised) - effective from 1 April 2025

IGRAP 22 on Foreign Currency Transactions and Advance Consideration - effective from 1 April 2025

The Accounting Standards Board Directive 5 sets out the principles for the application of the GRAP 3 guidelines in the determination of the GRAP Reporting Framework hierarchy, as set out in the standard of GRAP 3 on Accounting Policies, Changes in Accounting Estimates and Errors.

Where a standard of GRAP is approved as effective, it replaces the equivalent statement of International Public Sector Accounting Standards Board, International Financial Reporting Standards or Generally Accepted Accounting Principles. Where a standard of GRAP has been issued, but is not yet in effect, an entity may select to apply the principles established in that standard in developing an appropriate accounting policy dealing with a particular section or event before applying the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

44 STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE AND ADOPTED (continued)

Standard or Interpretation	Nature of Impending Changes	Annual period beginning on or after
GRAP 104 on Financial Instruments (revised)	<p>The revision of GRAP 104 was motivated by the need to address shortcomings identified in the classification and measurement of financial instruments, especially those highlighted during the financial crisis.</p> <p>The changes align with updates in IFRS 9 and IPSAS 41, aiming to improve the robustness and relevance of financial instrument reporting. Significant changes introduced in the revision include revising classification principles even though the number of categories remains the same and adopting a new impairment model based on expected credit losses.</p> <p>This revision aims to enhance the financial reporting of financial instruments by introducing more relevant and timely recognition and measurement practices.</p> <p>Classification and measurement:</p> <p>Entities will need to reassess how they classify and measure financial instruments, which could lead to changes in the recognition of financial assets and liabilities on the balance sheet.</p>	1 April 2025
	<p>This may affect entities' financial ratios and metrics that stakeholders use to assess financial health.</p> <p>Impairment model:</p> <p>The shift to an expected credit loss model for impairment will require entities to make forward-looking assessments of credit risk, potentially leading to earlier recognition of credit losses.</p> <p>This could have implications for entities' profit and loss statements and may require the development of new models and assumptions for estimating expected credit losses.</p>	
	<p>GMT is planning on adopting this accounting standard retrospectively from 1 April 2025. The adoption of this standard is likely to have an effect on the classification, measurement and impairment of financial instruments.</p>	
	<p>The potential impact of implementing the revised GRAP 104 standard, is as follows:</p> <p>A high-level/initial estimate, from available date, of the Expected Credit Loss (ECL) impairment on the gross outstanding balance of receivables for the year ended 31 March 2025, amounts to R577,837.47. The ECL was calculated using realistic and defensible default rates that increase with the age of the receivables, consistent with public sector experience and GRAP 104's simplified approach. No forward-looking macro-economic adjustments were applied.</p>	
	<p>The financial instruments disclosed by GMT continue to be correctly classified under the revised GRAP 104 standard. There is no change to the measurement basis of GMT's financial assets and liabilities because: GMT's business model is to hold and collect contractual cash flows, All instruments pass the SPPI test, No instruments are held for trading or with complex features requiring fair value reclassification. Hence, the transition to the revised GRAP 104 does not necessitate reclassification or measurement adjustments for GMT's financial instruments.</p>	
IGRAP 22 on Foreign Currency Transactions and Advance Consideration	<p>IGRAP 22 was developed from IFRIC 22 on IAS 21 – 'The Effects of Changes in Foreign Exchange Rates.'</p> <p>It addresses the treatment of foreign currency transactions and how advance consideration impacts the determination of the transaction date for currency conversion.</p> <p>The interpretation aims to clarify how to determine the date of the transaction for the purpose of converting the foreign currency amount into the entity's functional currency, especially when payment is made or received in advance.</p>	1 April 2025
	<p>GMT does not have any foreign currency transactions and advance considerations. This Interpretation is thus not expected to be relevant to GMT, however it will be assessed following its effective date should any changes in the business necessitate the adoption of elements contained in this Interpretation.</p>	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2024/25
R'000

45	RECONCILIATION BETWEEN BUDGET AND THE STATEMENT OF FINANCIAL PERFORMANCE	
	Reconciliation between budget surplus with the surplus in the Statement of Financial Performance	
	Surplus per the Statement of Financial Performance	473,799
	Over budgeted income and expenses	
	Financing through own funds	667,476
	Over / (under) spending of approved budget:	
	Revenue	
	Under budgeted Revenue from daily tariffs for permanently allocated vehicles subject to finance leases	(68,134)
	Under budgeted Interest income from bank accounts and accounts receivable	(12,658)
	Under budgeted on Government grants and subsidies received	(25,752)
	Under budgeted Other grants and subsidies received	(12,353)
	Under budgeted Other income	(14,699)
	Over budgeted Service in-kind revenue	405
	Expenditure	
	Over budgeted Administrative expenditure	(2,455)
	Over budgeted Employee costs	(15,265)
	Over budgeted Operating expenditure	(46,481)
	Over budgeted Depreciation	(2,345)
	Over budgeted Amortization	(2,549)
	Over budgeted Accident and impairment losses	(445)
	Over budgeted Operating lease expenditure	(1,699)
	Surplus per approved budget	936,844
	Refer to the Statement of Comparison between Budget and Actual amounts for explanations of variances between budget and actual amounts.	

46	BROAD BASED BLACK ECONOMIC EMPOWERMENT
	Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

47 SEGMENT REPORTING

The entity has a single reportable segment and is not organised on the basis of differences in geographical areas of operations

Management evaluated the requirements of GRAP 18 on Segment Reporting and found it to be irrelevant to the entity, based on the following criteria –

Economic benefit and/or service potential:

GMT's operational model is based on value-chain processes (procurement, registration, fleet management, and disposal), which work as a whole and do not independently generate economic benefits or service potential. These functions are interconnected and do not operate as distinct, self-contained activities. This requirement is not met.

Regular review by management:

GMT's management monitors performance at the entity level only. Performance monitoring occurs through:

- In-year monthly reporting
- Interim and annual financial statements
- Annual Performance Reports

Resource allocation decisions are made at the organisational level, not by activity or cost centre. Management does not review the results of separate operational segments for performance or decision-making. This requirement is not met.

Availability of separate financial information:

While GMT has internal cost centres, they are not structured or monitored as independent segments. These cost centres do not generate service potential or undergo separate financial review, and segment-specific financial information is not available or maintained. This requirement is not met.

As a result of the above, no additional disclosure is applicable and no further disclosure will be made in accordance with the requirements of GRAP 18 on segment reporting

Accounting Policies for the year ended 31 March 2025

1. Basis of preparation

The financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention, except where indicated otherwise.

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), as approved by the Minister of Finance, including any interpretations, guidelines and directives issued by the Accounting Standards Board and the Public Finance Management Act 1 of 1999, as amended.

The following are the principle accounting policies of the entity which are, in all material respects, consistent with those applied in the previous year, except where otherwise indicated:

1.1. Changes in the accounting policy and comparability

Accounting policies have been consistently applied.

For the period commencing 1 April 2013 GMT has adopted the accounting framework as set out in point 1 above. The details of any resulting changes in accounting policy and comparative restatements are set out below.

GMT changes an accounting policy only in the following instances:

- a) is required by a Standard of GRAP; or
- b) results in the financial statements providing more relevant information about the effects of transactions, other events or conditions on the entity's Statement of Financial Position, financial performance, cash flow, changes in net assets, notes and accounting policies.

1.2. Critical judgements, estimations and assumptions

In the application of GMT's accounting policies, which are described below, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements:

- **Useful lives and residual values of property, plant and equipment (PPE)**

In assessing the remaining useful lives and residual values of PPE, management have made judgements based on historical evidence as well as the current condition of PPE under its control.

Accounting Policies

for the year ended 31 March 2025

- **Impairment of property, plant and equipment, intangible assets and heritage assets**

Accounting policy 11.1 and 11.2 on PPE – Impairment of cash generating and non-cash generating assets, 9.2 and 25.3 on Intangible assets – Subsequent measurement, amortisation and impairment and 13.2 on Inventory – Subsequent measurement and 10 on Heritage assets – Impairment of non-cash generating assets describes the conditions under which non-financial assets are tested for potential impairment losses by the management of the entity. Significant estimates and judgements are made relating to PPE impairment testing, intangible assets impairment testing, and write down of inventories to the lowest of cost.

- **Impairment of financial assets**

Accounting policy 14.6 on Impairment of financial assets describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management of the entity considered the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management of GMT is satisfied that the impairment of financial assets recorded during the period is appropriate.

- **Revenue recognition**

Accounting policy 5.2 on Revenue from exchange transactions and 5.3 on Revenue from non-exchange transactions describes the conditions under which revenue will be recorded by the management of the entity.

In making their judgement, the management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from exchange transactions and GRAP 23: Revenue from non-exchange transactions. Also of importance is the estimation process involved in initially measuring revenue at the fair value thereof. The management of the entity is satisfied that recognition of the revenue in the current period is appropriate.

- **Financial assets and liabilities**

The classification of financial assets and liabilities into categories is based on judgement by management. Accounting policy 14.2 on Financial assets classification and financial liabilities classification describes the factors and criteria considered by the management of the entity in the classification of financial assets and liabilities.

In making the above-mentioned judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial instruments.

- **Provisions and contingent liabilities**

Provisions for capped leave

GMT has an obligation to pay capped leave in terms of instructions of the Provincial Bargaining Council's Resolution 7 of 2000. Provision is made for this obligation based on the cost.

Contingent liabilities

Claims are instituted against GMT by third parties who are party to a motor vehicle accident involving a government vehicle. The existence of this obligation will only be acknowledged by the future payment of these claims.

Accounting Policies

for the year ended 31 March 2025

- **Budget information**

Deviations between budget and actual amounts are regarded as material differences when a 10% deviation exists. All material differences are explained in the budget vs. actual statement which is included in the financial statements.

- **Defined benefit plan liabilities**

As described in Accounting Policy 6.3, the entity obtains an actuarial valuation of its defined benefit plan liability. The defined benefit obligation of GMT which is identified as Long Service Allowances. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liability and the key assumptions made by the actuaries in estimating the liability are provided in note 1 to the Interim Financial Statements.

2. Currency

These financial statements are presented in South African Rand, as that is the currency in which the entity's transactions are denominated.

3. Going concern

The Interim Financial Statements have been prepared on a going concern basis.

4. Offsetting

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a standard of GRAP.

5. Revenue recognition

5.1. General

Revenue is derived from a variety of sources which include daily and kilometre tariffs, interest earned on finance lease receivables, bank accounts and accounts receivable; grants received, profit on sale of vehicles and other income. Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and these benefits can be measured reliably, except when specifically stated otherwise.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the entity's activities. Revenue is shown net of returns, rebates and discounts.

The entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to GMT and when specific criteria have been met for each of the entity's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the revenue have been resolved. The entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from exchange transactions refers to revenue that accrued to GMT directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Accounting Policies

for the year ended 31 March 2025

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

5.2. Revenue from exchange transactions

5.2.1 Daily and kilometre tariffs

Revenue arising from the rendering of services, as well as related expenses is recognised according to the stage of completion of the transaction at the reporting date. Revenue from daily tariffs is calculated and charged against user departments over the estimated useful life cycle of vehicles to enable GMT to replace the vehicle at the end of its life cycle and to cover GMT overheads. Revenue is also charged against user departments for all kilometres covered in GMT vehicles according to a tariff per classification code of the vehicle to cover the maintenance and running costs of the fleet.

5.2.2 Interest earned

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

Interest earned on the following investments is recognised in the statement of financial performance:

- interest earned on finance lease receivables;
- interest earned on bank accounts; and
- interest earned on accounts receivable.

5.2.3 Sale of goods

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

- The entity has transferred to the buyer 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.

5.2.4 Government grants and subsidies received

Income received from conditional grants and funding is recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in the Statement of Financial Performance in the period in which they become receivable.

Accounting Policies

for the year ended 31 March 2025

5.3. Revenue from non-exchange transactions

An inflow of resources from a non-exchange transaction, that meets the definition of an asset shall be recognised as an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably. The asset shall be recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

5.3.1 Government grants and subsidies received

Government grants and subsidies from non-exchange transactions comprise of vehicles donated to the entity and stolen vehicles recovered.

Income received from donations (take-in vehicles) is recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement.

5.3.2 Services in-kind

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

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

6. Employee benefits

6.1 Short-term employee benefits

Remuneration to employees is recognised in the Statement of Financial Performance as the services are rendered, except for non-accumulating benefits, which are only recognised when the specific event occurs.

The entity treats its balance for leave pay as a payable.

The costs of all short-term employee benefits such as leave pay are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at the end of the period. The entity recognises the expected cost of performance bonuses only when the entity has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

GMT offers post-employment benefits to its employees in the form of retirement benefits. These benefits represent pension payments.

Accounting Policies

for the year ended 31 March 2025

6.2 Defined contribution plan

A defined contribution plan is a plan under which the entity pays fixed contributions into a separate fund. The entity has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to service in the current or prior periods.

The entity's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions made on behalf of the employees to the fund are recognised in the Statement of Financial Performance in the period in which the service is rendered by the relevant employees. The entity has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The entity contributes to a multi-employer pension fund on behalf of its employees. The fund has a defined benefit plan but is accounted for as a defined contribution plan due to insufficient information being available to apply the rules of the defined benefit plan. The assets generated by this plan consists of contributions made by both GMT and the employees and are generally held in a separate administered fund, namely the Government Employees' Pension Fund. This fund is administered on behalf of GMT by pension fund administrators and is governed by the Pensions Fund Act, 1956, as amended. The following rates of contribution are applied: employee contribution is 7.5% of pensionable salary (basic salary plus annual bonus) and GMT contributes 13% on the same basis.

The contributions to the above-mentioned fund obligation for the payment of the retirement benefit are charged against revenue in the period they become payable. This defined benefit fund is actuarially valued triennially on the Projected Unit Credit Method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating entities and parties.

6.3 Long-service allowance

The entity has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the entity instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 20, 30 and 40 years of continuous service. The entity's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of Financial Performance.

7. Irregular, fruitless and wasteful expenditure

7.1. Irregular expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including:

- The PFMA;
- Any regulation made in terms of the PFMA; or
- Any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is accounted for as an expense in the Statement of Financial Performance in the period it occurred and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

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Irregular expenditure is recorded in the notes to the Financial Statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impractical to determine, in which case reasons therefore are provided in the notes. Irregular expenditure is removed from the note when it is either condoned by the relevant authority or is written off.

7.2. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the period 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.

8. Property, plant and equipment

Property, plant and equipment (excluding motor vehicles and finance lease assets)

8.1. Initial recognition

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

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

Property, plant and equipment are initially recognised at its historical cost on their acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. 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 the entity. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired by the entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

8.2. Subsequent measurement

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the entity replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. The cost model is used for subsequent measurement.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

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8.3. Depreciation

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The depreciation rates are based on the following estimated useful lives.

Depreciation only commences when the asset is available for use, unless stated otherwise.

Plant and equipment are originally measured at cost and are depreciated on a basis considered appropriate to reduce the carrying amount over the expected lifespan of the assets.

Estimated useful lives:

- Office and workshop equipment: Straight-line (6 years)
- Office furniture and fittings: Straight-line (6 years)
- Domestic equipment: Straight-line (6 years)
- Photographic equipment: Straight-line (6 years)
- Computer equipment: Straight-line (3 years)
- Audio visual equipment: Straight-line (6 years)
- Telephones: Straight-line (3 years)
- Security equipment and systems: Straight-line (3 years)
- Crockery and cutlery: Straight-line (3 years)
- Domestic furniture and fittings: Straight-line (6 years)
- Gardening equipment: Straight-line (5 years)
- Kitchen appliances: Straight-line (6 years)
- Containers: Straight-line (20 years)
- Alternative energy solutions (Batteries) Straight-line (7 years)
- Alternative energy solutions (Inverter) Straight-line (5 years)
- Emergency equipment: Straight-line (10 years)
- Handheld devices: Straight-line (5 years)
- Office pods: Straight-line (15 years)

Gains and losses on the disposal of plant and equipment are recognised in the Statement of Financial Performance once they accrue to the entity.

The estimated useful lives are reviewed monthly. The assets' residual values estimated useful lives and depreciation are adjusted prospectively, if appropriate, at each reporting date.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Motor vehicles

Motor vehicles are tangible assets held by the entity for use in the supply of fleet management services, which are expected to be used for more than one year. Motor vehicles are originally measured at cost and are depreciated on a basis considered appropriate to reduce the carrying amount over the useful life of the assets. Depreciation is calculated after taking residual values into account.

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The actual useful lives of motor vehicles are assessed monthly based on the condition of vehicles and the replacement policy of GMT. The change in useful life will be accounted for as a change in accounting estimate, thus the depreciation for the current and future periods will be restated.

Estimated useful lives:

- Vehicles: Straight-line (1–19 years)

Gains and losses on the disposal of motor vehicles are recognised in the Statement of Financial Performance once they accrue to the entity.

Finance lease assets

Assets capitalised under finance leases are depreciated over their expected useful lives on the same basis as property, plant and equipment controlled by the entity or, where shorter, the term of the relevant lease if there is no reasonable certainty that the entity will obtain ownership by the end of the lease term.

8.4. Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or losses arising from derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised.

Gains or losses are calculated as the difference between the carrying value of assets (cost less accumulated depreciation and accumulated impairment losses) and the disposal proceeds is included in the Statement of Financial Performance as a gain or loss on disposal of property, plant and equipment.

8.5. Impairment

The impairment of cash generating and non-cash generating assets is dealt with in paragraphs 11.1 and 11.2.

9. Intangible assets (excluding Vehicle Maintenance Plans – refer to accounting policy 25)

9.1. Initial recognition

Identifiable non-monetary assets without physical substance are classified and recognised as intangible assets. The entity recognises an intangible asset in its Statement of Financial Position only 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.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- it is technically feasible to complete the intangible asset so that it will be available for use;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;

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

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis.

Intangible assets are initially recognised at cost. The cost of an intangible asset is the purchase price and other costs attributable to bring the intangible asset to the location and condition necessary for it to be capable of operating in the manner intended by the entity, or where an intangible asset is acquired at no cost, or for a nominal cost, the cost shall be its fair value as at the date of acquisition. Trade discounts and rebates are deducted in arriving at the cost. Intangible assets acquired separately or internally generated are reported at cost less accumulated amortisation and accumulated impairment losses.

9.2. Subsequent measurement, amortisation and impairment

Intangible assets are shown at cost less accumulated amortisation and impairment losses. Expenditure on the development of the intangible assets are capitalised by GMT and amortised using the straight-line basis over their useful lives. Expenditure on an intangible item that was initially recognised as an expense shall not be recognised as part of the cost of an intangible asset at a later date.

FleetMan system:

Amortisation commenced from 1 April 2004 which is considered to be the date when the asset was available for use. Intangible assets are not revalued. The carrying amount of the FleetMan system is reviewed and adjusted for impairment, where it is considered necessary.

Oracle financial system:

Amortisation commenced on the date when the asset was available for use which was 1 April 2011. Intangible assets are not revalued. The carrying amount of the Oracle Financial system will be reviewed and adjusted for impairment, where it is considered necessary.

Intelligent Transport Platform:

Part of the system applications were procured by the reporting date. The system configuration is in progress and not available for use as intended by management at the reporting date.

GMT Website:

Part of the website is in the process of being developed as at the reporting date. The website configuration is in progress and not available for use as intended by management at the reporting date.

Employee Wellness System:

During the 2022/23 financial year there was a transfer of an instance of the Employee Wellness System from Traffic Law Enforcement to GMT at no cost with no acquisition cost implications. GMT will further develop Employee Wellness System based on its own business requirements and will have exclusive usage of the revised version of the software. The system configuration commenced and is still in progress of having Employee Wellness System developed. The system is not yet ready for use as intended by management at the reporting date.

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In terms of GRAP 31, intangible assets are distinguished between internally generated intangible assets and other intangible assets. Amortisation is charged on a straight-line basis over the intangible assets' useful lives (when the intangible asset is available for use), which are estimated as detailed below, the residual value of assets with finite useful lives is zero, unless an active market exists. Intangible assets (including intangible assets not yet available for use), are subject to impairment testing. The useful lives per category of intangible assets are detailed below:

Estimated useful lives:

- FleetMan system: Straight-line (26.5 years)
- Oracle financial system: Straight-line (25.5 years)
- Intelligent Transport Platform: Straight-line (11 years)
- GMT Website: Straight-line (4 years)
- Employee Wellness System: Straight-line (11 years)

Impairment on intangible assets listed under accounting policy 9.2 was assessed in terms of GRAP 21 – Impairment of Non-cash Generating Assets. The carrying value is adjusted by the impairment loss if impairment losses should be recognised. This is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation. The impairment loss is the difference between the carrying amount and the recoverable amount.

The estimated useful life, residual values and amortisation method are reviewed annually. Any adjustments arising from the annual review are applied prospectively as a change in accounting estimate in the Statement of Financial Performance.

9.3. Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the net disposals proceeds and the carrying value and is recognised in the Statement of Financial Performance.

10. Heritage assets

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance, and is held and preserved indefinitely for the benefit of present and future generations.

10.1. Initial recognition

The cost of an item of heritage assets is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the entity, and if the cost or fair value of the item can be measured reliably.

Heritage assets are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of heritage assets 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 the entity. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

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10.2. Subsequent measurement

Subsequent expenditure relating to heritage assets is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the entity replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequently all heritage assets are measured at cost, less accumulated impairment losses. Heritage assets are not depreciated.

10.3. Derecognition of heritage assets

The carrying amount of an item of heritage assets is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of heritage assets is included in the Statement of Financial Performance when the item is derecognised.

Gains or losses are calculated as the difference between the carrying value of assets (cost less accumulated impairment losses) and the disposal proceeds is included in the Statement of Financial Performance as a gain or loss on disposal of heritage assets.

11.1. Impairment of cash generating assets

The entity assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the individual asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

The best evidence of fair value less cost to sell is the price in a binding sale agreement in an arm's length transaction, adjusted for the incremental cost that would be directly attributable to the disposal of the asset.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

An impairment loss is recognised for cash generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

- To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

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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 had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

11.2. Impairment of non-cash generating assets

An impairment loss of a non-cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

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

When the asset is disposed of, irrespective of manner thereof, the accumulated depreciation together with the accumulated impairment losses will be deducted from the cost price of the asset to obtain the net book value of the asset which will either generate a profit or loss on the disposal of the asset against any proceeds received, or will create a greater loss if there are costs attributable to the removal of the asset from GMT's premises.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the cash generating unit to which the asset belongs is determined.

The recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its value in use. The value in use for a non-cash generating asset is the present value of the asset's remaining service potential

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

- To the assets of the unit, pro rata based on the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

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 had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

12. Leasing

Classification

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the entity. The classification of a lease depends on the substance of the transaction rather than the form of the contract. The following are situations where the lease would normally be classified as a finance lease:

- the lease term is for the major part of the economic life of the asset even if title is not transferred;
- at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
- the leased assets are of a such a specialised nature that only the lessee can use them without major modifications;
- the leased assets cannot easily be replaced by another asset;
- if the lessee can cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee; and
- gains or losses from the fluctuation in the fair value of the residual value accrue to the lessee.

Leases of property, plant and equipment, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases.

12.1. GMT as lessee

Operating leases

GMT recognises operating lease rentals as an expense in the Statement of Financial Performance on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

If lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

12.2. GMT as lessor

Finance leases

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of GMT's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on GMT's net investment outstanding in respect of the leases or instalment sale agreements.

Operating leases

Operating lease rental income is recognised in the statement of Financial Performance on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as revenue and the contractual payments are recognised as an operating lease asset or liability.

Determining whether an arrangement contains a lease

At inception of an arrangement, the GMT determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys

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to GMT the right to control the use of the underlying asset. At inception or upon reassessment of the arrangement, GMT separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If GMT concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using GMT's incremental borrowing rate.

13. Inventories

13.1. Initial recognition

Inventories comprise of stationery and decals. These are current assets to be consumed during the rendering of vehicle fleet services. Inventories are initially recognised at cost. Cost generally refers to the purchase price and other costs incurred in bringing the inventories to their present location and condition.

The historical cost of inventory includes:

- Purchasing costs (which include all costs directly attributable to the acquisition of the inventories);
- Other costs incurred in bringing inventories to their current location and condition; and
- From these costs, trade discounts and rebates are deducted if included.

13.2. Subsequent measurement

Consumable stores are valued at the lower of cost and current replacement cost (the cost the entity would incur to acquire the asset on the reporting date). In general, the basis of determining cost is the weighted average cost of commodities.

13.3. Derecognition

Inventories are derecognised when the inventory is used in the rendering of vehicle fleet services. The expenditure is recognised in the Statement of Financial Performance when the stationery and decals are consumed during the rendering of these services.

14. Financial instruments

The entity has various types of financial instruments and these can be broadly categorised as financial assets, financial liabilities or residual interests in accordance with the substance of the contractual agreement. The entity only recognises a financial instrument when it becomes a party to the contractual provisions of the instrument.

14.1. Initial recognition

Financial assets and financial liabilities are recognised on the entity's Statement of Financial Position when the entity becomes party to the contractual provisions of the instrument.

The entity does not offset a financial asset and a financial liability unless a legally enforceable right to set off the recognised amounts currently exists; and the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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14.2. Classification

GMT has various types of financial instruments and these can be broadly categorised as either Financial assets or Financial liabilities.

Financial assets

In accordance with GRAP 104 the financial assets of the entity are classified into the following category allowed by this standard:

Financial asset at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Financial asset at amortised cost is initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. After initial recognition Financial Assets are measured at amortised cost, using the effective interest rate method less a provision for impairment.

A financial asset is any asset that is a cash or contractual right to receive cash. GMT has the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

- Finance lease receivables;
- Trade receivables from Exchange transactions;
- Trade receivables from Non-exchange Transactions;
- Cash and cash equivalents; and
- Current portion of Finance Lease Receivables.

In accordance with GRAP 104 the Financial Assets of GMT are classified as follows into the following category allowed by this standard:

TYPE OF FINANCIAL ASSET	CLASSIFICATION IN TERMS OF GRAP 104
Finance Lease Receivables	Financial Assets at Amortised Cost
Cash and cash equivalents	Financial Assets at Amortised Cost
Trade Receivables from exchange Transactions	Financial Assets at Amortised Cost
Trade Receivables from Non-Exchange Transactions	Financial Assets at Amortised Cost
Current portion of Finance Lease Receivables	Financial Assets at Amortised Cost

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions 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 with banks. The entity categorises cash and cash equivalents as financial assets: Financial asset at amortised cost.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. GMT has the following types of financial liabilities as reflected on the face of the Statement of Financial Position or in the notes thereto:

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- Payables from exchange transactions; and
- Payables from non-exchange transactions.

TYPE OF FINANCIAL LIABILITIES	CLASSIFICATION IN TERMS OF GRAP 104
Payables from Exchange transactions	Financial Liability at Amortised Cost
Payables from Non-exchange transactions	Financial Liability at Amortised Cost

14.3. Recognition

Financial assets measured at amortised cost:

Financial assets and financial liabilities are recognised on the entity's Statement of Financial Position when the entity becomes a party to the contractual provisions of the instrument.

Financial assets at amortised cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an effective yield basis.

Trade receivables from exchange Transactions, Trade Receivables from Non-exchange Transactions and Finance Lease Receivables that have fixed and determinable payments that are not quoted in an active market are classified as financial assets at amortised cost.

Financial liabilities measured at amortised cost:

Financial liabilities measured at amortised cost are initially measured at fair value, net of transaction costs. Payables from Exchange transactions and Payables from Non-exchange transactions are subsequently measured at amortised cost using the effective interest rate method.

14.4. Derecognition

Financial assets:

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when management approves the write-off of Financial Assets due to non-recoverability.

Financial liabilities:

Financial liabilities are derecognised when, and only when, the entity's obligations are discharged, cancelled or they expire.

14.5. Measurement

When a financial asset or financial liability is recognised initially, it is measured at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Loans and receivables are subsequently measured at amortised cost. The subsequent measurement of cash and cash equivalents is at amortised cost.

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14.6. Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence of impairment of financial assets. If there is such evidence the recoverable amount is estimated, and an impairment loss is recognised in accordance with GRAP 104.

Accounts receivable is stated at cost less a provision for bad debts. The provision is made in accordance with GRAP 104 whereby the recoverability of consumer debtors is assessed collectively after grouping the assets in financial assets with similar credit risks characteristics. Government accounts are not provided for as such accounts are regarded as payable.

15. Provisions

Provisions are recognised when the entity has a present obligation as a result of a past event and it is probable that this will result in an outflow of economic benefits that can be estimated reliably. Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

16. Comparative information

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current period.

16.1. Prior period comparatives

When the presentation or classification of items in the financial statements is amended, prior period comparative amounts are reclassified. The nature and reasons for the reclassification are disclosed.

16.2. Budget information

The budget figures have been included in the Statement of Comparison of Budget and Actual Amounts. Explanatory comments are provided in the statement giving explanations for variances exceeding 10% between the adjusted budget and the actual amounts. Refer to the note on the reconciliation of budget and actual figures.

17. Contingent assets and contingent liabilities

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the Interim Financial Statements. A contingent liability is defined as a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or a present obligation that arises from past events but is not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or
- b) the amount of the obligation cannot be measured with sufficient reliability.

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The entity discloses for each class of contingent liability at the reporting date a brief description of the nature of the contingent liability and, where practicable:

- a) an estimate of its financial effect;
- b) an indication of the uncertainties relating to the amount or timing of any outflow, and
- c) the possibility of any reimbursement.

18. Events after the reporting date

The Entity considers events that occur after the reporting date for inclusion in the financial statements. Events that occur between the reporting date and the date on which the financial statements were authorised for issue are considered for inclusion in the financial statements.

The entity considers two types of events that can occur after the reporting date, namely those that:

- a) provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date), and
- b) were indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

All adjusting events are taken into account in the financial statements as the necessary adjustments are made to the financial statements. Where non-adjusting events after the reporting date are of such importance that non-disclosure would affect the ability of the users of the financial statements to make proper evaluations and decisions, the entity discloses the following information for each significant category of non-adjusting event after the reporting date:

- a) The nature of the event; and
- b) An estimate of its financial effect or a statement that such an estimate cannot be made.

19. Cash and cash equivalents

Cash and cash equivalents consist of cash in the bank and short-term deposits, and other short-term investments that are highly liquid and can readily be converted into cash.

For the purposes of the Cash Flow Statement, Cash and Cash Equivalents comprise of cash on hand, deposits held on call with banks and investments in financial instruments.

20. Related party disclosures

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. The following related parties exist at GMT and the associated disclosures as required in GRAP 20 are disclosed for the transactions, balances and additional narratives to enable users to understand the effect of these on the financial statements:

- The Western Cape Mobility Department (2022/23: The Western Cape Department of Transport and Public Works) is the governing body of GMT. The relationship to GMT is detailed in note 35;
- Management personnel are linked to salary levels on the staff structure as the substance of the planning, directing and controlling activities these staff fulfil will govern the input provided by officials appointed on lower salary levels. Staff appointed at GMT on Salary Level 11 and above are considered to meet the definition of management personnel apart from those appointed

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during annual leave, study leave and/or other periods of leave (depending on the substance of the arrangement). Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions;

- Close family members of management personnel are those family members who may be expected to influence, or be influenced, by that person in their dealings with GMT. In the GMT environment a close family member is deemed to be a spouse, brother, sister or child of management personnel; and
- Certain members of the governing body are detailed in note 35. These members may fulfil the roles of planning, directing and controlling activities within GMT.

21. Capital commitments

Capital commitments are not recognised in the Statement of Financial Position as a liability but are included in the disclosure notes.

Capital commitments are disclosed for:

- Approved and contracted commitments, where the expenditure has been approved and the contract has been awarded at the reporting date;
- Items are classified as commitments where GMT commits itself to future transactions that will normally result in the outflow of resources; and
- Contracts that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the disclosure notes to the financial statements

22. Changes in accounting policies, estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period specific effects or the cumulative effect of the change in policy. In such cases the entity shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Refer to the note on the changes in accounting policies.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the entity shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Refer to note of corrections of errors recorded during the period under review.

23. Grants and subsidies paid

GMT transfers surplus funds and alienate vehicles to other sectors of government from time to time. When making these transfers, GMT does not:

- Receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- Expect to be repaid in future; or
- Expect a financial return, as would be expected from an investment.

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These transfers are recognised in the Statement of Financial Performance as expenses in the period that the events giving rise to the transfer occurred.

24. Accounting by principals and agents

24.1. 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).

24.2. Identifying whether an entity is a principal or an agent

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

24.3. Binding arrangement

GMT 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.

24.4. Assessing which entity benefits from the transactions with third parties

When GMT 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 GMT concludes that it is not the agent, then it is the principal in the transactions.

GMT 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; and
- It is not exposed to variability in the results of the transaction.

Where GMT 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 it is an agent. GMT applies judgement in determining whether such powers exist and whether they are relevant in assessing whether GMT is an agent.

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24.5. Recognition

GMT, 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.

GMT, 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.

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

25. Intangible Assets (Vehicle Maintenance Plans)

25.1. Initial recognition – as an asset

Vehicle maintenance plans are plans which cover the maintenance and service costs of individual vehicles during a period. It meets the definition of assets as required in GRAP 1.05 –

- Probable future economic benefits or service potential.
- Control over the resource.
- Cost or value can be measured reliably.

Maintenance plans reduce future maintenance outlays and enhance vehicles' service potential by keeping them in optimal condition, thus extending their useful lives and ensuring availability for operations. Control is established through payment and contractual agreement, granting GMT the right to receive maintenance and associated services. The past event, the payment for the plan, secures legal rights to future economic benefits. The cost of the maintenance plans is identifiable and measurable as the amount paid for the plan. It is documented in the contract and recognized financially at the point of purchase, with no ambiguity in its measurement.

25.2. Initial recognition – as an intangible asset

Intangible assets are identifiable non-monetary assets without physical substance. The entity recognises an intangible asset in its Statement of Financial Position only 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 maintenance plans are distinct contractual agreements between GMT and the Original Equipment Manufacturers ('OEMs'), providing specific maintenance and associated services separate from other assets (i.e. the vehicles to which they are linked). The maintenance plans represent a right to receive maintenance and associated services, not cash or a cash equivalent, making it a non-monetary asset. The plan's value is encapsulated in the contractual rights to services, not in any physical form, fulfilling the criteria for being without physical substance. Control is secured through a contractual right with the OEMs, ensuring the entity's exclusive right to receive maintenance and associated services. The plan ensures regular maintenance and associated services without additional charges, enhancing asset longevity and performance, and reducing expenses with a similar nature.

The maintenance plans are initially recognised at cost. The cost of the maintenance plans are 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 the entity. Trade discounts and rebates are deducted in arriving at the cost.

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25.3. Subsequent Measurement, Amortisation and Impairment

Intangible assets are shown at cost less accumulated amortisation and impairment losses. The maintenance plans are amortised using the straight-line basis over their useful lives or kilometres driven during the year for vehicles exceeding plan limits, whichever is the highest. The residual values of the plans are assumed as nil. Amortisation commences when the plans are available for use as intended by management. At GMT, the availability for use is the date of receipt of the delivery of the vehicle linked to the maintenance plan. Amortisation ends when either:

- The end of the plan term is reached.
- The plan is forfeited.
- The useful life of the vehicle linked to the plan ends.

The estimated useful lives of the maintenance plans are detailed below and vary between plan options and vehicle make and models:

- Vehicle Maintenance Plans: Straight-line (2 - 6 years)

Impairment on the maintenance plans is accounted for in terms of GRAP 26 on Impairment of Cash Generating Assets. Vehicles linked to the maintenance plans are classified as cash-generating assets due to their direct contribution to revenue generation, the treatment of related maintenance plans is considered in the context of the overall impairment of cash-generating units. The impairment of related maintenance plans due to the write-off or significant impairment of the vehicles is treated in accordance with GRAP 26 Impairment of 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. The impairment loss is the difference between the carrying amount and the recoverable amount.

Where the maintenance plans have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

The estimated useful life, residual values and amortisation method are reviewed annually. Any adjustments arising from the annual review are applied prospectively as a change in accounting estimate in the Statement of Financial Performance.

25.4. Derecognition

Maintenance plans are derecognised when there are no further economic benefits or service potential expected from the use of the plan. This may arise from:

- The end of the plan term is reached.
- The plan is forfeited.
- The useful life of the vehicle linked to the plan ends.

The loss arising on the derecognition of the maintenance plan is determined as the difference between the carrying value and the residual value. This is recognised in the Statement of Financial Performance.

Annexure A: Legislative mandates

In the main, the national and provincial policies and strategies described below guide the WCMD, inclusive of GMT in the discharge of its responsibilities.

Table 17: National and provincial legislation

FUNCTION	LEGISLATION
TRANSPORT	<p>Administrative Adjudication of Road Traffic Offences Act, 1998 (Act 46 of 1998)</p> <p>Promotes road traffic quality by providing for a scheme to discourage road traffic contraventions; facilitates the adjudication of road traffic infringements; supports the prosecution of offenders in terms of national and provincial laws relating to road traffic; implements a points demerit system; provides for the establishment of an agency to administer the scheme; provides for the establishment of a board to represent the agency; and provides for related matters.</p>
	<p>National Land Transport Amendment Act, 2023 (Act 23 of 2023)</p> <p>To amend the National Land Transport Act, 2009, to insert certain definitions and amend others; to provide for non-motorised and accessible transport; to bring the Act up to date with developments since the implementation of the Act; to provide for certain powers of provinces to conclude contracts for public transport services; to expand the powers of the Minister to make regulations and introduce safety measures; to amend other transport-related legislation to bring it in line with the Act; to clarify or simplify various provisions or solve problems that have arisen since the implementation of the Act and to provide for matters connected therewith.</p>
	<p>National Land Transport Act, 2009 (Act 5 of 2009)</p> <p>Provides for the process of transformation and restructuring of the National Land Transport System initiated by the National Land Transport Transition Act, 2000 (Act 22 of 2000), through:</p> <ul style="list-style-type: none"> the formulation and implementation of provincial land transport policy and strategy; the planning, coordination, and facilitation of land transport functions; collaboration between municipalities; and liaison with other government departments.
	<p>National Road Traffic Act, 1996 (Act 93 of 1996)</p> <p>The Department, with the Member of the Executive Council [Provincial Minister] as designated authority, must ensure that all functions relating to the registration and licensing of motor vehicles, driver fitness testing and vehicle fitness testing are performed. In addition, the Department is responsible for the management of events that take place on public roads.</p> <p>The Act regulates registration and licensing of motor vehicles, manufacturers, builders and importers; fitness of drivers; operator fitness; road safety; road traffic signs; speed limits; accidents and accident reports; reckless or negligent driving; inconsiderate driving; driving while under the influence of intoxicating liquor or a drug having a narcotic effect; and miscellaneous road traffic offences.</p>
	<p>Road Safety Act, 1972 (Act 9 of 1972)</p> <p>Aims to promote road safety through determining the powers and functions of the Minister and Director General of the Department of Transport</p>
	<p>Road Traffic Act, 1989 (Act 29 of 1989)</p> <p>Promotes and regulates road safety.</p>
	<p>Road Traffic Management Corporation Act, 1999 (Act 20 of 1999) (RTMC)</p> <p>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; regulates the contracting out of road traffic services; provides for the phasing in of private investment in road traffic and, to that end, provides for the establishment of the RTMC and related matters.</p>
	<p>Road Transportation Act, 1977 (Act 74 of 1977)</p> <p>Provides for the control of certain forms of road transportation and related matters.</p>
	<p>Western Cape Provincial Road Traffic Administration Act, 2012 (Act 6 of 2012)</p> <p>Regulates certain road traffic matters in the province.</p>
	<p>Western Cape Road Transportation Act Amendment Law (Law 8 of 1996)</p> <p>Makes provision for the establishment of a provincial transport registrar and the registration of minibus taxi associations, operators, and vehicles.</p>
<p>Western Cape Toll Road Act, 1999 (Act 11 of 1999)</p> <p>Provides for the tolling of provincial public roads in the Western Cape and for the planning, design, declaration, construction, operation, management, control, maintenance, and rehabilitation of provincial toll roads.</p>	

FUNCTION	LEGISLATION
	<p>Cape Roads Ordinance, 1976 (Ordinance 19 of 1976) Provides that the province has sole authority over relaxations of the statutory 5.0 metre and 95 metre building lines pertaining to various classes of provincially proclaimed roads and provides for the alteration/change of a road's classification (section 4). Such applications are usually received from the district municipality with jurisdiction over the area in question via the District Roads Engineer, but they can also originate from the Department's head office.</p>
TRANSVERSAL	<p>Basic Conditions of Employment Act, 1997 (Act 75 of 1997) Gives effect to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment, and thereby to comply with the obligations of the Republic as a member state of the International Labour Organization.</p>
	<p>Basic Conditions of Employment Act, 1997 (Act of 1997): Ministerial Determination 4: EPWP (Expanded Public Works Programme)), gazetted 4 May 2012 Contains the standard terms and conditions for workers employed in elementary occupations in an EPWP project.</p>
	<p>Broad-Based Black Economic Empowerment (BBBEE) Act, 2003 (Act 53 of 2003) Establishes a legislative framework for the promotion of BBBEE; empowers the Minister to issue codes of good practice and to publish transformation charters; and establishes the Black Economic Empowerment Advisory Council.</p>
	<p>Competition Act, 1998 (Act 89 of 1998) Provides for the establishment of a Competition Commission responsible for the investigation, control and evaluation of restrictive practices, abuse of dominant position, and mergers; for the establishment of a Competition Tribunal responsible for adjudicating such matters; for the establishment of a Competition Appeal Court; and for related matters.</p>
	<p>Consumer Protection Act, 2008 (Act 68 of 2008) Constitutes an overarching framework for consumer protection. All other laws which provide for consumer protection (usually within a particular sector) must be read together with the Act to ensure a common standard of protection. The Act applies to all suppliers of goods and services.</p>
	<p>Control of Access to Public Premises and Vehicles Act, 1985 (Act 53 of 1985) Provides for the safeguarding of certain public premises and vehicles and for the protection of the people therein or thereon, and for related matters.</p>
	<p>Criminal Procedure Act, 1977 (Act 51 of 1977) Makes provision for procedures and related matters in criminal proceedings.</p>
	<p>Division of Revenue Act An annual Act of Parliament which provides, inter alia, for the equitable division of revenue anticipated to be raised nationally among the national, provincial, and local spheres of government and for Conditional Grants to provinces to achieve government's policy objectives. It further promotes predictability and certainty in respect of all allocations to provinces and municipalities so that such administrations can plan their budgets over a multi-year period.</p>
	<p>Employment Equity Act, 1998 (Act 55 of 1998) Aims to achieve equity in the workplace by: 1) promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and 2) implementing affirmative action measures to provide redress for the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce.</p>
	<p>Firearms Control Act, 2000 (Act 60 of 2000) Establishes a comprehensive, effective system of firearms control and related matters.</p>
<p>Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) Provides for: the establishment of a framework for national government, provincial governments, and local governments to promote intergovernmental relations; mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and related matters.</p>	
<p>Labour Relations Act, 1995 (Act 66 of 1995) Enables the Department to advance economic development, social justice, labour peace, and the democratisation of the workplace through giving effect to the purpose of the Act which includes providing a framework within which employees and their trade unions, employers and employers' organisations can: collectively bargain to determine wages, terms and conditions of employment and other matters of mutual interest; effectively resolve labour disputes; and provide for employee participation in decision-making in the workplace.</p>	

FUNCTION	LEGISLATION
	<p>Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) Provides for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, and ensure universal access to essential services that are affordable to all; defines the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures; provides for the manner in which municipal powers and functions are exercised and performed; provides for community participation; establishes a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government; provides a framework for local public administration and human resource development; empowers the poor and ensures that municipalities put in place service tariffs and credit control policies that take their needs into account by establishing a framework for the provision of services, service delivery agreements and municipal service districts; provides for credit control and debt collection; and establishes a framework for support, monitoring and standard-setting by other spheres of government in order to progressively build local government into an efficient, frontline development agency capable of progressively integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment.</p>
	<p>National Environmental Management Act, 1998 (Act 107 of 1998) Provides for cooperative environmental governance by establishing principles for decision making on matters affecting the environment, institutions that promote cooperative governance, and procedures for coordinating environmental functions exercised by organs of state; and provides for related matters.</p>
	<p>Occupational Health and Safety Act, 1993 (Act 85 of 1993) Requires the Department of Infrastructure, as custodian and regulator of the built environment, to ensure that all building and construction work on government property, irrespective of whom it is undertaken by, complies with this legislation and that the structures remain compliant throughout their life cycle.</p>
	<p>Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) Provides that an organ of state must determine its preferential procurement policy and implement a preference points system whose aims may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability.</p>
	<p>Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004) Provides for the strengthening of measures to prevent and combat corruption and corrupt activities.</p>
	<p>Promotion of Access to Information Act, 2000 (Act 2 of 2000) (PAIA) Fosters a culture of transparency and accountability in public and private bodies by giving effect to the right of access to information (provided by section 32 of the Constitution) and actively promoting a society in which people have effective access to information to enable them to more fully exercise and protect all their rights.</p>
	<p>Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA) Gives effect to section 33 of the Constitution which provides that everyone has the right to administrative action that is lawful, reasonable, and procedurally fair. Anyone whose rights have been adversely affected by administrative action has the right to be given reasons. PAJA deals with general administrative law and therefore binds the entire administration at all levels of government.</p>
	<p>Protection of Personal Information Act, 2013 (Act 4 of 2013) Promotes the protection of personal information processed by public and private bodies; introduces certain conditions so as to establish minimum requirements for the processing of personal information; provides for the establishment of an Information Regulator to exercise certain powers and to perform certain duties and functions in terms of this Act and PAIA; provides for the issuing of codes of conduct; provides for the rights of persons regarding unsolicited electronic communications and automated decision making; regulates the flow of personal information across the borders of the Republic; and provides for related matters.</p>
	<p>Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 of 2005) Preserves archival heritage for use by the government and people of South Africa, and promotes efficient, accountable, transparent government through the proper management and care of government records.</p>
	<p>Public Audit Act, 2004 (Act 25 of 2004) Establishes and assigns functions to the Auditor-General of South Africa (AGSA); provides for the auditing of institutions in the public sector; enables AGSA to refer suspected material irregularities arising from an audit to a relevant public body for investigation; empowers AGSA to take appropriate remedial action, to issue a certificate of debt where an accounting officer failed to recover losses from a responsible person, and to instruct the relevant executive authority to collect debt.</p>

FUNCTION	LEGISLATION
	<p>Public Finance Management Act, 1999 (Act 1 of 1999) Supports transparency, accountability, and sound management of the revenue, expenditure, assets, and liabilities of the Department.</p>
	<p>Public Service Act, 1994 (Proclamation 103 published in Government Gazette 15791 of 3 June 1994) This is the principal Act governing public administration. It provides the administrative and operational framework for government departments by providing guidelines on employment and human resource practices, i.e. conditions of employment, terms of office, discipline, retirement, and discharge of members of the public service, and related matters.</p>
	<p>Public Administration Management Act, 2014 (Act 11 of 2014) Promotes the basic values and principles governing the public administration referred to in section 195(1) of the Constitution; provides for the transfer and secondment of employees in the public administration; regulates conducting business with the State; provides for capacity development and training; provides for the establishment of the National School of Government; provides for the use of information and communication technologies in the public administration; and provides for the Minister to set minimum norms and standards for public administration.</p>
	<p>Skills Development Act, 1998 (Act 97 of 1998) Provides an institutional framework to devise and implement national, sector and workplace strategies to development and improve the skills in the workplace, and to integrate those strategies in the National Qualifications Framework. As the lead employer, the Department has to ensure compliance with the employer's duties in terms of the workplace agreement and to ensure the implementation of the agreement in the workplace. Through the EPWP, the Department of Infrastructure implements learnership and skills development programmes to participants in artisan-related fields.</p>
	<p>Radio Act, 1952 (Act 3 of 1952) Controls radio activities and related matters.</p>
	<p>Radio Amendment Act, 1991 (Act No. 99 of 1991) To consolidate and amend the laws relating to the control of radio activities and matters incidental thereto.</p>
	<p>Western Cape Land Use Planning Ordinance Amendment Act, 2009 (Act 1 of 2009) Regulates land use planning in the Western Cape and related matters.</p>
	<p>Western Cape Procurement (Business Interests of Employees) Act, 2010 (Act 8 of 2010) Restricts the business interests of employees of the Western Cape Government and of provincial public entities, as well as members of controlling bodies of such entities, in entities conducting business with the WCG and provincial public entities. The Act provides for the disclosure of such interests and for incidental matters.</p>
	<p>Western Cape Monitoring and Support of Municipalities Act, 2014 (Act 4 of 2014) Gives effect to sections 154(1) and 155(6) of the Constitution by making further provision for measures to support municipalities, to develop and strengthen the capacity of municipalities, and to improve their performance. Also gives effect to section 106(1) of the Local Government: Municipal Systems Act by providing for the monitoring of suspected non-performance and maladministration in municipalities, and for related matters.</p>

Annexure B: Policy mandates

In the main, the national and provincial policies and strategies described below guide the WCMD, including the GMT Trading Entity, in the discharge of its responsibilities.

FUNCTION	LEGISLATION
TRANSPORT	<p>National Freight Logistics Strategy, 2005</p> <p>Reduces inland freight costs through lower system costs that result from increased efficiency, reliability, and lower transit times, thus offering the customer viable modal choices between road and rail.</p>
	<p>National Public Transport Strategy, 2007</p> <p>This strategy has two key thrusts, namely:</p> <ul style="list-style-type: none"> • Accelerated modal upgrading, which aims to provide for new, more efficient, universally accessible, and safe public transport vehicles and skilled operators; and • Integrated rapid public transport networks which aim to develop and optimise integrated public transport solutions.
	<p>National Rural Transport Strategy, 2007</p> <p>Provides guidance to all three spheres of government on dealing with challenges of mobility and access to mobility experienced in rural areas in an integrated, aligned, coordinated manner. Its two main strategic thrusts are: promoting coordinated rural nodal and linkage development; and developing demand-responsive, balanced, sustainable rural transport systems.</p>
	<p>National Road Safety Strategy, 2016–2030</p> <p>Informs a national coordinated effort to improve education and enforcement regarding poor road use behaviour in line with international best practices and recommendations from the World Health Organization for developing countries.</p>
	<p>White Paper on National Transport Policy, 1996</p> <p>Deals with safe, reliable, effective, efficient, fully integrated transport operations and infrastructure. These should meet the needs of freight and passenger customers in a way that supports government strategies for economic and social development while also being environmentally and economically sustainable.</p>
	<p>White Paper on Provincial Transport Policy, 1997</p> <p>Builds on the foundation created by the White Paper on National Transport Policy by providing details of specific interventions responsive to the needs and opportunities in the Western Cape; and recognises current and future competencies assigned to provinces and other spheres of government under the Constitution.</p>
	<p>Road Access Guidelines</p> <p>Provides guidelines to assist practising engineers and planners, as well as property developers, to develop acceptable road access standards.</p>
	<p>Road Infrastructure Strategic Framework for South Africa</p> <p>Provides guidelines for the redefinition of the South African road network; and assists roads authorities to reclassify existing road networks.</p>
	<p>Road Safety Strategy for the Western Cape Province, 2005</p> <p>Encourages a safer road environment by promoting road safety throughout the province, focusing on national and provincial routes; and is responsible for the basic training of traffic officer recruits in the province in order to ensure uniformity and professionalism.</p>
	<p>Western Cape Policy Statement on Transport for Special Needs Passengers, 2009</p> <p>Places certain responsibilities on the Department to:</p> <ul style="list-style-type: none"> • Encourage the incremental accessibility of rail infrastructure and providing training to operators and their staff on dealing sensitively with special needs persons; • Support the provision of universally accessible public transport information services; • In association with the National Department of Transport, prepare and publish guideline requirements for accessible public transport vehicles; • Ensure that all new public transport facilities cater for special needs persons; and • Ensure that all future contracted public transport services in the province progressively include the operation of accessible services until all contracted services are either accessible and/or an alternative demand-responsive service is available.

FUNCTION	LEGISLATION
EXPANDED PUBLIC WORKS PROGRAMME	<p>Guidelines on the Implementation of the EPWP</p> <p>The EPWP's objective is to create short- and medium term work opportunities for the poor and unemployed as part of government's anti-poverty strategy. These work opportunities are combined with training to increase the employability of low-skilled beneficiaries in the formal employment market. The programme targets opportunities in the infrastructure, environment, culture, and social and non-state sectors.</p>
	<p>Guidelines on the Implementation of the National Youth Service</p> <p>Provides that implementation of youth programmes is the responsibility of all the institutions of government. The responsibility for planning, coordinating, and initiating effective and innovative strategies for youth development therefore reside equally with the National Youth Commission and individual government departments in the national and provincial spheres.</p>
TRANSVERSAL	<p>National Development Plan 2030: Our Future: Make it Work</p> <p>The NDP is the long-term South African development plan. It aims to eliminate poverty and reduce inequality by 2030. It envisages these goals to be realised by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnership throughout society.</p>
	<p>Revised Framework for Strategic Plans and Annual Performance Plans</p> <p>Provides direction to national and provincial government institutions in respect of short- and medium term planning. Institutionalises government's national development planning agenda through institutional plans. Provides planning tools for different types of plans and outlines the alignment between planning, budgeting, reporting, monitoring and evaluation.</p>
	<p>Budget Prioritization Framework</p> <p>Seeks to establish a systematic basis for making strategic choices among competing priorities and limited resources, in order to better optimise budgets as a key lever for driving the NDP.</p>
	<p>Provincial Strategic Plan, 2025–2030</p> <p>Defines overarching priorities and strategic direction for the Western Cape Government, providing a framework for integrated and coordinates action across departments over the medium term. It establishes high-level outcomes to achieve shared, people-centric development, guiding departmental and portfolio-level planning. These priorities reflect the needs and priorities of the provincial government and are used to drive integrated and improved performance aimed at achieving a safe Western Cape where everyone prospers.</p>
	<p>Framework for Managing Programme Performance Information (FMPPi) 2007</p> <p>The aims of the FMPPi are to:</p> <ul style="list-style-type: none"> • Improve integrated structures, systems and processes required to manage performance information; • Clarify definitions and standards for performance information in support of regular audits of such information where appropriate; • Define roles and responsibilities for managing performance information; and • Promote accountability and transparency by providing Parliament, provincial legislatures, municipal councils and the public with timely, accessible and accurate performance information.
	<p>Departmental Monitoring and Evaluation Framework and Manual</p> <p>Describes what monitoring and evaluation entails, as well as monitoring and evaluation systems and tools for results-based management.</p>
	<p>National Treasury Asset Management Framework v3.3, 2003</p> <p>Provides broad guidelines for asset management.</p>
	<p>Provincial Spatial Development Framework</p> <p>The framework seeks to guide, overall spatial distribution of current and desirable land uses within a municipality in order to give effect to the vision, goals and objectives of the municipality's Integrated Development Plan.</p>
	<p>South African Statistical Quality Assessment Framework 2010 2nd ed.</p> <p>The Statistics South Africa official guide for data producers and assessors regarding the quality of statistics across eight dimensions: relevance, accuracy, timeliness, accessibility, interpretability, comparability and coherence, methodological soundness, and integrity.</p>
	<p>Western Cape Government Transversal Management System</p> <p>Aims to achieve measurable outcomes through the facilitation of sectoral clusters addressing issues transversally with individual line departments as the implementing agents; and manages the implementation of the Provincial Strategic Priorities transversally throughout the WCG. The Executive Project Dashboard is the information management tool for the system.</p>

FUNCTION	LEGISLATION
	<p>Departmental Records Management Policy Provides the foundation for a corporate culture of responsibility for the management of information and records as an essential requirement for effective service delivery.</p> <hr/> <p>White Paper on Human Resource Management, 1997 Focuses on the essential role of developing and transforming human resource capacity in order to meet the goals of efficient service delivery and transforming the public service.</p> <hr/> <p>Corporate Governance of ICT Policy Framework v2 (CGICTPF v2) The Public Service Corporate Governance of ICT Policy Framework version 2 aims to guide departments in implementing corporate governance of ICT within their areas of accountability and responsibility. Leadership is expected to provide the essential business-enabling policies, frameworks, plans, structures, and other relevant resources to support this implementation.</p> <hr/> <p>Determination and Directive on the implementation of Public Service Corporate Governance of ICT Policy Framework (CGICTPF) v2 Aims to provide norms and standards to implement the revised Public Service CGICT Policy Framework.</p> <hr/> <p>WCG CGICT Policy Framework 2024/25 – 2028/29 In line with the purpose and objectives of the National CGICTPF, the purpose of the WCG CGIT Policy is to guide CGIT in the WCG, transversally and in each of the provincial departments.</p> <hr/> <p>National Knowledge Management Strategy Framework The objective of this framework is to create, store, share and use information tactfully.</p> <hr/> <p>Determination and Directive on the Implementation of Knowledge and Data Management in the Public Service Aims to provide direction on institutionalising and standardising the implementation of Knowledge Management (KM) to attain at a minimum level 2 (Initiation Phase) of maturity supported by Phase 1 foundational Data Management knowledge areas in the Public Service.</p> <hr/> <p>Western Cape Governance Policy Framework, March 2024 Outlines the Western Cape Government's Data Governance Policy Framework, detailing principles, structures, and practices for effective data management and governance.</p>

Annexure C: GMT client institutions

Client institutions as at 31 January 2025

Cape Nature
Department of Agriculture (Western Cape)
Department of Cooperative Governance and Traditional Affairs
Department of Cultural Affairs and Sport
Department of Economic Development and Tourism
Department of Environmental Affairs and Development Planning
Department of Forestry, Fisheries and the Environment ("FFE")
Department of Health and Wellness (Western Cape)
Department of Home Affairs
Department of Infrastructure
Department of International Relations and Cooperation
Department of Justice and Constitutional Development
Department of Local Government
Department of Police Oversight and Community Safety
Department of Rural Development and Land Reform
Department of Social Development
Department of the Premier
National Parliament
National Prosecuting Authority
Office of the Chief Justice
Provincial Treasury
Public Service Commission
South African National Defence Force
Western Cape Education Department
Western Cape Liquor Authority
Western Cape Mobility Department
Western Cape Provincial Parliament
Western Cape Provincial Parliament

Annexure D: Conditional grants

GMT receives conditional grants from stakeholders for the purchase of additional mobility assets as requested from time to time. All funds which are unspent are accounted for as unspent conditional grants and receipts at the reporting period in terms of the requirements stated in the financial reporting framework.

Table 18: Unspent conditional grants and receipts as at 31 March 2025

UNSPENT CONDITIONAL GRANTS AND RECEIPTS	2024/25 R'000	2023/24 R'000
Grants from Provincial Departments	52 239	66,165
Western Cape Government Health and Wellness	17 723	15,819
Department of Social Development	18 372	15,889
Western Cape Mobility Department	12,217	13,089
Western Cape Education Department	3 927	21,368
Grants from Other stakeholders	-	107
Paid up value - Judges vehicles	-	107
Total Conditional Grants and Receipts	52 239	66 271

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Government Motor Transport Trading Entity co-create, with our clients and stakeholders, a better life for all citizens through collaboration and partnerships, driving culture change, growing thought leadership and embracing design thinking to inspire story-telling. Our ultimate goal is to provide innovative mobility solutions to co-create a better life for all #Ubuntumobility.



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