

ANNUAL REPORT 2024/25



ACCESS GAUTENG: TRANSFORMING URBAN MOBILITY



TRANSPORT AUTHORITY FOR GAUTENG





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Abbreviations/Acronyms

ACSA	Airports Company South Africa	MTSF	Medium-Term Strategic Framework
APP	Annual Performance Plan	NATMAP	National Transport Master Plan
ARC	Audit and Risk Committee	NDP	National Development Plan
ASCCA	Atteridgeville Senior Citizens Care for the Aged	NGP	New Growth Path
B-BBEE	Broad-Based Black Economic Empowerment	NLTA	National Land Transport Act
CEO	Chief Executive Officer	PAYE	Pay-As-You-Earn
COBIT	Control Objectives for Information and Related Technologies	PFMA	Public Finance Management Act (Act 1 of 1999), as amended
CPA	Consumer Protection Act	PICC	Presidential Infrastructure Co-ordinating Commission
DPSA	Department of Public Service and Administration	PLTF	Provincial Land Transport Framework
ECTA	Electronic Communication and Transactions Act	POPIA	Protection of Personal Information
EEA	Employment Equity Act	PPPFA	Preferential Procurement Policy Framework Act (Act 5 of 2000)
FPC	Finance and Planning Committee	PRASA	Passenger Rail Agency of South Africa
GDRT	Gauteng Department of Roads and Transport	PSA	Public Service Act
GEGDS	Gauteng Employment, Growth and Development Strategy	SAASTEC	Southern Africa Association of Science and Technology Centres
GGT2030	Growing Gauteng Together 2030	SABC	South African Broadcasting Corporation
GTIP5	Gauteng Transport Implementation Plan - 5 Year	SABPP	South African Board for People Practices
GMA	Gautrain Management Agency	SABTACO	South African Black Technical and Allied Careers Organisation
GRAP	Generally Recognised Accounting Practice	SACAP	South African Council for the Architectural Profession
GTA	Gauteng Transport Authority	SAIAT	South African Institute of Architectural Technologists
HCSEC	Human Capital, Social and Ethics Committee	SAICE	South African Institution of Civil Engineering
ICT	Information and Communication Technology	SALGA	South African Local Government Association
IDP	Integrated Development Plan	SANEDI	South African National Energy Development Institute
IIP	Integrated Implementation Plan	SANRAL	South African National Roads Agency SOC Ltd
IoDSA	Institute of Directors in Southern Africa	SARS	South African Revenue Service
ITMP25	Twenty Five-Year Integrated Transport Master Plan	SASLAW	South African Society for Labour Law
IT	Information Technology	SCM	Supply Chain Management
KPI	Key Performance Indicator	SIU	Special Investigating Unit
MBA	Master of Business Administration	SLA	Service Level Agreement
MEC	Member of the Executive Council	STP	Strategic Transport Plan
MMC	Member of Mayoral Committee		
MOA	Memorandum Of Understanding		
MTEF	Medium Term Expenditure Framework		

Abbreviations/Acronyms (continued)

TAG	Transport Authority Gauteng
TVET	Technical and Vocational Education and Training
UATP	Universal Air Travel Plan

UITP	The International Association of Public Transport
ZAR	South African Rand

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General Information

NAME:	TRANSPORT AUTHORITY FOR GAUTENG (TAG)
PHYSICAL ADDRESS:	44 Grand Central Boulevard, Grand Central, Midrand, Johannesburg, 1632
WEBSITE ADDRESS:	https://gautengonthemove.co.za
Postal Address: PO Box 1266 Kelvin 2054 South Africa	Physical Address: 44 Grand Central Boulevard Grand Central Ext. 1 Midrand 1685 South Africa
Chairperson	Mr Thendo Ratshitanga – 1 May 2021 to 30 April 2024 Prof. MP Ntsobi – 1 June 2024 to 31 August 2025
Chief Executive Officer	Mr Elzer van der Merwe – 1 February 2020 to 31 May 2024 Mr Tshepo Kgobe – 1 June 2024 to 31 August 2025
Chief Financial Officer	Mr Preston Mabena
Company Secretary	Ms Lebong Radebe – 1 February 2020 to 31 May 2024 Mrs M Ralefeta – 1 June 2024 to 31 August 2025
Auditor	Auditor-General of South Africa
Contact Information	Telephone No.: +27 11 086 3500 Website: www.gautrain.co.za E-mail: info@gautrain.co.za

1. About the Report

1.1 Scope

The annual report reviews the Transport Authority for Gauteng (TAG) financial, operational and governance performance for the financial year that ended in March 2025.

1.2. Reporting Framework

TAG's annual report is prepared in compliance with:

- The Public Finance Management Act (PFMA) Act 1 of 1999;
- The Companies Act (Act 71 of 2008);
- South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP);
- National Treasury Annual Report Guide for Public Entities; and
- The King IV Report on Corporate Governance for South Africa.

1.3. Assurance

The Audit and Risk Committee has reviewed the Annual Financial Statements for the year ended 31 March 2025 and concluded that these comply in all material respects with the requirements of SA Standards of GRAP. Please refer to pages 54 to 56 where TAG's assurance approach is described in detail.

1.4. Statement of Responsibility and Confirmation of Accuracy for the Annual Report

To the best of our knowledge and belief, we confirm the following:

- All information and amounts disclosed in the Integrated Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General of South Africa.
- The Annual Report is complete, accurate and free from any omissions.
- The Annual Report has been prepared in accordance with the guidelines on the annual report as issued by the National Treasury.
- The Annual Financial Statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) applicable to the public entity.
- The accounting authority is responsible for the preparation of the Annual Financial Statements and the judgements made in this information.
- The accounting authority 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.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2025.



Prof. Mfanelo Ntsobi
TAG: Interim Board Chairperson



Tshepo Kgobe
TAG: Interim Chief Executive Officer

MEC'S Foreword for the TAG Report

The seventh Administration is dedicated to transforming transportation by advancing infrastructure, enhancing operations, strengthening institutions, and leveraging enabling technologies. This vision is central to our strategy of Growing Gauteng Together through Smart Mobility. We acknowledge the significant progress achieved within the Province's transport sector and are satisfied with the progress made over the past year.

Since its establishment, the Transport Authority for Gauteng (TAG) has consistently strived to fulfil its mandate, notwithstanding resource constraints. TAG has maintained close collaboration with the Gauteng Department of Roads and Transport (GDRT) to advance the Province's transport objectives and support broader economic development goals in Gauteng.

During the financial year under review, TAG successfully concluded the development of the Gauteng Provincial Land Transport Framework (PLTF) in alignment with the National Land Transport Act, followed by the approval from the Minister of Transport. Additionally, the Twenty Five-Year Integrated Transport Master Plan (ITMP25) is nearing completion. The finalisation of ITMP25 will provide a comprehensive blueprint to guide future investment in transport infrastructure across all levels of government within the Province and will further support the economic development objectives of the Gauteng City Region.

Governance

The term of the previous TAG Board concluded in April 2024, with an interim Board appointed from 01 June 2024 to 31 March 2025. In October, the Board was reconstituted to include additional members nominated by metropolitan and district municipalities, as well as one representative from the GDRT. The Board's term has since been extended through 31 July 2025 to facilitate the completion of the recruitment process for a new Board. Under the leadership of Prof. Ntsobi, the Board has provided effective governance, resulting in notable achievements, including the successful listing of the entity as a Schedule 3(c) by the National Treasury, effective 01 October 2025. This designation marks a significant milestone that will enable the Authority's operationalisation and represents a positive advancement for the organisation.

Appreciation

Collaboration has been fundamental to our achievements. Partnerships with diverse stakeholders have significantly advanced the Authority's efforts towards realising the vision for the development of the Gauteng City Region. I would like to extend my gratitude to all stakeholders, including metropolitan and district municipalities and various partners in the transport sector, for their collaboration and support throughout the year under review.



Ms Kedibone Diale-Tlabe
MEC for Transport and Logistics

I extend my sincere appreciation to the interim TAG Board Chairperson, Prof. Ntsobi and all Board Members for their dedicated oversight of TAG's activities. Your contributions are highly valued.

I wish to express our sincere gratitude to Interim TAG CEO, Mr. Kgobe, and his team for their diligent efforts and dedication to TAG. Their significant contributions and commitment are highly valued.

As we move into the next phase, we remain committed to upholding their dedication and passion, striving to further enhance transport infrastructure for the benefit of all Gauteng residents.

A handwritten signature in black ink, appearing to read 'Kedibone Diale-Tlabe'.

Ms Kedibone Diale-Tlabe
MEC for Transport and Logistics



Prof. Mfanelo P. Ntsobi
TAG: Interim Board Chairperson

TAG Annual Report 2024/25

It is my privilege to provide this foreword for the 2024/25 Annual Report on behalf of the interim Board of the Transport Authority for Gauteng. Over the course of a dynamic year—marked by significant developments, including the conclusion of the previous Board's term on 30 April 2024—the Authority remained committed to fulfilling its mandate. An interim Board was appointed for TAG on 01 June 2024, with the interim CEO serving as an ex officio member, to address issues related to the entity's operational effectiveness. In October 2024, the Board was reconstituted to include three additional members nominated by the MEC. The term of the interim board has been extended to 31 July 2025 to facilitate completion of the Board Recruitment Process.

Governance

The Board and its committees ensured strategic direction and oversight. TAG received an unqualified audit from the Auditor-General of South Africa, thanks to the dedicated work of interim CEO Tshepo Kgobe and his team.

One of the major achievements in the year under review is the listing of TAG as a Schedule 3 (c) Entity. TAG was listed as a schedule 3 (c) entity by the National Treasury effective from 01 October 2025, this being a key milestone to a long outstanding matter that impacted on the ability of the entity to be operational.

During the financial year under review, the Board's emphasis was in the following areas amongst others:

- A consensus with the Gauteng Provincial Treasury on the Reward and Remuneration structure of the TAG: where the Board resolved on adopting the recommendation from the Provincial Treasury to apply the Department of Public Services and Administration's Remuneration Framework;

Foreword by the Board Chairperson

- Capacitation and operationalisation of TAG, where an interim measure was put in place to address capacity challenges, TAG entered into a Service Level Agreement (SLA) with the GMA for support functions;
- The interim board approved the TAG strategic plan for 2025/26 to 2027/28 financial years;
- Approved the Integrated Stakeholder Engagement Framework; and
- Approved the Annual Performance Plan for 2024/25 and 2025/25 Financial Years

Despite the challenges faced by the current interim board during the review period, TAG has made substantial progress in fulfilling its mandate. I am pleased to mention that the Authority has received an unqualified audit opinion from the Auditor-General, and has achieved 95% of its key performance indicators, reflecting the commitment and diligence of interim CEO Tshepo Kgobe and the entire team. This affirms the credibility and compliance of TAG's reporting mechanisms.

Additional measures are necessary to enhance the Authority's effectiveness. The new incoming board should address the following matters, among others, to ensure the entity's success:

- Finalise the recruitment and appointment of the Executive Team;
- Launch the refreshed TAG Brand;
- Complete the stakeholder engagement process and draft the Gauteng Integrated Fare Management (IFM) Policy; and
- Capacitation and operationalisation of the entity.

Gratitude

On behalf of the interim Board, I would like to extend my gratitude to the Interim CEO, Tshepo Kgobe and his team for the sterling work throughout this challenging period.

I would like to formally express my sincere gratitude to my fellow board members for their steadfast dedication and commitment in executing their oversight duties, despite the challenges encountered by the Authority. Additionally, I recognise the valuable cooperation of the various metropolitan councils and district municipalities within Gauteng. Finally, I wish to convey my appreciation to the MEC of Transport and Logistics, Ms Kedibone Diale-Tlabela, for her ongoing support and strategic guidance during this period.

TAG: Interim Board Chairperson

TAG CEO's Overview

Gauteng is widely acknowledged as an economic powerhouse and a prominent global city region, offering significant opportunities for the Transport Authority for Gauteng (TAG) to contribute strategically to the provincial transport ecosystem and to support the Gauteng Provincial Government's commitment to long-term sustainability. With the ongoing trends of urbanisation and migration into the province, there is a critical imperative to implement a comprehensive, integrated approach to land use, transport, and economic planning.

During the financial year under review, the Authority demonstrated resilience despite challenges such as personnel appointment delays and listing TAG as a Schedule 3(c) Public Entity. Key achievements related to this includes approval of the TAG reward and remuneration structure and strengthened management through an SLA with the Gautrain Management Agency. With formal Schedule 3(c) status of TAG will be effective from 1 October 2025.

TAG underwent an audit by the Auditor-General of South Africa (AGSA) and received a clean audit report. The Authority achieved 95% of its outcome indicators for the 2024/25 financial year, with actual expenditure reported at 131% of the budget. The overspending resulted from TAG projects being allocated to the MTEF rather than the designated ring-fenced project funds.

Throughout the year under review, the Authority accomplished significant milestones, including the approval of the Provincial Land Transport Framework (PLTF) by the National Minister of Transport. The final report of the PLTF is scheduled for publication in the upcoming financial year.

TAG has established itself as a Centre of Excellence, offering expertise and resources to all levels of government and public transport agencies. By fostering strategic partnerships, including collaboration with the International Association of Public Transport (UITP), the Authority has signed a Memorandum of Agreement (MOA) with UITP, thereby designating the Authority as a Regional Training Centre on the continent.

In preparation for the upcoming financial year, TAG should prioritise the following:

- Facilitate the integration of various transport entities to establish a cohesive public mobility network and further promote coordination among different transport modes in the planning, development, and management of public transport throughout the province;



Tshepo Kgobe
TAG: Interim CEO

- Complete the implementation of the Twenty Five-Year Integrated Transport Master Plan (ITMP25)
- Finalise the Strategic Transport Plan.

The vision and dedicated efforts outlined in the report serve as a framework for future initiatives that must be advanced. The Authority is well-positioned for greater effectiveness and future growth.

I would like to acknowledge the key role the MEC for Transport and Logistics, Ms Kedibone Diale-Tlabela played in ensuring that TAG continues to operate and for her support. Appreciation goes to the interim TAG Board under the stewardship of the chairperson, Prof. Ntsobi for their support and oversight guidance.

Gratitude also goes to the various metropolitan councils, and municipalities in the Province for their cooperation.


Tshepo Kgobe.
TAG: Interim CEO

PART A

ABOUT THE TRANSPORT AUTHORITY FOR GAUTENG





1. Strategic Overview

The TAG is responsible for considering all public transport planning functions within the province to enable the planning, implementation and operations of an integrated public transport system. It is an entity of the GDRT.

2. The Purpose, Vision, Mission, and Values of the TAG

TAG derives its mandate from legislation, specifically the Gauteng Transport Authority Act No. 2 of 2019. The purpose of the TAG is to oversee integrated planning for transportation in the province and promote the development of an integrated and accessible public transportation network.



TAG's vision

Seamless mobility for sustainable economic growth for all in Gauteng.



TAG's mission

To enable the planning, implementation and operation of an integrated transport system that promotes sustainable, long-term socio-economic growth for all in Gauteng.



TAG's values

Innovative;
Ethical;
Scientific and data-driven;
Customer-centric;
Transformative; and
Consultative.

3. Legislative and Other Mandates

3.1. TAG's Constitutional Mandate

Schedules 4 and 5 of the Constitution of the Republic of South Africa (1996) provide for provincial legislative competence on issues related to public transport. In terms of these Schedules, the Province has the authority to regulate public transport through the formulation of policies and promulgation of legislation. The Province is further bestowed with the responsibility of delivering public transport services.

In addition to the above, the Constitution grants legislative competence to Province's regarding urban and rural development, with a particular emphasis on transport infrastructure. Within this context, the Province develops or improves urban and rural areas through the construction of transport infrastructure.



3.2. TAG's Legislative Mandate

The TAG is a Gauteng Provincial Government (GPG) provincial public entity that derives its mandate primarily from the Gauteng Transport Authority Act. Legislative mandates of TAG rise primarily from the following legislation and frameworks:

- Statutory Mandates
- Constitution of the Republic of South Africa Act, No 108 of 1996;
- Gauteng Transport Authority Act No. 2 of 2019 (TAG Act);
- Public Finance Management Act, Act 1 of 1999 (PFMA), as amended;
- The Gauteng Transport Infrastructure Act, Act 8 of 2001 (GTIA), as amended;
- The Treasury Regulations, promulgated in terms of Section 76 of the PFMA;
- The National Land Transport Act, Act 5 of 2009 (NLTA), as amended;
- Gauteng Planning and Development Act No. 3 of 2003;
- Intergovernmental Relations Framework Act No. 13 of 2005;
- Spatial Planning and Land Use Management Act No. 16 of 2013;
- Local Government: Municipal Structures Act No. 117 of 1998, as amended;
- Local Government: Municipal Systems Act No. 32 of 2000, as amended; and
- Local Government: Municipal Financial Management Act No. 56 of 2003.

Other Relevant Legislation

- Public Service Act 103 of 1994 (PSA), as amended;
- Economic Regulation of Transport Act No. 6 of 2024;
- Prevention and Combating of Corrupt Activities Act 12 of 2004;
- Consumer Protection Act, Act 68 of 2008 (CPA), as amended;
- Preferential Procurement Policy Framework Act, Act 5 of 2000 (PPPFA), as amended;
- Protection of Personal Information Act, Act 4 of 2013 (POPIA);
- Employment Equity Act, Act 55 of 1998 (EEA), as amended; and
- Electronic Communication and Transactions Act, Act 25 of 2002 (ECTA), as amended.

In addition to the foregoing legislation, the policy and strategic frameworks impacting the functions of TAG include, *inter alia*, the following:

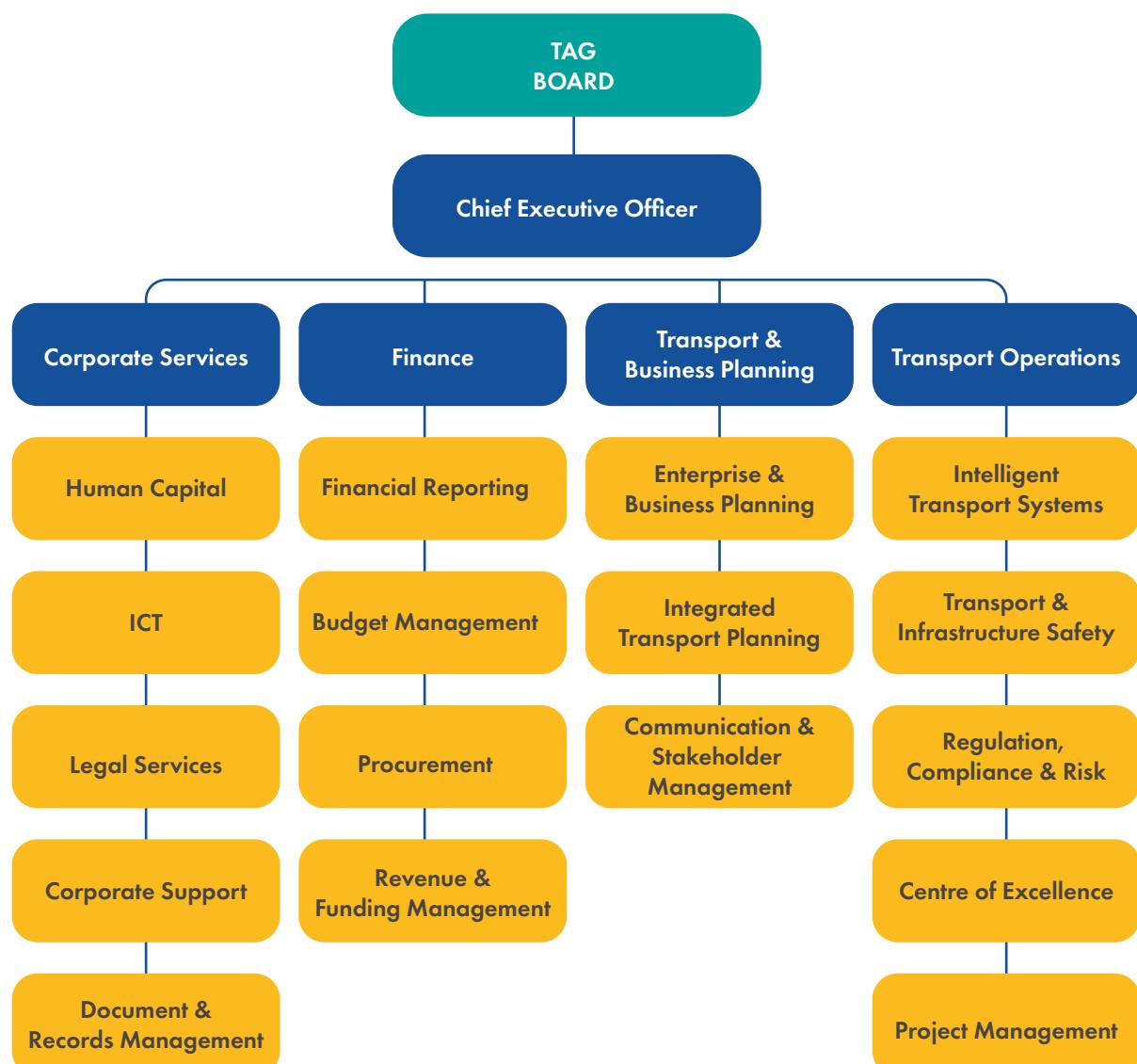
- The Medium-Term Strategic Framework (MTSF);
- The New Growth Path (NGP);
- The National Development Plan (NDP);
- Gauteng Employment, Growth and Development Strategy (GEGDS);

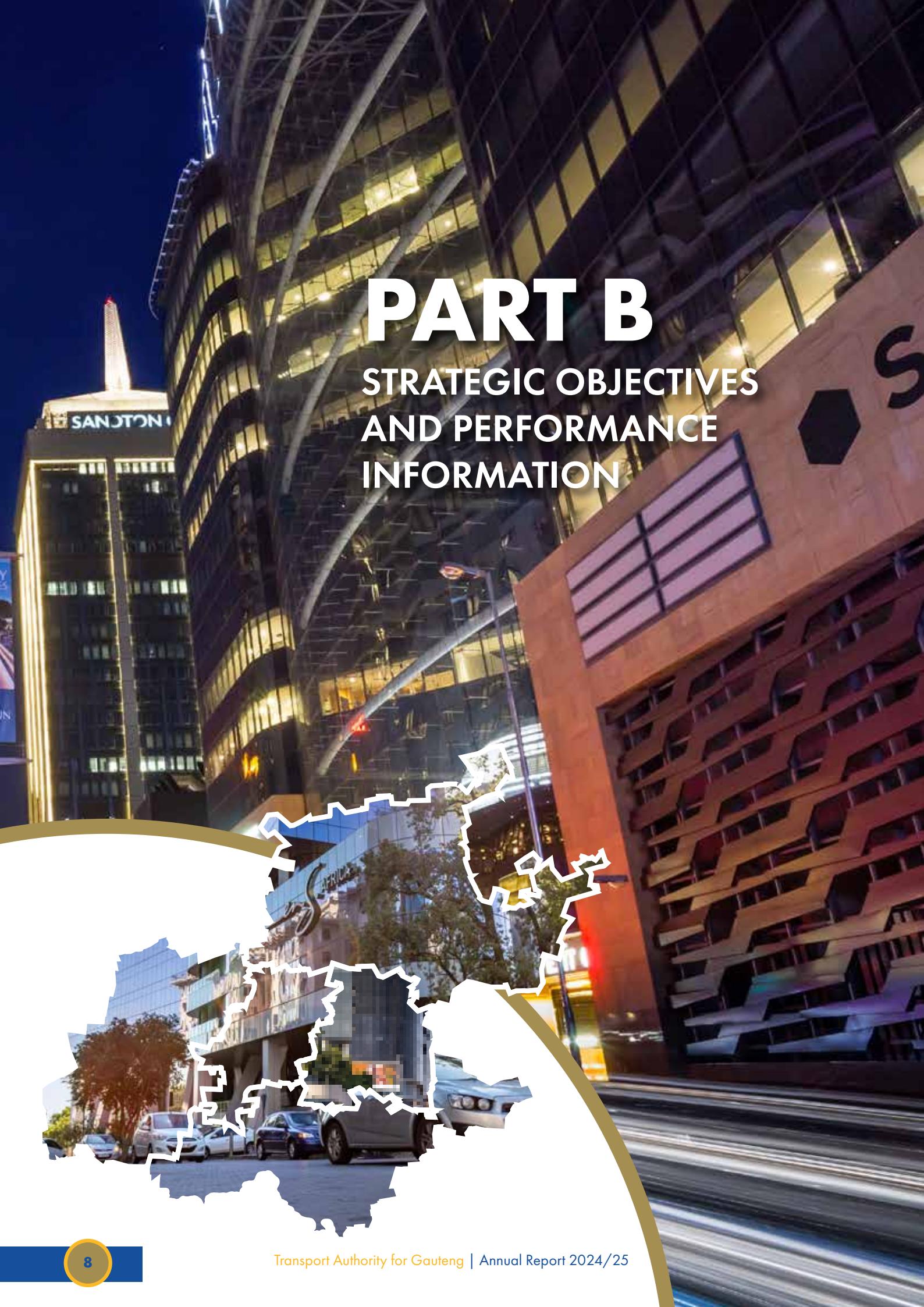
- Gauteng 25-Year Integrated Transport Master Plan (ITMP25);
- Gauteng Transport Implementation Plan – 5 Year (GTIP5);
- Presidential Infrastructure Co-ordinating Commission (PICC);
- The Public Service Corporate Governance of Information and Communication Technology Policy Framework;
- The Public Sector Integrity Management Framework;
- Growing Gauteng Together 2030 Through Smart Mobility;
- National Rail Policy - 2022;
- White Paper on National Transport Policy – 2021;

- The GPG's Global City Region Integrated Infrastructure Master Plan – 2030;
- Green Transport Strategy for South Africa (2018 – 2050);
- The South African Economic Reconstruction and Recovery Plan;
- The National Transport Master Plan Synopsis Update 2017 (NATMAP);
- The Gauteng Provincial Government's Growth and Development Plan;
- Protocol on Corporate Governance in the Public Sector; and King IV Report.

4. Organisational Structure

Figure 1: Approved TAG Organisation Design and Structure





PART B

STRATEGIC OBJECTIVES AND PERFORMANCE INFORMATION

1. Strategic Overview

The TAG continues to support the realisation of the Province's vision of sustainable mobility, which enables, among other things, economic growth as outlined in the Growing Gauteng Together 2030 plan. The TAG's primary mandate is to oversee and facilitate the planning for an integrated transport system for Gauteng.

The Authority has, among others, managed the development of various transport planning projects that collectively form part of Gauteng's strategic planning for mobility.

The tenure of the previous Board Committees, and Board Advisors ended on 30 April 2024. Due to delays in listing the TAG as a Schedule 3(c) Entity under the PFMA, an Interim Board was appointed from 01 June 2024 to 31 March 2025. In October 2024, the Board was reconstituted to include three members nominated by metropolitan municipalities, two members nominated by district municipalities, and one member from the Department, nominated by the MEC for Roads and Transport. The Board's term has been extended to 31 July 2025 to complete the Board Recruitment Process.

The strategic leadership of the Transport Authority for Gauteng continues under the leadership of the Interim Board, as well as Interim CEO. The management of the TAG's operations is, in the interim, capacitated through a Service Level Agreement (SLA) with the Gautrain Management Agency for support functions, as well as the secondment of two officials from the Gauteng Department of Roads and Transport (GDRT).

During the financial year under review, the TAG was successfully listed as a schedule 3(c) Entity by the National Treasury effective from 01 October 2025. This achievement is a key milestone in enabling the full operationalisation of the Entity.

The TAG's Annual Performance Plan (APP) comprised 19 KPIs. Of the 19 KPIs, 18 were achieved, representing an 95% achievement rate. KPI 17: Completed stakeholder engagement process and Final draft of the Gauteng Integrated Fare Management Policy, was the only KPI not reached.

The Authority has, among others, also concluded the development of the Gauteng Provincial Land Transport Framework for the five-year period from 2023 to 2027 in accordance with the National Land Transport Act. Following the Minister of Transport's approval of the updated PLTF, preparations are underway for its publication in accordance with Section 38 of the NLTA in the next financial year.

Other projects being delivered by the Authority include the 25-Year Integrated Transport Master Plan for Gauteng, the Strategic Transport Plan, and the Integrated

Implementation Plan, all of which form part of Gauteng's strategic planning for mobility. All these projects are on course for completion in the next financial year.

The TAG has established itself as a Centre of Excellence to support government and public transport agencies in delivering a safe, integrated, and modern public transport solutions. To achieve this, the Authority partnered with the International Association of Public Transport (UITP), a globally recognised non-profit advocating sustainable transport. In the financial year under review, the Authority continued to build strategic partnerships and participate in UITP committees focusing on research, data, and transport economy, further enhancing its role in advancing public transport excellence in Gauteng and beyond.

Effective technology and information governance is crucial for the TAG's mandate. In 2024/25, the Board started implementing mechanisms to protect ICT infrastructure, improve cyber resilience, and align digital transformation with strategic goals.

2. Auditor's Report: Predetermined Objectives

The Auditor-General currently performs certain specific audit procedures on the performance information to provide reasonable assurance as reflected in an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings reported under the Predetermined objectives' heading in the Report on other Legal and Regulatory Requirements' section of the Auditor's report.



3. Overview of Performance

Predetermined Objectives for the TAG Projects, as reflected in the Annual Performance, are as follows:

- Provincial Land Transport Framework (PLTF) for Gauteng Province;
- Twenty Five-Year Integrated Transport Master Plan (ITMP25);
- Strategic Transport Plan (STP); and
- Knowledge Management: Centre of Excellence

3.1. Provincial Land Transport Framework (PLTF)

The implementation of the PLTF continued in the financial year under review. Key milestones within the project during this period includes a follow-up with the National Department of Transport regarding last year's PLTF submission. The National Minister granted an approval of the PLTF submission. Preparations are now underway to publish the final report in the new financial year.

3.2. Twenty Five-Year Integrated Transport Master Plan (ITMP25)

In the financial year under review, the ITMP25 achieved several milestones:

- The second and third ITMP25 Newsletters were published;
- The ITMP25 Key Role Player Ideation workshop took place; and
- The ITMP25 Interested and Affected Parties Project Introduction workshop was held.

In line with the Project stakeholder plan, the draft ITMP25 was reviewed by the TAG interim Board, and various workshops were held for key role players, including the Gauteng Department of Roads and Transport.

Following endorsement from both the TAG Interim Board and the Department of Roads and Transport to publish the draft ITMP25 for public comment and review, the public consultation and review process began on 20 February 2025 and included the following actions:

- Publishing the ITMP25 Notice in the Provincial Gazette on 19 February 2025;
- Publishing the ITMP25 Report, Executive Summary, and Audio files on the Gauteng on the Move website on 20 February 2025;
- Publishing the ITMP25 webpage link on the Gauteng Department website on 20 February 2025;
- Publishing ITMP25 advertisements in three provincial newspapers on 20 and 21 February 2025; and
- The public consultation and review process concluded on 24 March 2025.

Stakeholder engagements on the ITMP25 took place with the following stakeholders:-

- West Rand District Municipality and the local municipalities on 24 and 25 February 2025;

- The City of Tshwane on 24 and 25 February 2025; and
- The Sedibeng District Municipality and its local municipalities on 5 March 2025.

3.3. Strategic Transport Plan and Integrated Implementation Plan (STP & IIP)

The STP implementation continued in the financial year under review. The STP & IIP Inception report was completed, and the Status Quo Report was issued for comments from Key Role Players. A Strategic Role Player workshop and a virtual feedback session were held. The draft Strategic Transport Plan was submitted to the interim TAG Board for review and approval. It was endorsed by the TAG interim Board and the Department of Roads and Transport for public comment and review.

Public consultation started on 20 February 2025 and ended on 24 March 2025. The communication plan included:

- Notice in the Provincial Gazette on 19 February 2025;
- Report, Executive Summary, and Audio files on the Gauteng on the Move website on 20 February 2025;
- Webpage link on the Gauteng Department website on 20 February 2025; and
- Adverts in three provincial newspapers on 20 and 21 February 2025.

Various stakeholder engagements and discussions on the development and draft STP took place. The engagements were as follows:

- Workshop for Strategic Key Role Players on 04 February 2025;
- Discussions with West Rand District Municipality and its local municipalities on 24 February 2025;
- Discussions with the City of Tshwane on 25 February 2025;
- An engagement session with Sedibeng District Municipality as well as its local municipalities on 05 March 2025;
- Workshop for Interested and Affected parties on 11 March 2025; and
- A workshop for the Gauteng Department of Roads and Transport on 15 March 2025.

3.4. Knowledge Management: Centre of Excellence

One of the Authority's objectives is to provide a well-functioning, practical, modern, integrated and safe public transport system for all users in the province. It is further expected to promote increased use of the public transport system and to conduct research on transport. To achieve these objectives, the Transport Authority for Gauteng has, among other initiatives, established itself as a Centre of Excellence, providing knowledge and resources to the three spheres of government and the Agencies that provide Public Transport services.

As such, TAG has identified the International Association of Public Transport (UITP), a non-profit advocacy organisation for public transport authorities and operators,

policy decision-makers, scientific institutes, and the public transport supply and service industry) as a partner in establishing the Centre of Excellence. TAG, along with some local municipalities, GMA, and the GDRT, are members of the UITP.

The UITP is an internationally recognised organisation with more than 1,900 members, having a local presence in regional offices worldwide. The UITP has a footprint in 100 countries globally, and it is the only organisation with a worldwide network that brings together all public transport stakeholders and all sustainable transport modes. It supports the entire Public Transport sector to advance the development of sustainable urban mobility.

The UITP inspires excellence and innovation by sharing cutting-edge knowledge and expertise with its members through access to experts, information, technical know-how, case studies, e-library, best practice, training and e-learning associated with implementing Transport and Public Transport projects. The UATP also engages in the following activities:

- UITP gathers and analyses facts and figures to provide quantitative and qualitative information on key aspects of public transport and urban mobility;
- UITP manages an online information centre, MyLibrary, which provides access to the full texts of UITP's studies and conference papers, as well as references to books, articles, and websites. A picture library and statistics on public transport operators are also available;
- UITP conducts studies, projects, and surveys; with the results published in brochures and report;
- UITP collaborates on projects with international institutions, including the European Commission. Under the framework of these projects, UITP launches and participates in thematic networks of mobility experts on public transport policy and organisation;
- UITP issues official positions on global mobility issues, representing the views of the sector; and
- UITP organises training courses, workshops and seminars for public transport experts.

These activities are highly beneficial to any organisation involved in Public Transport, as they offer resources and networks to industry experts and other public organisations. The UITP has Regional Training Centres situated in select regions worldwide. The TAG signed an MOA with the UITP in Berlin on 22 September 2022, establishing the TAG as a Regional Training Centre in Africa.

The TAG has, through UITP membership as a centre of excellence, provided the following training interventions:

- Public Transport Essentials for Executives; and
- Implementing clean energy vehicles: e-buses and hydrogen buses.

Work continues to build the TAG as a Public Transport Centre of Excellence by pursuing even more strategic partnerships. The TAG will also be part of the UITP Research, Data, and Transport Economy committees.

3.5. Information and Communication Technology (ICT)

ICT is key to the TAG by reducing interruptions, creating policies, enhancing security, and collaborating with business units to achieve strategic goals.

During the year under review, the TAG's ICT infrastructure and internet services were available, reliable, and secure, meeting business requirements and ensuring network connectivity. ICT operational efficiency was at 99.99%, with infrastructure and internet services made available to support network connectivity.

The focus on cybersecurity emphasises creating a zero-trust strategy that covers identities, devices, data, applications, infrastructure, and networks to enhance security against evolving threats.

4. Organisational Environment

The TAG assists state entities in integrating and coordinating public transport within the region, contributing to Smart Mobility. Its strategy aligns with the Gauteng Medium-Term Strategic Framework (GMTSF) and the GGT2030 plan, supporting the smart mobility goals of the Gauteng Department of Transport and Road Infrastructure (GDRT). The TAG focuses on integrating, planning, and regulating public transport to address sector challenges. It continuously innovates to gain support from municipalities and the public in Gauteng.

A key role of the TAG is to align various entities and transport functions to create a unified public mobility network with transparent governance, standards, and regulations. Currently, Gauteng's transport modes operate in isolation, hindering integration. The Authority will strive to drive the integration of these modes in the planning, development, and management of public transport across the Province.

Since 2013, the Gauteng Department of Roads and Transport has been compiling Integrated Transport Masterplans to guide its departmental priorities. While municipalities develop Integrated Transport Plans (ITPs) as part of their Integrated Development Plans (IDPs), these ITPs outline their transport planning priorities. The TAG task involves formulating a Strategic Transport Plan that integrates planning priorities from municipal Integrated Transport Plans (ITPs), the ITMP25, and plans from SANRAL, TRANSNET, PRASA, GMA, and ACSA.

During the period under review, TAG conducted stakeholder workshops to refine these priorities for the development of the Strategic Transport Plan (STP). The objective of the STP is to align all planning authorities, with the TAG serving as its custodian.

The following graphic demonstrates how TAG interfaces its plans with plans compiled by other planning authorities.

The Role of the TAG in context with other Planning Authorities

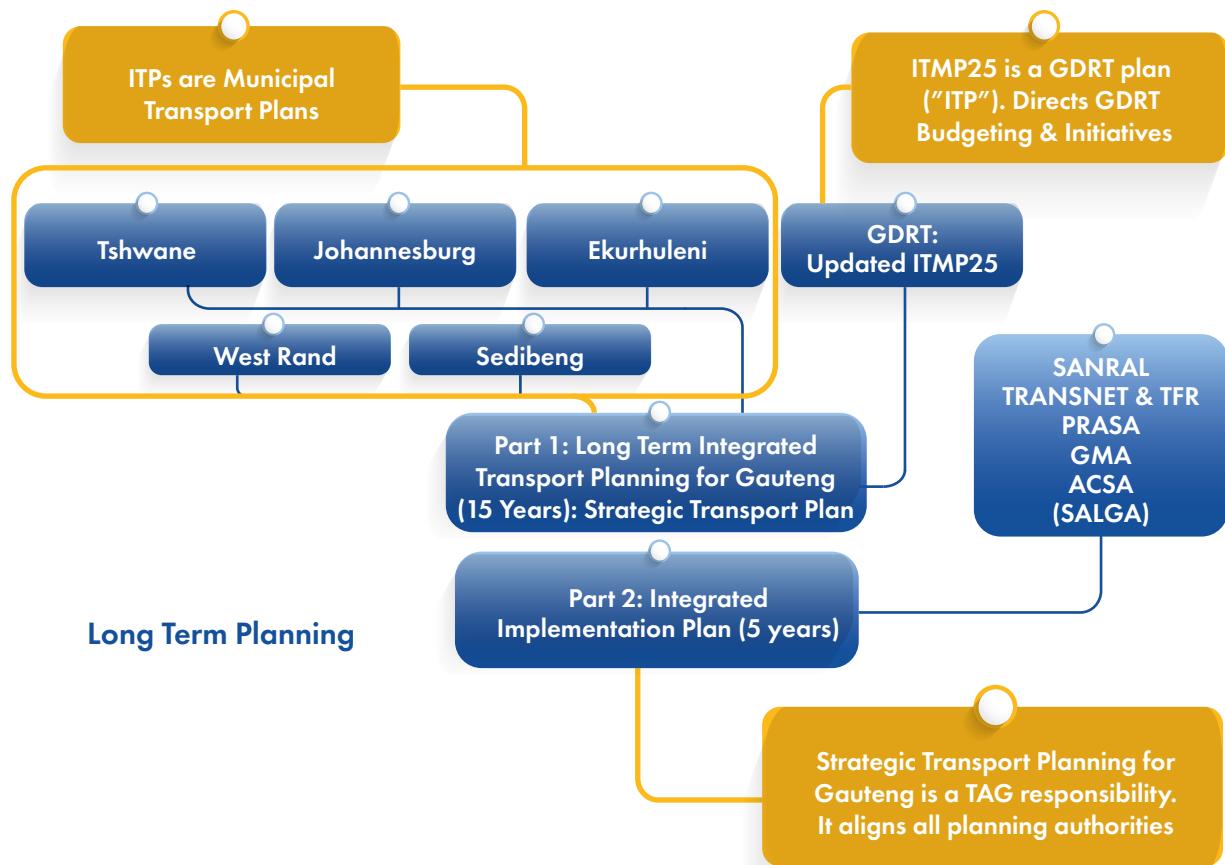


Figure 2: The Role of the TAG in context with Other Planning Authorities

5. Key Policy Developments and Legislative Changes

Key policy and legislative changes with an impact on the TAG include the Public Procurement Act, which was assented to by the President in July 2024, but the effective date of commencement thereof is yet to be determined. The Act was unpacked, and its ambit, as well as impact on the TAG, were established in order to enable the TAG to proactively ready itself to be compliant with the Act once it becomes operational.

Upon promulgation of the National Rail Policy, the South African Local Government Association ("SALGA") developed a draft Position Paper for Devolution of Urban Rail Functions ("Position Paper"). SALGA requested the TAG to comment on the Position Paper, which the TAG duly complied with.

6. Institutional Programme Performance Information (APP)

Annual Performance Plan for the 2024/25 Financial Year								
Outcome 1: Ensure the establishment of the TAG as a fully representative transport authority that has the support and buy-in of all the transport stakeholders and role players in Gauteng								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target 2023/24	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
1	Compliance in terms of the Public Finance Management Act (PFMA)	TAG is listed as a Schedule 3(c) Provincial entity in terms of the Public Finance Management Act (PFMA)		TAG is listed as a Schedule 3(c) Provincial entity in terms of the Public Finance Management Act (PFMA)	TAG is listed as a Schedule 3(c) Provincial entity in terms of the Public Finance Management Act (PFMA)	0	Achieved	Annually
2	Defined reward and remuneration structure in place	Approved TAG reward and remuneration structure	Not Achieved - Approved TAG reward and remuneration structure	Approved TAG reward and remuneration structure	Approved TAG reward and remuneration structure	0	Achieved	Annually
3	Assessment of planning capacity within Metros and Districts	Number of needs assessments conducted at the three Metros and the two Districts		1	1	0	Achieved	Quarterly
4	Knowledge transferred to Local Authorities	Number of knowledge transfer forums convened with local authorities		2	2	0	Achieved	Quarterly

6. Institutional Programme Performance Information (continued)

Annual Performance Plan for the 2024/25 Financial Year (continued)								
Outcome 2: To promote a robust cooperative and productive environment with all the relevant structures of Government and stakeholders								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
5	Adequate stakeholder engagement	Number of stakeholder and other role-player forums	2	4	4	0	Achieved	Quarterly
6	Adequate political-level engagements	Number of MEC (Member of Executive Council) / MMC (Member of Mayoral Committee) meetings	4	2	2	0	Achieved	Quarterly
7	Adequate technical-level engagements	Number of Technical meetings with personnel of local authorities (HoD & Municipal Department Heads)	4	2	2	0	Achieved	Quarterly
8	Adequate engagements with State-Owned Enterprises in the Transport Sector	Number of meetings with senior officials of State-Owned Enterprises in the Transport Sector	1	1	2	1	Achieved - target overachieved by one because additional forum held on 29 October 2024	Quarterly
9	Adequate engagements with operators in Gauteng	Number of meetings with operators in Gauteng	1	2	2	0	Achieved	Quarterly

6. Institutional Programme Performance Information (continued)

Annual Performance Plan for the 2024/25 Financial Year (continued)								
Outcome 2: To promote a robust cooperative and productive environment with all the relevant structures of Government and stakeholders								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
10	Adequate engagements with commuters in Gauteng	Number of meetings with commuters in Gauteng	1	2	2	0	Achieved	Quarterly
Outcome 3: Setup consultations with the National and Provincial Treasury								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target 2023/24	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
11	Established a forum with the National and Provincial Treasuries	Number of dialogues with National and Provincial Treasury		1	1	0	Achieved	Quarterly
12	Established forum with the Financial Sections of Municipalities	Number of dialogues with Municipal Financial Sections		1	1	0	Achieved	Quarterly

6. Institutional Programme Performance Information (continued)

Annual Performance Plan for the 2024/25 Financial Year (continued)								
Outcome 4: Develop, consult, and approve the Strategic Transport Plan as prescribed in the TAG Act								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target 2023/24	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
13	Defined Provincial Land Transport Framework (PLTF) in place	Approved Provincial Land Transport Framework (PLTF)	Not achieved - Approved Provincial Land Transport Framework (PLTF)	Approved Provincial Land Transport Framework (PLTF)	Approved Provincial Land Transport Framework (PLTF) by the National Minister of Transport	0	Achieved	Annually
14	Revised 25-Year Integrated Transport Master Plan (ITMP25) in place	Approved Revised 25-Year Integrated Transport Master Plan (ITMP25)	80%	Approved Revised 25-Year Integrated Transport Master Plan (ITMP25)	Approved Revised 25-Year Integrated Transport Master Plan (ITMP25)	0	Achieved	Annually
15	Defined Strategic Transport Plan (STP) for Gauteng in place	Approved Gauteng Strategic Transport Plan	30%	Approved Gauteng Strategic Transport Plan	Approved Gauteng Strategic Transport Plan	0	Achieved	Annually
Outcome 5: Develop, consult, and approve the Integrated Implementation Plan as prescribed in the TAG ACT								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target 2023/24	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
16	Procedures for approved Strategic Transport Plan (STP)	Published Executive Summary of the Strategic Transport Plan	Requirements of the Strategic Transport Plan	Published Executive Summary of the Strategic Transport Plan	Published Executive Summary of the Strategic Transport Plan	0	Achieved	Annually

6. Institutional Programme Performance Information (continued)

Annual Performance Plan for the 2024/25 Financial Year								
Outcome 8: Advocacy role of informing the public of the economic, environmental, and social benefits of an integrated public transport system								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target 2023/24	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
17	Developed a regime for public transport ticket interoperability	Completed stakeholder engagement process & Final Draft of the Gauteng IFM Policy (Integrated Fare Management Policy)		Completed stakeholder engagement process & Final Draft of the Gauteng IFM Policy (Integrated Fare Management Policy)		Completed stakeholder engagement process & Final Draft of the Gauteng IFM Policy (Integrated Fare Management Policy)	Not achieved -The process of developing the IFM Policy could not be concluded as planned due to the GDRT's legal team's assertion that the proposed policy is not necessary. This necessitated a halt in stakeholder engagements that are part of the process of finalising the policy. The project is awaiting the Head of Department's guidance on the matter. Engagement with the HoD to facilitate the resolution and conclusion of the process by the end of the next quarter is ongoing.	Annually

6. Institutional Programme Performance Information (continued)

Annual Performance Plan for the 2024/25 Financial Year (continued)								
Outcome 8: Advocacy role of informing the public of the economic, environmental, and social benefits of an integrated public transport system (continued)								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target 2023/24	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
18	Developed a Communication Strategy in place to promote the use of public transport	Approved Communication Strategy	Develop the Strategy	Approved Communication Strategy	Approved Communication Strategy	0	Achieved	Annually
Outcome 10: To ensure sound project management and financial planning to the optimal benefit of all spheres of Government in Gauteng								
No.	Outputs	Output Indicator	Audited 2023/24	Planned Annual Target	Actual Performance 2024/25	Deviations from Planned Targets to Actual Achievement 2024/25	Reasons for Deviation	Frequency of Report
19	Approved financial policies for quality of overall financial management	Unqualified audit report		Unqualified audit report	Unqualified audit report	0	Achieved	Annually

7. Linking Performance with Budgets

The TAG has achieved 95% of the outcome indicators in the 2024/25 financial year. The TAG achieved this with a 131% of the actual expenditure compared to the budget. The overspent was due to the projects being allocated to the MTEF as opposed to the designated ring-fenced project funds.

Programme/ activity/ objective	2023/24			2024/25		
	Budget R'000	Actual Expenditure R'000	Over/under Expenditure R'000	Budget R'000	Actual Expenditure R'000	Over/under Expenditure R'000
Transport Authority for Gauteng	R29,791	(R29,583)		R29,324	(R38,307)	(R8,983)





PART C

GOVERNANCE

1. Introduction

The TAG adheres to corporate governance standards in line with King IV, PFMA, and the Gauteng Transport Authority Act No. 2 of 2019. Governance is overseen by the Provincial Legislature, Executive Authority, and the entity's Board.

2. Executive Authority

The implementation of the PLTF continued in the financial year under review. Key milestones within the project during this period includes a follow-up with the National Department of Transport regarding last year's PLTF submission. The National Minister granted an approval of the PLTF submission. Preparations are now underway to publish the final report in the new financial year.

The Gauteng Member of the Executive Council (MEC) for Transport and Logistics serves as the Executive Authority of TAG, providing oversight on strategic and financial performance in accordance with the PFMA and the Gauteng Transport Authority Act.

Engagements between the MEC and the Board Chairperson occurred regularly to ensure alignment with provincial objectives. During the year under review, the MEC met with the Chairperson of the Board and the Committee Chairpersons to discuss matters of common interest, including the progress on implementing the operationalisation Plan for TAG, Budget allocation and capacitation of TAG, as well as progress updates on ongoing strategic projects.

The following documents were submitted to the Executive Authority during the 2024/25 financial year to assist in the oversight of TAG:

- TAG Quarterly Performance Information Reports;
- TAG Strategic Plan for the 2025/26 to 2027/28 financial years;
- TAG Revised Annual Performance Plan for the 2024/25 financial year;
- TAG Annual Performance Plan for the 2025/26 financial year;
- Provincial Land Transport Framework (PLTF), as required in Clause 35 of the National Land Transport Act No. 5 of 2009;
- Draft 25-Year Integrated Transport Master Plan; and
- Draft Strategic Transport Plan.



3. The Accounting Authority/Board

The Board is the Accounting Authority of the TAG, acting as the custodian of good corporate governance. It strives to achieve governance outcomes of ethical culture, good performance, effective control and legitimacy through ethical and effective leadership.

The Board ensures good governance by setting strategic direction, overseeing policy and performance, managing risk and compliance, and promoting ethical, sustainable, and accountable leadership in accordance with the Gauteng Transport Authority Act, PFMA, and King IV. The role, responsibilities, membership requirements, and procedural conduct of Board members are detailed in the TAG's Board Charter.

The Board provides practical and ethical leadership, committed to a governance framework based on the principles of integrity, competence, accountability, fairness, and transparency. By setting the tone at the top, the Board promotes a robust governance culture and ensures that high ethical standards and governance practices permeate all levels of the organisation.



TAG Governance Structure



Figure 3: TAG's Governance Structure

3.1 Board Composition

The Chairperson and members of the Board are appointed by the Gauteng Executive Council, following recommendations made by the Executive Authority and consultation with the relevant municipalities. The term of Office for the former Board ended on 30 April 2024. Due to various challenges experienced by TAG, including the delays in listing it as a schedule 3 (c) Entity in accordance with the PFMA, and the lack of concurrence for its Remuneration Structure in accordance with section 37.4 of the Gauteng Transport Authority Act, an Interim Governance Structure was established to fast track and facilitated the blockages impacting the establishment of the entity.

An Interim Board was appointed effective from 01 June 2024 to 31 March 2025, consisting of nine members from diverse backgrounds and various industry and professional experiences, including the CEO, who serves as an ex officio member. The Board was further reconstituted in October 2024, with the inclusion of three members nominated by the metropolitan municipalities in the Province, two members nominated by the district municipalities in the Province and one member from the Department nominated by the MEC.

The term of the Board has subsequently been extended to 31 July 2025 to allow for the finalisation of the Board recruitment process.

The roles and responsibilities of the Board Chairperson and the CEO are formalised, separated and defined in the Board Charter and the Gauteng Transport Authority Act. The separation of duties ensures a balance of authority and power, with no individual having unrestricted decision-making powers.

The Board maintained effective control through a clear governance structure, which included three Board Committees to assist in discharging its duties. Each Committee operated under Board-approved Terms of Reference, aligned with King IV. Management, as well as the seconded officials from GMA and GDRT, supported the Committee operations.

The Board is supported by an Interim Board Secretary, Ms Mahlatse Ralefeta, who was appointed on 16 August 2024. Ms Ralefeta is a seconded official from the Gautrain Management Agency and is responsible for ensuring the effective functioning of the Board through the application of sound corporate governance principles and facilitating efficient Board and Committee processes. By best governance practices and the applicable legislative framework, the appointment and removal of the Board Secretary remain matters reserved for the Board. All Members of the Board have unrestricted access to the guidance and professional services of the Board Secretary in fulfilling their duties and responsibilities. The Board is satisfied that the current arrangements provide adequate support to ensure the integrity of governance processes and compliance with relevant legal and regulatory requirements.

3.2 Brief Profiles of Members of the Board

TAG Board – 01 May 2021 to April 2024

The former TAG Board was constituted in accordance with section 10 to 11 of the Gauteng Transport Act and was made up of the following Members:

Former TAG Board Members

The former Board is profiled below:



Mr Thendo Ratshitanga (51)

Chairperson and Independent Non-Executive Member (Appointed effective 1 May 2021 to 30 April 2024)

Master of Degree in Public and Development Management, Post-Graduate Diploma in Public Policy and Development Management, Certificate in Social Entrepreneurship, Certificate in Programme for Management Development, Certificate in Aquaponics Design

- **TAG Board Committee Membership:** Member of TAG Finance and Planning Committee; Member of Human Capital, Social and Ethics Committee
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA)
- **Skills, Expertise and Experience:** Business management, public sector management, public policy development, corporate marketing communications and corporate governance.



Mr Stanley Ace Ngobeni (48)

Independent Non-Executive Member ((Appointed: 01 May 2021 – 30 April 2024)

Masters in Business Administration, Bachelor (Honours) in International and Domestic Taxation, Bachelor of Commerce in Accounting, Higher Diploma in Computer Auditing, Project Management Certificate in Mining Taxation, Certificate in Portfolio Management and Investment Analysis, and Africa Directors Programme Certificate

- **TAG Board Committee Membership:** Finance and Planning Committee and Audit and Risk Committee
- **Professional Memberships:** South African Institute of Professional Accountants, South African Institute of Government Auditors, Institute of Internal Auditors, Association of Certified Fraud Examiners, Institute of Risk Management.
- **Skills, Expertise and Experience:** Corporate Governance, Finance and Accounting, Legal and Compliance, Project Management, Audit and Forensic, Risk Management and Business Continuity, Corporate and Project Finance, Information Technology, Economic development, Business development / Entrepreneurship, Human resources, Fund development



Ms Vidhu Vedalankar (65)

Independent Non-Executive Member (Appointed: 01 May 2021 – 30 April 2024)

Masters Degree in Town and Regional Planning, Postgraduate certificate: Executive Development Programme, Bachelor of Science in Mathematics and Physics

- **TAG Board Committee Membership:** Member of Audit and Risk Committee and Member of Finance and Planning Committee
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Corporate Governance, Strategy and Policy Development, Enterprise risk management strategy, fraud and corruption management strategy; Compliance, Stakeholder Management, Finance Management and Reporting

Former TAG Board Members (continued)



Ms Fikile Mkhize (52)

Independent Non-Executive Member (Appointed: 1 May 2021 to 30 April 2024)

Chartered Director (SA), Board Leadership Programme Certificate, Applied Directorship Programme Certificate, Municipal Executives' Financial Management Certificate, Development and Management of Local Government Certificate, Insurance and Risk Management Certificate, Senior Management Development Programme, Managing Managers for Results Certificate, Master of Business Leadership, Bachelor of Commerce

- **Other Directorships:** Coface SA Insurance Company Limited (Lead Independent Director; Audit Committee; Chairperson: Remuneration Committee, and Risk & Investment Committee), KwaZulu-Natal Gaming and Betting Board (Social Ethics & Transformation Committee); Chairperson: Human Resources & Remuneration Committee, and Transformation Fund Adjudication Committee), and Central University of Technology Innovation Services (Pty) Ltd (Interim Chairperson, and Audit Risk & IT Governance Committee)



Ms Lebogang Lydia Mogakabe (41)

Non-Executive Member (Appointed: 1 May 2021 – 30 April 2024)

Master of Technology in Civil Engineering, Bachelor of Technology in Transportation Engineering, National Diploma in Civil Engineering

- **TAG Board Committee Membership:** Member of Finance and Asset Committee and Member of Human Capital, Social and Ethics Committee
- **Other Directorship:** N/A
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Transport Planning, Transport Systems Development, Transport Modelling, Financial Management, Stakeholder Management/Inter-governmental Relations, Public Transport Integration, Traffic Engineering, Traffic Safety Plans, Corporate Governance



Ms Malebo Matolong (48) Cert.Dir. | Pr.Eng

Independent Non-Executive Member (Appointed: 1 May 2021 to 31 December 2023)

Master of Business Administration, Master of Project Management, Bachelor of Engineering (Honours) in Transportation Engineering, Bachelor of Engineering in Civil Engineering

- **TAG Board Committee Membership:** Chairperson of Finance and Planning Committee and Member of the Human Capital, Social and Ethics Committee
- **Professional Memberships:** Engineering Council of South Africa, Institute of Directors in Southern Africa
- **Skills, Expertise and Experience:** Integrated land use – transport planning, project management, public transport system design, public transport policy and regulation, public transport planning strategy formulation, transport master planning, freight transport planning, rural transport planning, contract management, transport planning coordination at local, provincial and national level, financial management, stakeholder management and corporate governance.



Former TAG Board Members (continued)



Mr Themba Jefrey Ngcobo (60)

Non-Executive Member (Appointed: 01 May 2021 – 30 April 2024)

Master of Business Leadership, Associate in Management (Management Development Programme), National Higher Diploma (Pulp & Paper technology – School of Mechanical Engineering), National Diploma in Chemical Engineering

- **TAG Board Committee Membership:** Member of Finance and Asset Committee and Member of Human Capital, Social and Ethics Committee
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Strategic Planning and Formulation, Human capital, Corporate Governance, Communication and stakeholder management, Change leadership and management, Stakeholder Management, Financial management, Development of process improvement plans.



Mr Samuel Ntshenki Mofokeng (51)

Non-Executive Member (Appointed: 01 May 2021 – 30 April 2024)

National Diploma: Public Management; Diploma: Dramatic Arts; Marketing Certificate, Arts and Culture Management Certificate; Project Management Principles Certificate; Certificate in Writing for Business Results; Certificate in Board Leadership Programme; Certificate in Public Transformation

- **TAG Board Committee Membership:** Member of Finance and Asset Committee and Member of Human Capital, Social and Ethics Committee
- **Other Directorship:** Vaal Triangle Eisteddfod, SANMPA, Midvaal Youth Centre, Aaron Molokoena Foundation
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Corporate Governance, Stakeholder Engagement, Intergovernmental Relations, Marketing.



Mr Bolokang Lengane (52)

Independent Non-Executive Member (Appointed: 01 May 2021 to 30 April 2024)

Bachelor of Commerce in Accounting, Bachelor of Commerce (Honours) in Accounting

- **TAG Board Committee Membership:** Chairperson of the Audit and Risk Committee and Member of Finance and Planning Committee
- **Other Directorship:** N/A
- **Skills, Expertise and Experience:** Accounting, auditing, enterprise risk management, business planning and strategy development, corporate governance and stakeholder management.



Ms Molatero Rapetsoa

Non-Executive Member (Appointed: 01 May 2021 – 30 September 2023)

Master of Development Studies, Certificate in Municipal Financial Management Programme, Bachelor of Technology in Civil Engineering, National Diploma in Civil Engineering

- **TAG Board Committee Membership:** Member of Finance and Asset Committee Member of Human Capital, Social and Ethics Committee
- **Professional Memberships:** Engineering Council of South Africa (ECSA)
- **Skills, Expertise and Experience:** Transportation planning and management, Programme, Project and Contract management with special emphasis on municipal infrastructure, Strategic Development, Transformation, Change Management, Corporate Governance, Risk Management.

Former TAG Board Members (continued)



Mr Robert Hendrikse (51)

Non-Executive Member (re-appointed: 01 May 2021 to 30 April 2024)

National Diploma in Town Planning

- **TAG Board Committee Membership:** Member of Finance and Asset Committee
- Member of Human Capital, Social and Ethics Committee
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Town Planning, Local Government Governance.



Mr Aubrey Motubatse (52)

Non-Executive Member (Appointed: 01 May 2021 – 30 April 2024)

Master of Science in Development Planning, Master of Business Leadership, Post Graduate Diploma in Transport Management, Higher Education Diploma, Bachelor of Arts, Bachelor of Education

- **TAG Board Committee Membership:** Member of Finance and Asset Committee Member of Human Capital, Social and Ethics Committee
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Transport Policy and Strategy, Integrated transport Planning, Public Transport Management, Public Transport Subsidies, Transport Law enforcement, Growth and Development Strategies, Financial Management, Corporate Governance.

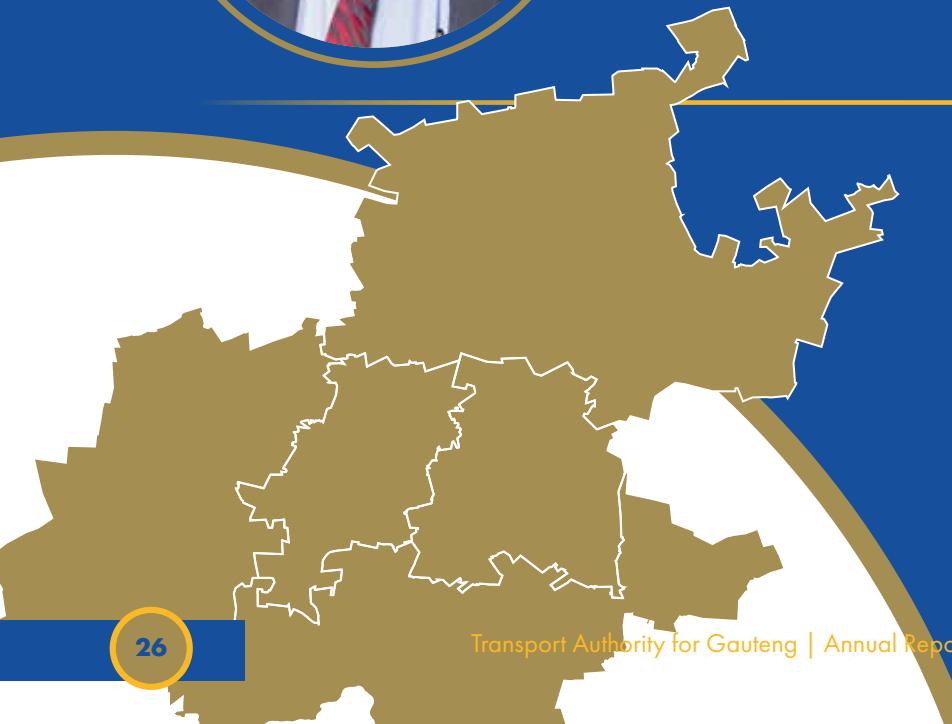


Mr J van der Merwe (76)

Chief Executive Officer (Appointed 01 February 2021 to 30 May 2024)

Bachelor of Science in Civil Engineering, Bachelor of Science (Honours) in Civil Engineering

- **TAG Board Committee Membership:** Member of Finance and Planning
- **Professional Memberships:** Honorary President: International Association of Public Transport (UITP), African Association of Public Transport (UATP), Institute of Directors in Southern Africa.
- **Skills, Expertise and Experience:** Public Transport Sector, Public Private Partnership (PPP) Contracts and Projects.



TAG Interim Board 01 June 2024 to 31 July 2025

The current interim Board is profiled below:



Professor Mfanelo Ntsobi (55)

Chairperson and Non-Executive Member
(Appointed: 01 June 2024 to 31 July 2025)

Bachelor of Military Science, Bachelor of Public Administration (Honours), Masters in Administration, PhD in the Management of Technology and Innovation

- **Other Directorships:** Chairperson of the Gautrain Management Agency Board, CEO and Executive Director at Sci-Bono Discovery Centre, Council Chairperson of Ekurhuleni East TVET College, Council Member at Wits University, Council Member of the Gauteng Ethics Advisory Council.
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA), Member of the Council of the Southern African Association of Science and Technology Centres (SAASTEC), Scientific Committee Member of the World Conference in Qualitative Research, Reviewer for Springer and New Trends in Qualitative Research, Research Associate at the Global Centre for Academic Research and South Valley University in Zambia.
- **Skills, Expertise and Experience:** Management of Technology and Innovation, Education and Policy Research, Corporate Governance, Planning and Development, Transport Management in Aviation, Labour Relations, Mediation and Arbitration, Strategy and Operations Management, Research Management, Security and Political Risk Analysis, Communication Strategy.



Ms Mamela Luthuli (48)

Non-Executive member (Appointed: 01 June 2024 to 31 July 2025)

National Diploma in Public Management; Management Development Programme Mastering Strategy; Master of Business Administration; VPAL Cybersecurity: Managing Risk in the Information

- **TAG Board Committee Memberships:** Member of the Human Capital, Social and Ethics Committee
- **Other Directorships:** Member of the Tap Sosa Board, Member of the Board for the Female Founders Initiative Middle East and Africa, Advisory Member of the Board of the CSIR Defence and Security
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA)
- **Skills, Expertise and Experience:** Cyber security; Innovative IT solutions and Internet of Things (IOT); Research & Development



Ms Malebo Matolong (49)

Non-Executive Member (Appointed: 01 June 2024 to 31 July 2025)
(Appointed: 01 June 2024 to 31 July 2025)

Professional Engineer, Certified Director, Bachelor of Science in Civil Engineering, Bachelor of Engineering Technology (Honours) in Transportation Engineering, Master of Project Management in Leadership, Master of Business Administration

- **TAG Board Committee Membership:** Chairperson of the TAG Finance and Planning Committee, Member of the Audit and Risk Committee, Members of the Human Capital, Social and Ethics Committee
- **Other Directorships:** Deputy Chairperson of the Gautrain Management Agency Board, Deputy Chairperson of the Magalies Water Board, Member of the Council for Sefako Makgatho Health Sciences University
- **Independent Committee Roles:** National Department of Transport Audit Committee Member, Divers Licence Card Account Trading Entity Interim Audit Member
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA), Engineering Council of South Africa (ECSA)
- **Skills, Expertise and Experience:** Transportation Engineering and Implementation; Programme and Project Management; Business Process Re-engineering; Corporate Governance.



Mr Bafana Sibisi (63)

Non-Executive Member (Appointed: 01 June 2024 to 31 July 2025)

Master of Business Administration (MBA), Bachelor of Technology in Architectural Technology, Strategic Leadership in Development Management, Civil Engineering Water Resources Management Managing Dam Designs and Hydraulic Structures, Certificate in Rough Diamonds Evaluation, Computer Aided Designs (CAD), Municipal Performance Management Training Programme, Certificate in Human Settlements (SAHF)

- **TAG Board Committee Memberships:** Member of the Audit and Risk, Member of the Human Capital, Social and Ethics Committee
- **Other Directorships:** Member of the Gautrain Management Agency Board, Managing Director of DGSD Consulting Engineers, Group CEO of Africawise Developments (Pty) Ltd, Member of the Atteridgeville Senior Citizens Care for the Aged (ASCCA) Board, Executive Chairperson of TUT School of Business and Society (TSB) alumni Chapter.
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA), SAIAT, SABTACO, SACAP
- **Skills, Expertise and Experience:** Architecture, Civil Engineering, Housing and Human Settlements, Programme and Project Management, Executive Leadership Development Management, Business Administration and Statistics, Economics, Change Management, Strategic Management, Human Resource Management and Financial Management, Managerial Finance, Management of Technology and Research, International Management, Operational Management and Marketing Management



Mr Lourens Swanepoel (61)

Non-Executive Member (Appointed: 01 October 2024 to 31 July 2025)

Master of Business Leadership, Bachelor of Commerce Honours in Transport Economics, Bachelor of Commerce in Transport Economics

- **TAG Board Committee Membership:** Member of the GMA Finance and Planning Committee, Member of the Human Capital, Social and Ethics
- **Professional Memberships:** N/A
- **Other Directorships:** N/A
- **Skills, Expertise and Experience:** Public Transport Operations, Local Government Governance, Public Transport Planning, Land-Use Planning and Transport Infrastructure, Transport Economics, and Project Management.

TAG Interim Board 01 June 2024 to 31 July 2025 (continued)



Ms Lungile Mtiya (50)

Non-Executive Member (Appointed: 01 June 2024 to 31 July 2025)

Diploma in Human Resources, Bachelor of Technology in Human Resources, Bachelor of Commerce (Honours) in Employment Relations and Labour Law, Master of Employment Relations and Labour Law

- **TAG Board Committee Memberships:** Chairperson of the Human Capital, Social and Ethics Committee, Member of the Audit and Risk Committee
- **Other Directorships:** Member of the Gautrain Management Agency Board, Member of the SODEXO Southern Africa (Pty) Ltd and South African National Energy Development Institute (SANEDI) Board, Member of the Three Sisters Productions (Pty) Ltd Board.
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA), SA Society for Labour Law (SASLAW) and South African Board for People Practices (SABPP)
- **Skills, Expertise and Experience :** Human Resources, Labour Relations, Mediation, Conciliation, Arbitration and Facilitation



Mr Desmond Golding (54)

Non-Executive Member (Appointed: 01 June 2024 to 31 July 2025)

Masters of Law in Banking and Finance, Masters of International Relations (Global Economy), Finance for Senior Executives, Advanced Management and Leadership Programme

- **TAG Board Committee Membership:** Member of the Finance and Planning Committee, Member of the Audit and Risk Committee, Member of the Human Capital, Social and Ethics Committee.
- **Other Directorships:** Member of the GMA Board, Managing Director of Khabran Investments, Chairperson of the Risk Management Committee of the Department of Infrastructure Development, and Chairperson of the Panel of Experts on Mega Infrastructure Projects in the North-West Province.
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA), Institute of Risk Management South Africa (IRMSA).
- **Skills, Expertise and Experience:** Finance, Transaction Advisory, Project Preparation, Financial Modelling, Investment Banking, Financial Law, Project Finance, Deal Structuring, Business Strategy, Corporate Governance, Capital Raising, Economics, Risk Management and Economic Research.



Advocate Kgotsa Maja (35)

Non-Executive Member (Appointed: 01 June 2024 to 31 July 2025)

Bachelor of Laws

- **TAG Board Committee Membership:** Member of the Human Capital, Social and Ethics Committee, Member of the Audit and Risk Committee
- **Other Directorships:** Member of the Gautrain Management Agency Board, Chairperson of the Gauteng Growth and Development Agency Board, Deputy Chairperson of the Legal Aid Board of South Africa and Chairperson of the Legal Services Committee, Member of the Gauteng Liquor Board and Member of the Legal Committee.
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA), Legal Practice Council.
- **Skills, Expertise and Experience:** Human Capital and Labour Relations, B-BBEE and Transformation, Socio-Economic Development and Sustainability, Public-Private Partnerships, Corporate Governance, Audit and Risk Management, Legal and Compliance, Marketing and Branding, Strategic Partnerships and Social Facilitation.

TAG Interim Board 01 June 2024 to 31 July 2025 (continued)



Mr Samuel Ntshenki Mofokeng (52)

Non-Executive Member (re-appointed: 01 October 2024 to 31 July 2025)

National Diploma: Public Management; Diploma: Dramatic Arts; Marketing Certificate, Arts and Culture Management Certificate; Project Management Principles Certificate; Certificate in Writing for Business Results; Certificate in Board Leadership Programme; Certificate in Public Transformation

- **TAG Board Committee Memberships:** Member of the Finance and Planning Committee, Member of the Human Capital, Social and Ethics Committee
- **Other Directorships:** Member of the Vaal Triangle Eisteddfod Board, Member of the SANMPA Board, Member of the Midvaal Youth Centre Board, Member of the Aaron Mokoena Foundation
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Corporate governance, stakeholder engagement, intergovernmental relations, and marketing



Ms Lebogang Lydia Mogakabe (42)

Non-Executive Member (Appointed: 01 October 2024 to 31 July 2025)

Master of Technology in Civil Engineering, Bachelor of Technology in Transportation Engineering, National Diploma in Civil Engineering

- **TAG Board Committee Memberships:** Member of Finance and Asset Committee and Member of Human Capital, Social and Ethics Committee
- **Other Directorships:** N/A
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Transport Planning, Transport Systems Development, Transport Modelling, Financial Management, Stakeholder Management/Inter-governmental Relations, Public Transport Integration, Traffic Engineering, Traffic Safety Plans, Corporate Governance



Mr Robert Hendrikse (52)

Non-Executive Member (re-appointed: 01 October 2024 to 31 July 2025)

National Diploma in Town Planning

- **TAG Board Committee Memberships:** Member of Finance and Asset Committee Member of Human Capital, Social and Ethics Committee
- **Other Directorships:** N/A
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Town Planning, Local Government Governance.

TAG Interim Board 01 June 2024 to 31 July 2025 (continued)



Mr Bongisizwe Mpondo (50)

Non-Executive Member (Appointed: 01 June 2024 to 31 July 2025)

Bachelor of Science Honours in Town and Regional Planning

- **TAG Board Committee Membership:** Chairperson of the Audit and Risk Committee, Member of the Finance and Asset Committee.
- **Other Directorships:** Member of the Gautrain Management Agency Board, Member of the East London Industrial Development Zone (IDZ) Board, Chairperson of SIU Committee, Chairperson of the Finance Committee and Member of the Operation and Risk Committee, Founder and Managing Director of SAFIRI, Founder and Director of InnateSafiri.
- **Professional Memberships:** Institute of Directors in Southern Africa (IoDSA)
- **Skills, Expertise and Experience:** Infrastructure & Property Development, Land Use Management, Project Management and Transportation Planning, Business Strategy Development & Execution, Corporate Governance, Business Turn Around & Growth Strategies



Mr Benny Nyaku Makgoga (60)

Non-Executive Member (Appointed: 01 October 2024 to 31 July 2025)

Bachelor of Education in Senior Leaders Development Programme, Diploma In Marketing, Certificate in Corporate Social Investment

- **TAG Board Committee Membership:** Member of the Finance and Planning Committee, Member of the Human Capital, Social and Ethics Committee.
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Transport Planning and Policy Development, Marketing, Communication and Stakeholder Relations, Human Resources, Financial Management and Budgetary Control,



Mr Lebelo Leonard Maloka (60)

Non-Executive Member (Appointed: 01 October 2024 to 31 July 2025)

Bachelor of Arts in Social Science (Psychology, Sociology), Masters in Public Management

- **TAG Board Committee Membership:** Member of the Finance and Planning, Member of the Audit and Risk Committee
- **Other Directorships:** N/A
- **Professional Memberships:** N/A
- **Skills, Expertise and Experience:** Communication, Public Transport Planning and Policy Development, Stakeholder Relations and Partnership Management, Research



Mr Tshepo Kgobe (50)

Interim Chief Executive Officer (Appointed: 1 June 2024 to 31 August 2025)

Bachelor of Science in Civil Engineering, Postgraduate Diploma in Business Management, and Postgraduate Diploma in Business Management (UK)

- **Other Directorships:** Chief Executive Officer of the Gautrain Management Agency
- **Professional Memberships:** Project Management Institute (PMI), Institute of Directors Southern Africa (IoDSA) and SA Institute of Civil Engineers (SAICE)
- **Skills, Expertise and Experience:** Project Management; Business development, Broad-Based Black Economic Empowerment (B-BBEE), Transformation, Project management, Corporate Social Investment and Supplier Development.

Appointment of the Board

The Framework for the Recruitment, Selection and Continuity of the Board Committees and CEO provides guidance to the MEC and the Board in discharging their role and responsibility in the appointment of members of the Board Committees and the CEO, in line with the Act, PFMA and King IV. The Framework was revised during the reporting period to incorporate the recommendations from the Board and its Board Committees and was approved by both the Board and the MEC.

Succession Planning

Succession planning is a key focus area to ensure that institutional knowledge is retained following the expiry of each Board's term of office. The Board has adopted a staggered rotation approach to maintain continuity and enhance its capacity by introducing new members with fresh perspectives and skills aligned with the organisation's evolving strategy.



Board Remuneration

In accordance with the Gauteng Transport Authority Act, the remuneration of Board members is determined by the Executive Authority in consultation with the Gauteng MEC for Finance. Remuneration is structured in line with National Treasury Guidelines and is based on participation in Board-related activities, including meetings, workshops, and official events. Members are reimbursed for travel and other related expenses in line with TAG's policies. Members nominated by Local Authorities do not receive remuneration for their service but are reimbursed for out-of-pocket expenses incurred. Full disclosure of Board remuneration for the 2023/24 financial year is provided in the Annual Financial Statements.

Business Code of Conduct and Ethics

The Code of Conduct and Ethics, promotes good governance and responsible behaviour by outlining ethical and conduct principles for Board members. It guides value-based decision-making, aligns with TAG's core values, and sets standards for ethical and professional conduct, including matters such as conflicts of interest, directorships, gifts, and confidentiality. Members of the Board annually declare their interests and affirm their commitment to the Code, reinforcing accountability and integrity in the execution of their duties.

Figure 4: Policies governing activities of the Board

3.3 Board Diversity

The Board possesses the necessary knowledge, skills and experience, and its size is appropriate for the nature and complexity of the TAG environment. The Board benefits from a diverse range of skills, which enhances its effectiveness. However, gender and age diversity are areas of improvement in the appointment of the following Board.

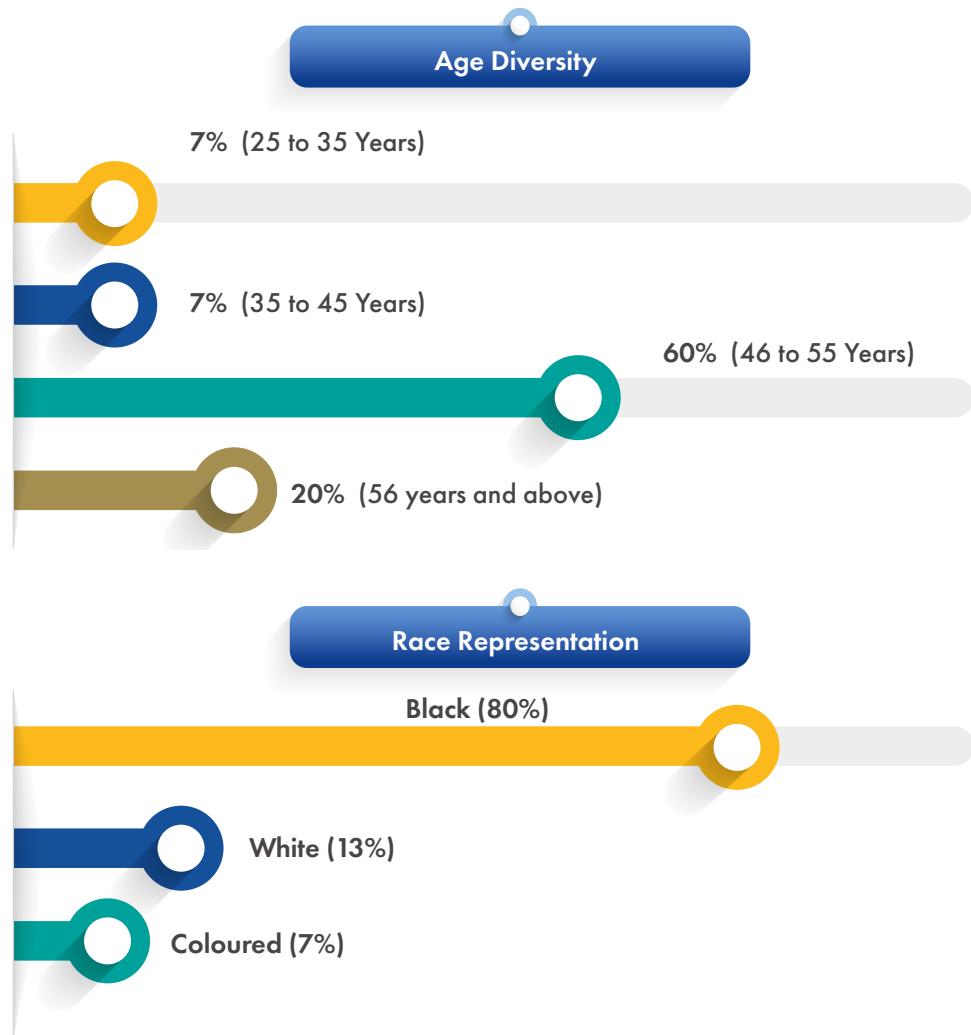


Figure 5: Age Diversity and Race Representation

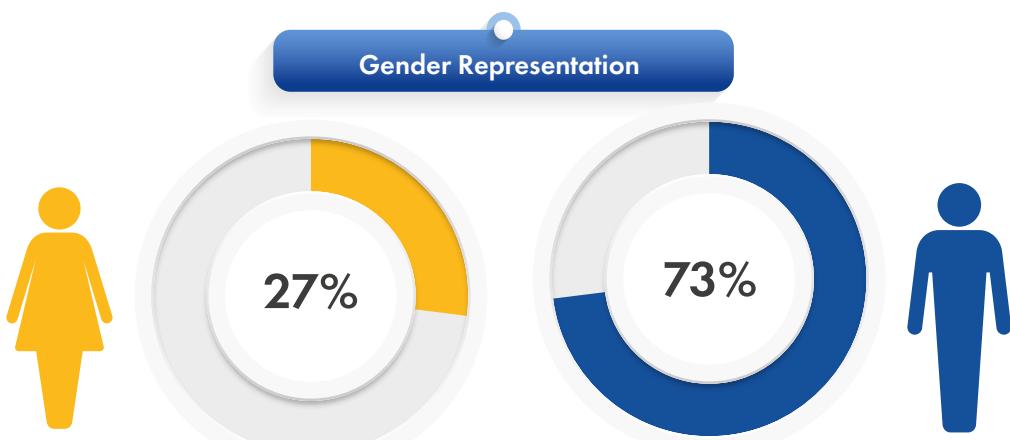


Figure 6: Gender Diversity

The recruitment of a new Board is currently in progress to replace the current Interim Board when its term ends on 31 July 2025. Age and gender diversity will be key considerations in the appointment of the new Board.

3.4 Board Performance Evaluation

In alignment with Principle 9 of the King IV Report, TAG acknowledges the importance of assessing the performance of its governance structures to promote continuous improvement, accountability, and ethical leadership. However, given the interim nature of the Board –appointed for the period 01 June 2024 to 31 July 2025, a formal performance evaluation was not conducted during the year under review.

The Interim Board was specifically mandated by the Executive Authority to fast-track the finalisation of TAG's listing as a Schedule 3 (c) public entity, secure concurrence from the Gauteng Provincial Treasury on the organisation's remuneration structure, and facilitate the capacitation and operationalisation of TAG. These strategic priorities required a strong focus on stabilisation and foundational governance.

3.5 Board's Focus Areas and Achievements during the 2024/25 financial year

The Interim Board emphasise on the following areas during the period under review, in accordance with the mandate from the MEC for Transport and Logistics:

- a. Listing of TAG as a Schedule 3 (c) Entity: TAG was listed as a Schedule 3 (c) Entity by the National Treasury effective from 01 October 2025. A key milestone to a long outstanding matter which has impacted the ability of the Entity to be fully operationalised.
- b. Concurrence from the Gauteng Provincial Treasury on the Reward and Remuneration Structure of the TAG: The Board resolved to adopt the recommendation from the Gauteng Provincial Treasury for TAG to apply the Department of Public Services and Administration's Remuneration Framework. The top executive positions have now been profiled and graded and will be recruited in a phased approach.
- c. Capacitation and Operationalisation of TAG: The inability to appoint personnel for TAG due to not obtaining the Gauteng Provincial Treasury's concurrence on the Reward and Remuneration structure has severely impacted TAG's ability to achieve its mandate. As an interim measure aimed to address capacity challenges, TAG entered into a Service Level Agreement (SLA) with the GMA for support functions, including Corporate Governance and Ethics, Human Capital, Legal and Compliance, Finance and SCM, as well as Information and Communication Technology services.
- d. Ethics and Organisational Culture: The TAG Board, through its conduct and strategic direction, commits to setting the tone for ethical behaviour and responsible leadership, in line with Principles 1 to 3 of the King IV Report. Ethical leadership is foundational to TAG's vision of enabling inclusive, sustainable mobility for all Gauteng residents.

To ensure effective management of ethics in the TAG:

- The Board is governed by the TAG Business Code of Conduct and Ethics for Board Members;
- A Fraud Hotline has been established, and is managed independently, with periodic reporting to both the Audit and Risk, as well as the Human Capital, Social and Ethics Committee;
- Annual Declarations of Interest were submitted by all Board Members and seconded personnel; and
- TAG adopted the GMA's Supplier Code of Ethics for SCM-related activities.

Ethical leadership is reinforced by the Human Capital Social and Ethics Committee, which monitors culture, fairness, and conduct. As TAG recruits its internal personnel, an Ethics Management Office will be established to embed ethics into operational systems and performance frameworks.

e. Stakeholder Engagement and Inclusivity: TAG recognises stakeholder inclusivity as a critical governance principle and a strategic enabler in achieving its vision of integrated, efficient transport in Gauteng. In the year under review, TAG developed and adopted an Integrated Stakeholder Engagement Framework, which outlines a structured approach for identifying, mapping, and engaging internal and external stakeholders. Key stakeholder engagements included:

- Consultative sessions with municipalities on the ITMP25 and Strategic Transport Plan;
- Collaborative forums with the Gauteng Department of Roads and Transport;
- Public consultations during the drafting of the Integrated Implementation Plan; and
- Internal communication sessions with seconded personnel.

Stakeholder feedback was incorporated into strategic projects, policy formulation, and the TAG Brand Refresh initiative. In the future, TAG aims to report more comprehensively on stakeholder outcomes and material matters raised during engagements.

f. Technology and Information Governance: Effective governance of technology and information is crucial to delivering on TAG's mandate. During the 2024/25 financial year, the Board began implementing governance mechanisms to safeguard ICT infrastructure, enhance cyber resilience, and align digital transformation with strategic priorities.

Key ICT governance achievements include:

- Ongoing ICT risk monitoring and performance reviews via service-level agreements with GMA;
- Procurement of Microsoft 365 E5 licenses to support secure information sharing and digital collaboration;
- Deactivation of dormant user accounts and rollout of security tools; and

- Preparation for digital solutions supporting the Integrated Fare Management System.

The Board exercises oversight through the Audit and Risk Committee, which receives quarterly ICT updates. As part of the 2025/26 strategic focus, TAG will establish an ICT governance framework aligned to COBIT and King IV to enhance the integration of technology into value creation.

- Combined Assurance: TAG is committed to integrated thinking, recognising the interdependencies between governance, performance, strategy, and sustainability. The Board has adopted a holistic oversight model that incorporates financial, operational, social, and environmental dimensions into strategic decisions. The development of a combined assurance model will be one of the key focus areas in the coming year.
- Other focus areas for the 2024/25 financial year included:
 - Approval of the following key documents:
 - TAG Strategic Plan for the 2025/26 to 2027/28 financial years;
 - Annual Performance Plan for the 2024/25 and 2025/26 financial years;
 - TAG Business Plan for the 2024/25 to 2025/26 financial year;
 - Integrated Fare Management System and Policy; and
 - Integrated Stakeholder Engagement Framework.

- Development of TAG as a centre of excellence and a single Transport Insignia for the Province.
- Oversight on the following strategic projects:
 - Provincial Land Transport Framework;
 - ITMP25;
 - Strategic Transport Plan and Integrated Implementation Plan; and
 - Refreshing the TAG Brand and preparing for the relaunch of the Entity.

3.6 Board and Board Committees' Membership and Attendance

The former TAG Board held one meeting during the period under review to close out outstanding matters and to approve its handover Report to the new Board. The meeting held on 30 April 2024, and key matters highlighted for consideration by the new Board were highlighted as:

- Finalisation of the Listing of TAG;
- Securing concurrence from the Gauteng Provincial Treasury on the TAG's remuneration Structure to enable capacitation of the organisation;
- Recruitment of Key personnel;
- MTEF Budget allocation for TAG; and
- Closing out of the former CEO's contract.

The table below depicts the Board Committee Membership and meeting attendance for the current interim Board.

Board and Board Committees' membership and attendance

Board Members		Board Committees' Membership		
	Board	Audit and Risk Committee	Finance and Planning Committee	Human Capital, Social and Ethics Committee
Prof Mfanelo Ntsobi – Chairperson	6/6			
Mr Bongisizwe Mpondo (Chairperson of ARC)	5/6	3/3	3/3	
Ms Malebo Matolong - (Chairperson of FPC)	5/6	2/3	3/3	5/5
Ms Lungile Mtiya - (Chairperson of HCSEC)	6/6	3/3		5/5
Mr Desmond Golding	6/6	3/3	3/3	5/5
Ms Mamela Luthuli	5/6		1/2#	5/5
Adv Kgotsa Maja	6/6	3/3	2/2#	5/5
Mr Bafana Sibisi	6/6	3/3	2/2#	5/5

Board and Board Committees' membership and attendance				
Board Members		Board Committees' Membership		
	Board	Audit and Risk Committee	Finance and Planning Committee	Human Capital, Social and Ethics Committee
Ms Lebogang Mogakabe	3/4*	1/1#	1/1#	
Mr Sam Mofokeng	4/4*		1/1#	2/3#
Mr Robbie Hendrikse	3/4*	0/1#	0/1#	
Mr Lebelo Maloka	1/4*	1/1#	1/1#	
Mr Lourens Swanepoel	4/4		1/1#	3/3#
Mr Benny Nyaku	4/4		1/1#	3/3#
Mr Tshepo Kgobe (Interim CEO)	6/6	3/3#	3/3	5/5

*Member was appointed to the Board on 01 October 2024 and allocated to Committee on 12 December 2024.

Member's membership ended on 12 December 2024 when the Committee was reconfigured after the appointment of Members nominated by the Local Authorities.

In addition to the meetings of the Board and Board Committees, the MEC hosted a Board Induction session from 21 to 23 July 2024. The Board also convened a Strategic Board Lekgotla session from 05 to 06 November 2024 to consider the Strategic Plan and Annual Performance Plan for 2025/26.

4. Board Committees

The Board appoints members of Board Committees in accordance with the Gauteng Transport Authority Act and the Framework for the Recruitment and Selection of Board Committee Members, and the CEO. The term of office of the Board Committee members aligns with that of the Board. All Board Committees are chaired by non-executive members of the Board, and each Board Committee is represented on the Social and Ethics Committee to promote effective collaboration and coordination among them.

The Committees operate within the Board-approved Terms of Reference and the implementation of the Board Committees' Terms of Reference is monitored through the Board Committees' Annual Work Plans on a quarterly basis. Despite being appointed three months into the financial year, the Board and Committees were able to fulfil their duties as per the approved Annual Work Plans.

4.1 Audit and Risk Committee Report

Refer to the report of the Audit and Risk Committee in the Annual Financial Statements for more details on the activities of the Audit and Risk Committee.

4.2 Finance and Planning Committee

The Finance and Planning Committee (FPC) is constituted as a Board Committee in accordance with section 20(1) (a)(iii) of the Act. The Interim TAG Finance and Planning Committee ("Committee") was appointed on 16 August 2024. The composition of the Committee was amended on 12 December 2024, when Members of the Board nominated by the Local Authorities were appointed to the Interim Board effective 01 October 2024, were subsequently allocated to the Board Committees. The Committee now comprises nine Members.

The CEO, CFO, COO, CAE and Senior Executive Managers responsible for Transport Planning and Modelling, Knowledge Management, ICT, as well as Legal and Compliances Services, have standing invitations to all FPC meetings to provide the necessary information and input in their areas of responsibility.

The Committee held three ordinary meetings, one urgent Meeting and a workshop during the financial year.

4.2.1 Finance and Planning Committee's focus areas and achievements during the 2024/25 financial year

Key achievements for the Committee include the approval of the PLTF by the National Minister of Transport, the development of the draft ITMP25, STP and IIP for public consultation, the listing of TAG as a schedule 3 (c) Entity, as well as consideration and recommendation of the following to the Board for approval:

- a. TAG's Budget for the 2024/25 financial year;
- b. Quarterly Performance and Performance Information Reports;
- c. Quarterly Financial Information Reports;
- d. Revised Annual Performance Plan for the 2024/25 financial year; and
- e. Reports on the following key projects:
 - Establishment of a Centre of Excellence;
 - Gauteng on the Move Project;
 - Operationalisation of TAG; and
 - Integrated Fare Management System.

The Committee also reviewed and approved quarterly reports on Finance, Supply Chain and Asset Management, as well as facilities management, PFMA Compliance, and the Register of Irregular, Fruitless and Wasteful Expenditure.

The FPC is satisfied that it has performed its duties in accordance with its approved Terms of Reference. Challenges experienced in the development of the Integrated Fare Management System are a key concern for the Committee, and the matter remains a strategic focus area.

4.3 Human Capital, Social and Ethics Committee

The Human Capital, Social and Ethics Committee (HCSEC) is constituted in terms of Section 72 of the Companies Act No.71 of 2008 ("the Companies Act"), Section 20(1)(b) (ii) of the Act, King IV and the TAG Board Charter.

The HCSEC serves a dual governance role, integrating oversight of both human capital strategy and ethical, social, and governance responsibilities. The HCSEC oversees the organisation's people strategy, including recruitment, development, remuneration, and workplace culture. It ensures ethical leadership and compliance with labour and human rights laws and monitors the company's corporate citizenship and sustainability initiatives. The committee also promotes transparent stakeholder engagement and enforces ethics policies and codes of conduct.

4.3.1 Committee's focus areas and achievements during the 2023/24 financial year

Key achievements for the HCSEC include the adoption of the DPSA Framework on Remuneration, which has allowed the TAG, for the first time, to be able to recruit its own personnel, commencing with the recruitment of the CEO and Board Secretary. Other achievements include the finalisation of the secondment of personnel from the GDRT to enhance capacity within the TAG, the development of an Integrated Stakeholder Engagement Framework and the approval of the TAG Brand Refresh.

During the period under review, the HCSEC made the following recommendations to the Board for approval:

- a. Recruitment Plan, including Job Profiles and Grading

- for Executive Positions;
- b. Secondment of personnel from the GDRT;
- c. Integrated Stakeholder Engagement Framework;
- d. Communication Strategy;
- e. Reward and Remuneration Policy;
- f. TAG Brand Refresh;
- g. Performance evaluation matters of the former CEO; and
- h. Recruited and appointed a new CEO.

The currently does not have employees and depends on capacity provided by the GMA through a Service Level Agreement concluded for support functions in the operationalisation of TAG. The lack of personnel has an impact on the ability to operationalise the Entity fully. Functions such as the Ethics Management Office will be activated upon recruitment of personnel. TAG has, however, established a Fraud Hotline and personnel seconded to the TAG are required to complete Annual Declarations of Interest.

The capitation of the TAG with personnel and an adequate budget is crucial to ensure the entity is able to achieve its strategic objectives.

5. Internal Audit Report

For the financial year under review, Internal Audit provided independent assurance and advisory services related to the TAG's controls, governance, and risk management. Complying with the PFMA and Global Internal Auditing Standards, Internal Audit remains independent from the areas it reviews by reporting functionally to the Audit and Risk Committee (ARC) and administratively to the CEO.

The Internal Audit's mandate is derived from the Board-approved Internal Audit Charter and a Service Level Agreement between GMA and TAG. This agreement includes:

- Assuring services for the TAG's financial statements and performance plans.
- Conducting audit reviews as requested by TAG Management or the Board.
- Participating in policy formulation, stakeholder engagement, audit planning, execution, and reporting.
- Presenting Internal Audit Reports to the TAG's ARC quarterly or as needed.

Internal Audit conducted quarterly assurance on the TAG Management's Assessments of the Key Internal Control (Key Control Dashboard), highlighting compliance with PFMA requirements in areas of Leadership, Financial and Performance, and Governance.

The overall conclusion of the Internal Audit is that TAG's system of internal controls, governance, and risk management processes operated as intended. For external audit purposes, Internal Audit shares its work with the Auditor-General of South Africa for review and consideration of reliance.

6. Compliance with Laws and Regulations

TAG compliance with the following legislations:-

- Public Finance Management Act 1 of 1999 (PFMA), together with the regulations and instructions issued in terms of the Act;
- Public Service Act 103 of 1994 (PSA), together with the regulations issued in terms of the Act;
- Preferential Procurement Policy Framework Act 5 of 2000, together with the regulations and instructions issued in terms of the Act;
- Prevention and Combating of Corrupt Activities Act 12 of 2004;
- The Gauteng Transport Infrastructure Act, Act 8 of 2001 (GTIA);
- The Treasury Regulations and Section 76 of the PFMA;
- The National Land Transport Act, Act 5 of 2009 (NLTA); and
- Gauteng Transport Authority Act No. 2 of 2019.



7. B-BBEE Compliance Performance Information

The following table has been completed in accordance with the compliance of the B-BBEE Act of 2013 and is determined by the Department of Trade and Industry and Competition.

Has the Department/Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate levels 1-8) with regards to the following:		
Criteria	Response	Discussion
Determining qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	No	
Developing and implementing a preferential procurement policy	Yes	The TAG utilises the B-BBEE status level of the contributor of the B-BBEE Codes of Good Practice as a preference for specific goals as envisaged in sections 2(1)(d) and (e) of the PPPFA.
Determining qualification criteria for the sale of state-owned enterprises	No	
Developing criteria for entering into partnerships with the private sector	Yes	TAG would utilise the B-BBEE status level of contributor of the B-BBEE Codes of Good Practice as a preference for specific goals as envisaged in sections 2(1)(d) and (e) of the PPPFA
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	No	

8. Supply Chain Management

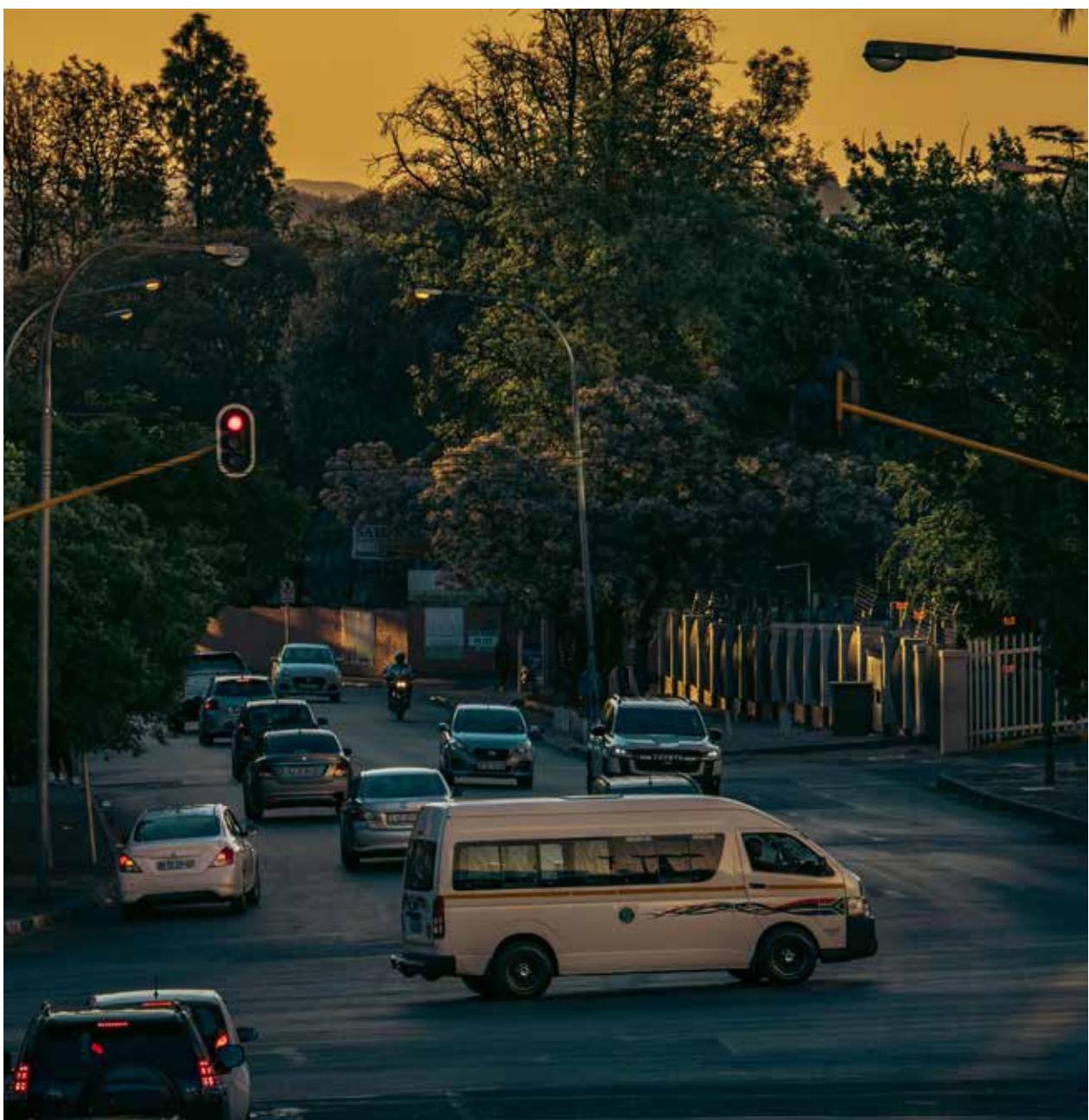
TAG did not incur any irregular, fruitless, or wasteful expenditure or material losses. There are no late or non-payment of supplies that occurred during the reporting period..

8.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Partnership for the Smarter Mobility Africa Summit from 2 – 4 October 2024	Vuka Events and Management Service	Single source	TAGSGPO0506001	R 1 760 362

8.2. 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
				R'000	R'000	R'000
NO CONTRACT VARIATIONS AND EXPANSIONS ABOVE THE THRESHOLD OF 20% FOR CONSTRUCTION RELATED GOODS AND SERVICES OR 15% FOR ALL OTHER GOODS AND SERVICES						
Total						





PART D

HUMAN RESOURCE MANAGEMENT

1. Introduction

The TAG's human capital strategy aims to ensure the organisation has top talent to meet its goals.

- Organisational Structure: Develop the structure in phases as per the Gauteng Transport Authority Act, to ensure operational efficiency;
- Recruitment and Capacitation: Implement effective Talent Acquisition processes to identify and fill critical positions;
- Governance and Compliance: Adhere to corporate governance standards and comply with relevant laws to support TAG operations, guided by strong leadership that informs strategic direction and drives efficiency; and
- These strategic objectives aim to enable the TAG to effectively manage its human capital, ensuring it can fulfil its mandate and achieve its strategic goals.

2. Focus on the Year under Review

2.1. Organisation Design and Structure

The TAG Organisation Design and Structure was reviewed and submitted to the Board for approval to align with the mandate. This alignment is crucial for effective operation, providing the Management and Board with a comprehensive view of how to support the TAG. Figure 7 shows the approved TAG macro-organisation structure signed by the MEC.

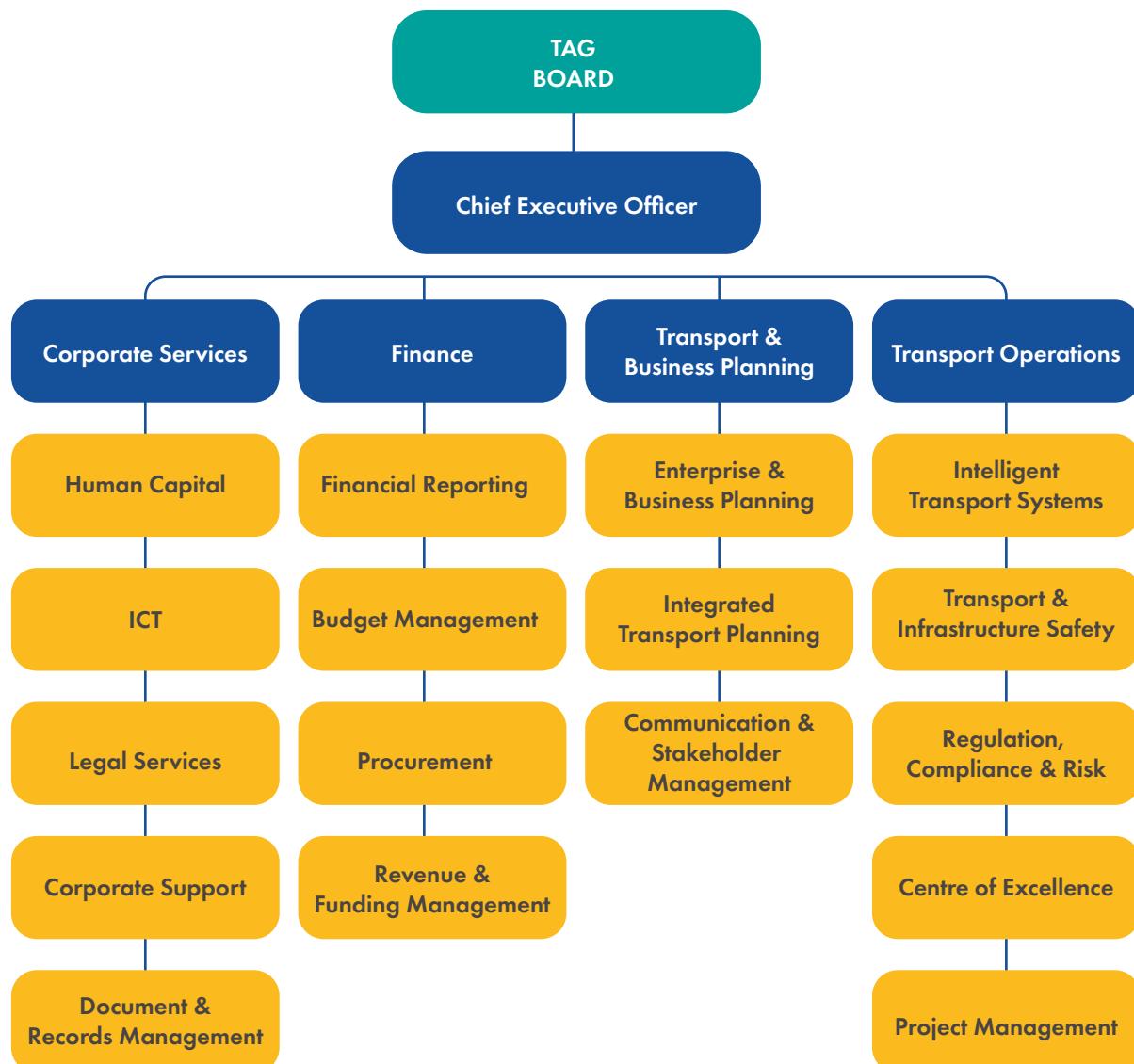


Figure 7: Approved TAG Organisation Design and Structure

2.2. TAG Capacitation

The capacitation of the TAG was conducted in the following three ways:

- Secondments from the Department of Roads and Transport (DRT), resulting in two employees joining the TAG;
- Identifying and filling critical positions based on the Service Level Agreement with the GMA, appointing 28 acting employees; and
- Advertising for key executive roles, including the CEO and Board Secretary positions.

2.3. Talent Acquisition

Since its establishment, capacitating the TAG has been a significant focus. After listing TAG as a PFMA Schedule 3C entity, a comprehensive plan was developed, which includes the recruitment of critical positions such as CEO and Board Secretary. The Interim Board approved the recruitment plan and job profiles of both the CEO and Board Secretary, prompting immediate commencement of the process. Both positions were advertised, and finalisation of recruitment is currently underway. It is anticipated these roles will be filled by the second quarter of the new financial year, barring any typical recruitment delays.

2.4. Remuneration

As per the GTA Act, Remuneration and Benefits Policy, and Board resolution, the final payment for the former CEO, including salary, performance incentives, and leave payouts, will be processed in the new financial year. The board reviewed and approved the performance assessment covering the 2020/21 and 2021/22 financial years. All other employees are remunerated in accordance with the operational strategy and plan approved by the Board.

Human Capital Oversight Statistics

Programme/ activity/ objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Project Expenditure	R15 196.00				
TAG Expenditure	R15 196.00	R11 025.00	59%	2	R5 512.50
Total	R33 923.00	R11 025.00	33%	2	R5 512.50

PART E

ANNUAL FINANCIAL STATEMENTS





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Administrative Information

Domicile	Republic of South Africa
Nature of Principal Activities	Transport Authority for Gauteng (TAG) is established in terms of Gauteng Transport Authority Act No. 2 of 2019, to develop an integrated transport system which contributes to environmental sustainability and social cohesion and promotes economic progress in the Gauteng Province. TAG has applied to National Treasury to be listed as a schedule 3(c) Provincial Public entity.
Board Members	Mr Thendo Ratshitanga – Appointed as Chairperson from 1 May 2021 to 30 April 2024 Mr Stanley Ace Ngobeni – Appointed from 1 May 2021 to 30 April 2024 Ms Vidhu Vedalankar – Appointed from 1 May 2021 to 30 April 2024 Ms Fikile Mkhize –Appointed from 1 May 2021 to 30 April 2024 Ms Lebogang Lydia Mogakabe – Appointed from 1 May 2021 to 30 April 2024 Mr Themba Jeffrey Ngcobo – Appointed from 1 May 2021 to 30 April 2024 Mr Robert Hendrikse – Appointed from 1 May 2021 to 30 April 2024 Mr Samuel Mofokeng – Appointed from 1 May 2021 to 30 April 2024 Mr.Bolokang Lengane – Appointed from 1 May 2021 to 30 April 2024 Mr Aubrey Motubatse – Appointed from 23 September 2021 to 30 April 2024 Mr Elzer van der Merwe – Chief Executive Officer – Appointed from 1 February 2020 to 31 May 2024 Prof. MP Ntsobi – Appointed 1 June 2024 to 31 July 2025 Mrs YM Matolong – Appointed 1 June 2024 to 31 July 2025 Adv KG Maja – Appointed 1 June 2024 to 31 July 2025 Mr IB Sibisi – Appointed 1 June 2024 to 31 July 2025 Mr B Mpondo – Appointed 1 June 2024 to 31 July 2025 Mr DK Golding – Appointed 1 June 2024 to 31 July 2025 Ms L Mtiya – Appointed 1 June 2024 to 31 July 2025 Ms M Luthuli – Appointed 1 June 2024 to 31 July 2025 Mr R Hendrikse – Appointed 1 October 2024 to 31 July 2025 Mr L Mogakabe – Appointed 1 October 2024 to 31 July 2025 Mr B Makgoga – Appointed 1 October 2024 to 31 July 2025 Mr L Swanepoel – Appointed 1 October 2024 to 31 July 2025 Mr N Mofokeng – Appointed 1 October 2024 to 31 July 2025



Statement of Responsibility by the Members of the Board for the year ended 31 March 2025

The TAG Board is responsible for the preparation of the annual financial statements. The term of the Board expired on the 31 July 2025.

The annual financial statements conform with Generally Recognised Accounting Practices (GRAP) and the reporting requirements of the Public Finance Management Act (Act 1 of 1999), as amended (PFMA) and fairly present the state of affairs of the TAG as at the end of the financial year and the results of its operations and cash flows for the period under review.

It is the responsibility of the independent auditors to report on the fair presentation of the annual financial statements.

Internal and accounting controls

The TAG Board is ultimately responsible for the internal controls of the TAG. Management enables the Board Members to meet these responsibilities.

The internal controls are designed to provide reasonable assurance on the integrity and reliability of the annual financial statements of the TAG and to adequately safeguard, verify and maintain accountability for funds and assets.

Management and the Audit and Risk Committee of the Board have implemented a risk management policy and regularly review the risk register and mitigating internal controls. These are monitored and improved or amended as the TAG's operating conditions change.

Internal controls include a comprehensive budgeting and reporting system operating within strict deadlines, the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

As part of strengthening the internal controls, the TAG makes use of the GMA Internal Audit function which comprises nine personnel under the direction of the Chief Audit Executive.

Based on the information and explanations provided by management and the internal auditors, the TAG Board is of the opinion that the internal financial controls are adequate, effective and efficient and that the financial records may be relied upon for preparing the annual financial statements in accordance with GRAP and to maintain sound accountability for the TAG's assets and liabilities. Nothing has come to the attention of the TAG Board to indicate that a breakdown in the functioning of

these controls, resulting in material loss to the TAG, has occurred during the year and up to the date of this report.

Going concern

The use of the going concern basis of accounting is appropriate because at the date of approval of the annual financial statements, the TAG Board do not believe that there is any material uncertainties related to events or conditions that may cast significant doubt about the ability of the TAG to continue to operate as a going concern.

Audit and risk committee

The Audit and Risk Committee of the Board consists of nine non-executive members, all of whom are Board Members. The committee meets at least four times per annum. The committee ensures effective communication between the Board, GMA internal audit, and the Auditor-General. The Auditor-General and the GMA internal audit have independent access to the Audit and Risk Committee.

The Audit and Risk Committee operates within approved terms of reference and has discharged its responsibilities for the year, in compliance with its terms of reference.

Annual financial statements

The annual financial statements are prepared in accordance with accounting policies as set out in the Notes to the Annual Financial Statements and are supported by judgements, estimates and assumptions in compliance with GRAP.

The annual financial statements for the year ending 31 March 2025 set out on pages 57 to 78 were approved on 27 May 2025 by the TAG Board and signed on its behalf by the Interim CEO of the Transport Authority of Gauteng.

Prof. MP Ntsobi

TAG: INTERIM BOARD CHAIRPERSON

Mr. T Kgobe

TAG: INTERIM CHIEF EXECUTIVE OFFICER



Report of the Board

for the year ended 31 March 2025

The Members of the Board have pleasure in presenting their report for the year ended 31 March 2025.

General review

Transport Authority for Gauteng (TAG) is established in terms of Gauteng Transport Authority Act No. 2 of 2019, to develop an integrated transport system which contributes to environmental sustainability and social cohesion and promotes economic progress in the Gauteng Province.

The failure to secure the concurrence of the Provincial Treasury vis-a-vis the TAG remuneration, allowances, benefits, and other terms and conditions of appointment of members of staff determination, in accordance with section 37(3) of the Gauteng

Transport Authority Act, No. 2 of 2019 ("TAG Act").

The ongoing process of obtaining concurrence from the Provincial Treasury has taken more than two years and has resulted in a situation that no TAG staff could be appointed.

Financial overview

The financial overview of the TAG is comprehensively disclosed in the annual financial statements.

Financial results

The summary of the financial results of the TAG for the year ended 31 March 2025 is detailed in the table below.

Summary of financial results (R'000)	31 March 2025	31 March 2024
Total Revenue		
Total expenditure excluding depreciation and amortisation	39 289	29 793
Total expenditure	(33 923)	(38 746)
Net surplus (loss) for the year	5 366	(8 953)
Net surplus/(loss) for the year excluding depreciation and amortisation	5 058	(8 651)
Total assets	9 101	9 275
Total liabilities	11 471	17 011

Going concern

The Board has considered all the facts and has reason to believe that the TAG will continue to operate as a going concern in the year ahead.

Appreciation

The Board wishes to express its appreciation to all parties who participated and assisted during the year under review, and especially the following:

- i. The Gauteng Provincial Government, MEC Ms Kedibone Diale-Tlabela (MPL) and the Gauteng Department of Roads and Transport;
- ii. The Board members and TAG staff for their dedication and commitment;
- iii. GMA staff acting in accordance with the SLA between GMA and TAG
- iv. Professional Bodies who rendered services to the Board and TAG;
- v. The media fraternity;
- vi. The public in general; and
- vi. The African Union of Public Transport (UATP)



Report of the Auditor-General

to the Gauteng Provincial Legislature on Transport Authority Gauteng

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Transport Authority Gauteng set out on pages 57 to 78, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Transport Authority Gauteng 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 responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the PFMA and for such internal

control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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 52, 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 authority is responsible for the preparation of the annual performance report.
11. I selected the following material performance indicators presented in the annual performance report for the year ended 31 March 2025. I selected



Report of the Auditor-General (continued)

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

- Defined provincial land transport framework in place
- Revised 25-year integrated transport master plan in place
- Defined strategic transport plan for Gauteng in place

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

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 for 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 underachievements.

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 authority is responsible for the public 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 public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

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



Report of the Auditor-General (continued)

Other information in the annual report

22. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators scoped-in presented in the annual performance report that have been specifically reported on in this auditor's report.
23. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
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 scoped-in presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
25. The other information I obtained prior to the date of the auditor's report is a draft of the 2024/25 annual report. The final 2024/25 annual report is expected to be made available to me after 31 July 2025.
26. If, based on the work I have performed on the other information received prior to the date of this auditor's report, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

27. When I do receive and read the final 2024/25 annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract the auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

28. 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.
29. I did not identify any significant deficiencies in internal control.

Auditor - General

Johannesburg

31 July 2025



Auditing to build public confidence



Annexure to the Auditor's Report

Report on the audit of the financial statement

The annexure includes the following:

- The Auditor-General's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-General's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the public entity to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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



Annexure to the auditor's report (continued)

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Sections 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulations 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Sections 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraphs 4.8; 4.9; 5.3
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. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 3 of 2021/22	Paragraphs 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Sections 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulations 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulations 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)



Audit and Risk Committee Annual Report

for the financial year ended 31 March 2025

The Audit and Risk Committee (ARC) of the Transport Authority for Gauteng (TAG) is pleased to present its report for the financial year ended 31 March 2025. The ARC is a statutory committee established in terms of section 51(1)(a)(ii) of the Public Finance Management Act, 1999 (PFMA) and Treasury Regulation 3.1.13. Its duties are further informed by section 29 of the Gauteng Transport Authority Act No. 2 of 2019, the ARC Terms of Reference, and the principles contained in the King I Report on Corporate Governance in Southern Africa, 2016, particularly Principle 15 on assurance, Principle 11 on risk, and Principle 12 on technology and information governance.

2. Committee composition and meetings

The ARC is comprised of nine Members, all of whom are Members of the Interim Board:

Financial results

The summary of the financial results of the TAG for the year ended 31 March 2025 is detailed in the table below.

Table 1: Committee Composition and Meeting Attendance

Member	Attendance	Tenure on ARC during the year
Mr Bongisizwe Mpondo		
(Chairperson)	3/3	1 June 2024 – 31 Mar 2025
Mrs YM Matolong	2/3	1 June 2024 – 31 Mar 2025
Adv KG Maja	3/3	1 June 2024 – 31 Mar 2025
Mr IB Sibisi	3/3	1 June 2024 – 31 Mar 2025
Mr DK Golding	3/3	1 June 2024 – 31 Mar 2025
Ms L Mtiya	3/3	1 June 2024 – 31 Mar 2025
Ms M Luthuli	2/3	1 June 2024 – 31 Mar 2025
Ms L Mogakabe*	1/1	12 Dec 2024 – 31 Mar 2025
Mr R Hendrikse*	0/1	12 Dec 2024 – 31 Mar 2025

*Appointed to the ARC in December 2024, after the inclusion of non-executive directors nominated by local authorities.

The ARC held three scheduled meetings, one meeting short of the meeting requirements in line with its annual work-plan. This was because the ARC was only appointed three months into the Financial Year.

The Auditor-General of South Africa (AGSA), the Interim Chief Audit Executive, the Interim CEO, Interim CFO, Interim COO and Acting Group Executive: Risk and APP, attended meetings by standing invitation, thereby ensuring robust combined assurance.

3. Key activities and focus areas

The ARC fulfilled its responsibilities as outlined in its Terms of Reference, which include oversight of:

- The effectiveness of internal controls, risk management, and governance;
- The integrity of financial and performance information;
- The adequacy and reliability of financial reporting;
- The scope and results of both internal and external audit work;
- Compliance with applicable laws and regulations, including the PFMA;
- Monitoring the implementation of audit recommendations.

Audit and Risk Committee Annual Report (continued)

Key Activities and Focus Areas for the 2024/25 Financial Year		
Focus area	ARC oversight actions	Outcome / conclusion
3.1 Statutory financial reporting	<ul style="list-style-type: none"> Reviewed unaudited and final Annual Financial Statements (AFS). Considered accounting policies, significant estimates and disclosures against GRAP and PFMA requirements. 	The ARC is satisfied that the AFS fairly present the financial position and results of TAG for the year under review.
3.2 External audit	<ul style="list-style-type: none"> Evaluated the audit strategy and engagement letter of AGSA. Monitored resolution of prior-year findings. 	No material recurring findings were reported by AGSA. Management action plans for minor findings have been approved and are monitored quarterly.
3.3 Internal control and combined assurance	<ul style="list-style-type: none"> Received quarterly reports from GMA Internal Audit covering financial controls, performance information, ICT general controls and supply-chain processes. Monitored management's implementation of recommendations. 	Internal Audit concluded that the control environment is adequate, effective and efficient. No material breakdowns were reported.
3.4 Risk management	<ul style="list-style-type: none"> Reviewed the strategic risk register and mitigation plans at each meeting. Focused on capacity-related risks caused by the delay in securing Provincial Treasury concurrence on the remuneration structure. 	While strategic risks are identified and monitored, the Committee emphasised the need to finalise organisational capacitation to prevent emerging operational risks. The development of an Enterprise-wide Risk Management Framework is underway.
3.5 ICT governance and cybersecurity	<ul style="list-style-type: none"> Considered quarterly ICT service-level reports and progress toward a COBIT-aligned framework. 	Satisfactory progress was noted; no cybersecurity incidents occurred.
3.6 Legal and compliance	<ul style="list-style-type: none"> Monitored compliance with PFMA, Treasury Regulations, King IV and the GTA Act. Reviewed quarterly supply-chain and B-BBEE reports. 	No reportable non-compliance or irregular expenditure was identified during the period.
3.7 Ethics and fraud prevention	<ul style="list-style-type: none"> Oversaw operation of the independent fraud hotline and quarterly ethics dashboards. 	No fraud or corruption cases were reported.
3.8 Performance information	<ul style="list-style-type: none"> Reviewed quarterly and annual performance reports against the approved Annual Performance Plan. 	Reliability and usefulness of performance information were found to be satisfactory, with all targets either achieved or exceeded.

4. Significant matters addressed

Going-concern assessment – The ARC concurred with management and the Board that TAG remains a going concern, with MTEF allocation confirmed and SLA support from GMA are in place.

- Listing as a Schedule 3 (c) public entity – During the period under review, the ARC urged management to prioritise stakeholder engagement with National and Provincial Treasury to finalise the listing and unlock full organisational capacitation. The TAG was subsequently listed as a schedule 3 (c) Entity effective from 01 October 2024.
- Capacity constraints and reliance on GMA Shared Services – The ARC monitored the impact of staff shortages on control effectiveness. While the transitional support from the GMA has been beneficial, the ARC stresses the importance of building internal capacity for finance, ICT, internal audit, and supply chain functions to ensure TAG's operational independence. The ARC recommended phased recruitment and the recruitment of the CEO and Board Secretary are at an advanced stage, anticipated to be concluded during the 2nd Quarter of the 2025/26 Financial Year, followed by appointment of other critical Executive Positions.
- ICT Policy Framework Gaps - Although no critical ICT risks materialised, the absence of a fully institutionalised ICT governance policy, aligned with COBIT, remains a gap.
- CT Policy Framework Gaps - Although no critical ICT risks materialised, the absence of a fully institutionalised ICT governance policy, aligned with COBIT, remains a gap.

Audit and Risk Committee Annual Report (continued)

5. Focus areas for 2025/26

- a. Development and roll-out of the ICT Governance Framework (COBIT-aligned).
- b. Enhancement of enterprise-wide risk management, including risk appetite statements and key risk indicators.
- c. Implementation of a formal Combined Assurance Model covering all five lines of assurance.
- d. Ongoing oversight of strategic projects (PLTF, ITMP25, Strategic Transport Plan and Integrated Implementation Plan) to ensure value for money and sound governance and compliance.

6. Conclusion

The Committee is satisfied that it has discharged its responsibilities effectively in terms of its approved mandate.

The Committee is further pleased to report that:

- TAG received a financially unqualified and clean audit opinion for the 2024/25 financial year;
- The Annual Financial Statements fairly present the financial position and results of operations;
- There are no material deficiencies in internal controls, financial management, or compliance with relevant laws and regulations; and
- Management continues to improve governance, risk, and assurance systems.

The Committee expresses its appreciation to the Board, Executive Management, AGSA, and the GMA Internal Audit Unit for their cooperation and dedication in supporting the Committee's oversight role.

Accordingly, the Committee recommends the approval of the Annual Financial Statements and the Integrated Annual Report for submission to the Executive Authority and oversight bodies.



Signed on behalf of the Audit and Risk Committee

Mr Bongisizwe Mpondo

Chairperson: Audit and Risk Committee



Statement of Financial Position

as at 31 March 2025

		12 Months 31-Mar-25	12 Months 31-Mar-24
	Notes	R'000	R'000
ASSETS			
Current Assets			
Receivables (Exchange Transactions)		8 563	8 360
Current Account	1	8 562	8 360
		1	-
Non-current assets		606	914
Property, plant and equipment		606	914
TOTAL ASSETS		9 169	9 275
LIABILITIES			
Current liabilities			
Payables (Exchange Transactions)	3.1	8 562	8 360
Services Rendered (Employees)-Accruals	3.2	2 978	8 651
TOTAL LIABILITIES		11 539	17 011
Accumulated surplus/(Deficit)		(2 370)	(7 736)
TOTAL NET ASSETS		9 169	9 275



Statement of Financial Performance

as at 31 March 2025

		12 Months 31-Mar-25	12 Months 31-Mar-24
	Notes	R'000	R'000
REVENUE			
Revenue from non-exchange transactions		39 289	29 793
Government grants	9	39 289	29 793
TOTAL REVENUE		39 289	29 793
EXPENDITURE		33 923	38 746
Board and Committee member remuneration	4	1 105	704
Employee costs	5&6	11 025	19 213
Depreciation	7	308	302
Operational expenditure	8	21 485	18 527
NET SURPLUS/(DEFICIT) FOR THE YEAR		5 366	(8 953)



Statement of Changes in Net Assets

for the year ended 31 March 2025

	Accumulated Surplus/ (Deficit)	R'000
Balance as at 31-Mar-24		
Net surplus/(loss) for the period		(7 736)
Balance as at 31-Mar-25		<u>5 366</u>
		(2 370)



Cash Flow Statement

as at 31 March 2025

	Notes	12 Months 31-Mar-25	12 Months 31-Mar-24
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		30 730	29 241
Grant income		30 730	29 241
Payments		(30 729)	(29 240)
Board and committee member remuneration		(1 105)	(703)
Employee costs		(16 699)	(10 562)
Operating expenditure		(12 926)	(17 975)
Net cash from operating activities Note 10		0	0
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		–	–
Acquisition of intangible assets		–	–
CASH FLOWS FROM FINANCING ACTIVITIES		–	–
Movement in accounts receivables		–	–
Net increase in cash and cash equivalents		0	0
Cash and cash equivalents at beginning of the year			
Cash and cash equivalents at end of the year		0	0



Statement of Comparison of Budget and Actual Amounts

for the year ended 31 March 2025

	Notes	Actual amounts on a comparable Basis 2025				Funds from prior period and other Income 2025	Difference Between Revised budget, Funds From prior Period and Actual Amounts 2025
		Approved Budget 2025	Revised Budget 2025	R'000	R'000		
Final budget appropriation		29 324	29 324	—	—	—	—
Approved budget		29 324	29 324	—	—	—	—
Funds from previous year		—	—	—	—	—	—
Other income – RUF		—	—	—	—	—	—
Other Income – Interest income		—	—	—	—	—	—
Payments		29 324	29 324	38 307	—	(8 983)	
Project expenditure		10 700	10 700	15 196	—	(4 496)	
Review ITMP25		8 800	8 800	11 570	—	(2 770)	
Strategic Transport & Integrated Implementation plan		1 900	1 900	3 626	—	(1 726)	
Operating and support costs		18 624	18 624	23 111	—	(4 487)	
Human Resources		12 515	12 515	17 202	—	(4 687)	
Administration		2 922	2 922	3 721	—	(799)	
Corporate Governance		2 196	2 196	1 135	—	1 061	
ICT Hardware and Software		300	300	326	—	(26)	
Communication and Marketing Costs		191	191	243	—	(52)	
Legal Costs		500	500	—	—	500	
Audit Fees		—	—	484	—	(484)	
Net receipts/Budget surplus	23	—	—	—	—	(8 983)**	

* R8,9 Million is overspent in the current year due to payment of prior year debtors in the current year R8,3 million.



Accounting Policies

1.1. Presentation of the annual financial statements

General information

Transport Authority for Gauteng (TAG) is established in terms of the Gauteng Transport Authority Act No. 2 of 2019, to develop an integrated transport system which contributes to environmental sustainability and social cohesion and promotes economic progress in the Gauteng Province.

Basis of preparation

The annual financial statements have been prepared in accordance with the prescribed standards of Generally Recognised Accounting Practice

(GRAP), including any directives, interpretations and guidelines issued by the Accounting Standards Board (ASB), and in accordance with the PFMA. The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless specified otherwise.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below. Assets, liabilities, revenues and expenses have not been off-set except where off-setting is required or permitted by a Standard of GRAP. The accounting policies have been applied consistently in all material aspects, unless otherwise indicated. The details of any changes are explained in the relevant policy notes.

Additional information has been disclosed to enhance the usefulness of the annual financial statements and to comply with the relevant legislative requirements of the PFMA.

The Cash Flow Statement is prepared on the direct cost method.

Use of estimates and significant judgements

The preparation of the annual financial statements in conformity with GRAP requires management to make judgements, estimates and assumptions in the process of applying the accounting policies and in reporting assets, liabilities, income and expenses. These judgements, estimates and assumptions affect the amounts represented in the annual financial statements and related disclosures. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future financial periods affected.

Significant areas of estimation, complexity and critical judgements in applying accounting policies that have a material effect on the amounts recognised or disclosed in the annual financial statements are:

- **Useful lives and residual values (GRAP 17, 31 & 103)**

- **Impairment of receivables (GRAP 104)**

Significant judgement is used in estimating the impairment of receivables based on past payment history, risk profile, credit reputation and market information.

- **Segment reporting (GRAP 18)**

Significant judgement is used in identifying service and geographical segments of the TAG.

Presentation currency

The annual financial statements are presented in South African Rand (ZAR), which is the TAG's functional currency. All financial information presented in South African Rand has been rounded to the nearest thousand, (R'000).

Transactions in currencies other than the TAG's reporting currency are initially recorded at the exchange rate applicable on the date of the transactions. Gains and losses arising from the settlement of such transactions are recognised in the Statement of Financial Performance, or disclosed in the disclosure notes to the annual financial statements if they relate to ring-fenced Project activities.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling on the date of the Statement of Financial Position. Unrealised differences on monetary assets and liabilities are recognised in the Statement of Financial Performance in the period occurred.

Comparative information

- **Current year comparatives (Budget)**

Budget information in accordance with GRAP 1 and 24, has been provided in these annual financial statements.

- **Prior year comparatives**

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

Going concern assumption

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



Accounting Policies (continued)

1.2. Property, plant and equipment

Recognition and measurement

The policies for property, plant and equipment is applicable to property, plant and equipment managed by the TAG.

The cost of an item of property, plant and equipment is recognised as an asset when:

- It is probable that future economic benefits associated with the item will flow to the TAG; and
- The cost of the item can be reliably measured.

All items of property, plant and equipment that qualify for recognition as assets are measured at cost. Where an asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

Costs for acquired assets include:

- The items purchase price, including import duties and non-refundable taxes, after deducting any trade discounts and rebates;
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner as intended by management;
- The initial estimates of the costs of dismantling and removing the item and restoring the site on which it is located, for which the TAG incurs this obligation either when the item is acquired or as a consequence of having used the item during a particular period.

The cost of self-constructed assets is determined using the same principles as those applied for an acquired asset and includes the cost of materials, direct labour and other resources incurred in constructing the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and an initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of related equipment is included in the cost of the related equipment.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses. Property, plant and equipment is depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment and depreciated separately.

Items of capital work-in-progress are measured at cost less impairment losses. The cost of capital work-in-progress assets includes costs of material, direct labour and any other costs directly attributable to bringing the asset to a condition where it is ready for its intended use. Capital work-in-progress is ready for its intended use once a handover certificate is issued, and at this point, capital work-in-progress is recognised as an item of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the TAG and the cost of the item can be reliably measured.

All other costs such as day-to-day servicing and small parts are treated as repairs and maintenance and are expensed to the Statement of Financial Performance during the financial period in which they are incurred.

The depreciation charge for each period is recognised in the Statement of Financial Performance unless it is included in the carrying amount of another asset.

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

Item	Average useful life
TAG Assets	
• Office equipment	5-12 years
• Computer equipment	3-9 years
• Furniture & fittings	5-12 years
• Lease improvements	Over the period of the lease
• Lease assets	Over the period of the lease

Leasehold improvements on premises occupied under operating leases are written off over their expected useful lives or, where shorter, the term of the lease.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The useful lives of assets are based on management's estimation.



Accounting Policies (continued)

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the Statement of Financial Performance when the item is derecognised.

Impairment

The recoverable service amount is the higher of the asset's fair value less costs to sell, and its value in use. Value in use is the present value of the asset's remaining service potential. If either of these amounts exceeds the asset's carrying value, the asset is not impaired, and it is not necessary to determine the other amount.

If the asset's carrying value exceeds its recoverable service amount, the asset is impaired. The carrying amount of the asset is then reduced to its recoverable service amount and this reduction is the impairment loss which is charged as an expense to the Statement of Financial Performance.

Reversal of impairment

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

The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for an asset is recognised immediately in the Statement of Financial Performance.

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

Derecognition

The carrying amount of an item of property, plant and equipment shall be 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 property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised in the Statement of Financial Performance when the item is derecognised.

1.3. Provisions and other liabilities

Provisions are recognised as liabilities when the TAG has a present legal or constructive obligation because of a past event, for which it is probable that an outflow of resources

embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date. The best estimate is determined by management's judgement, supplemented by experience of similar transactions and in some instances reports from independent experts.

1.4. Finance leases

Recognition

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the TAG through the lease agreement. Assets subject to finance leases are recognised in the Statement of Financial Position at the inception of the lease, as is the corresponding finance lease liability.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date; namely whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Measurement

Assets subject to a finance lease, as recognised in the Statement of Financial Position, are measured at initial recognition at the lower of the fair value of the assets and the present value of the future minimum lease payments. Subsequent to initial recognition these capitalised assets are depreciated over the contract term.

The finance lease liability recognised at initial recognition is measured at the present value of the future minimum lease payments. After initial recognition this liability is carried at amortised cost, with the lease payments being set off against the capital and accrued interest. The allocation of the lease payments between the capital and interest portion of the liability is effected through the application of the effective interest method.

The finance charges resulting from the finance lease are expensed, through the Statement of Financial Performance, as they accrue. The finance cost accrual is determined using the effective interest method.

Derecognition

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



Accounting Policies (continued)

1.5. Contingencies and commitments

A contingent liability is not disclosed in the notes to the annual financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

A contingent liability is:

- 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 TAG; or
- A present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits; or service potential will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Transactions are classified as commitments where the TAG commits itself to future transactions.

1.6. Revenue (non-exchange transactions)

Government grants

Government grants comprise gross inflows of economic benefits and are recognised as revenue when it is probable that future economic benefits will flow to the TAG and the fair value of those benefits can be reliably measured. Grants are recognised when there is reasonable assurance that they will be received, or when there is a legal obligation for the grant to be paid and only to the extent that the TAG has complied with any of the stipulations or conditions, if any, attached to the grant. The TAG receives its grant from the Provincial Revenue Fund.

1.7. Revenue (exchange transactions)

Revenue from exchange transactions is recognised on the accrual basis of accounting when it is probable that future economic benefits will flow to the TAG and those benefits can be reliably measured.

Finance income

Finance income is recognised as it accrues, in the Statement of Financial Performance on a time proportionate basis using the effective interest rate method.

Finance income comprises of interest income on funds invested.

Other income

Other income is recognised on the accrual basis when it is probable that future economic benefits will flow to the TAG and these benefits can be reliably measured.

1.8. Finance expenses

All finance costs are recognised in the Statement of Financial Performance using the effective interest rate method.

1.9. Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits that are to be paid by the TAG within 12 months after the reporting date and are presented on an undiscounted basis. Short-term employee benefits in the TAG include salaries, pension contributions, bonuses and short-term compensated absences such as paid annual leave and paid sick leave.

Recognition and measurement

When an employee has rendered services to the TAG during the reporting period, the TAG recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as:

- A liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the TAG recognises the excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund to the TAG; and
- As an expense in the Statement of Financial Performance.

Short-term compensated absences

- Accumulating compensated absences e.g. annual leave, are those that are carried forward and can be used in future periods if the current period's entitlement is not used in full. The TAG recognises the expected cost of such absences when employees render services that increases their entitlement to future compensated absences. Accumulated compensated absences are vesting, in that employees are entitled to a cash payment for unused leave entitlement on leaving the TAG.

The TAG measures the expected cost of accumulating compensated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

- Non-accumulating compensated absences e.g. sick leave, do not carry forward, they lapse if the current reporting period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the TAG. The TAG recognises no liability or expense until the time of the absence, because employee service does not increase the amount of the benefit.



Accounting Policies (continued)

Bonus, incentive and performance-related payments

- The TAG recognises a liability and an expense for the expected cost of bonus, incentive and performance related payments when it has a present legal or constructive obligation to make such payments as a result of past events; and a reliable estimate of the obligation can be made.

Post employment benefits: defined contribution plan recognition and measurement

When an employee has rendered services to the TAG during a reporting period, the TAG shall recognise the contribution payable to a defined contribution plan in exchange for that service:

- As a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the TAG shall recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- As an expense in the Statement of Financial Performance.

1.10. Operating leases

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

Lease payments under an operating lease shall be recognised as an expense in the Statement of Financial Performance on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

The difference between the straight-lined lease payments and the contractual lease payments are recognised as either an operating lease asset or operating lease liability. An operating lease liability is raised to the extent that lease payments are received in advance (i.e. the straight-line lease payments are more than the contractual lease payments). The operating lease asset and / or operating lease liability are measured as the undiscounted difference between the straight-line lease receipts and the contractual lease payments.

Operating lease liabilities are derecognised when the entity's obligation to provide economic benefits or service potential under the lease agreement expires. Operating lease assets are derecognised when the entity's right to the underlying cash flows expires or the entity no longer expects economic benefits to flow from the operating lease asset.

1.11. Irregular expenditure

Irregular expenditure comprises expenditure, other than unauthorised expenditure, incurred in contravention of, or not in accordance with the TAG Supply Chain Management Policy, the PFMA, the National Treasury Regulations, the PPPFA, the State Tender Board Act or any other applicable legislation providing for procurement procedures. Such expenditure is accounted for in the Statement of Financial Performance. Where recoverable and not condoned by the relevant authority, it is treated as an asset until it is recovered or written off as irrecoverable.

1.12. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined as expenditure that was made in vain and would have been avoided had reasonable care been exercised. Such expenditure is accounted for as expenditure in the Statement of Financial Performance and where recoverable treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

1.13. Taxes and levies

The TAG accounts for PAYE tax, deducted from employee salaries and paid over to SARS. If any other taxes or levies are required by law, then these will be collected on behalf of the government or other party in an agency capacity and would not be accounted for as revenue in the annual financial statements of the TAG.

1.14. Taxation

The TAG's income is exempt from taxation in terms of Section 10 (1)(cA) of the Income Tax Act.

1.15. Related parties

A related party to the TAG is a person or entity with the ability to control or jointly control the TAG, or exercise significant influence over the TAG and vice versa, or an entity that is subject to common control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the TAG, but it is not in control over those policies. A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

An entity that is a member of the Gauteng Provincial Government and is under common control of the Gauteng Provincial Legislature is related to the TAG. However, only transactions and balances of the same economic entity will be disclosed.

In respect of entities, other government entities or appointed members of the government, only transactions and balances under the Executive Authority of the



Accounting Policies (continued)

MEC of Gauteng Department of Roads and Transport are disclosed. The Gauteng Department of Roads and Transport, and its entities have been identified as entities of the same economic entity.

In respect of persons, a member of management of the TAG, is regarded as a related party of the TAG. Management includes all persons having the authority and responsibility for planning, directing and controlling the activities of the TAG, including all members of the governing body of the TAG, key advisors of the governing body with the authority and responsibility for planning, directing and controlling the activities of the TAG, and the senior management team of the TAG, including the Chief Executive Officer.

If the TAG has been party to any related party transactions during the reporting period covered by the annual financial statements, it shall disclose the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, to enable users to understand the potential effect of the relationship on the financial statements. Only transactions not at arm's length are disclosed, and materiality is considered in terms of the disclosure of these transactions.

The TAG shall disclose the remuneration of management per person and in aggregate, for each class of management.

1.16. Subsequent events

Events after the reporting date are those events both favourable and unfavourable that occur between the reporting date and the date when the annual financial statements are authorised for issue, and are treated as follows:

- The TAG shall adjust the amounts recognised in its annual financial statements to reflect adjusting events after the reporting date for those events that provide evidence of conditions that existed at the reporting date, and
- The TAG shall not adjust the amounts recognised in its annual financial statements to reflect non-adjusting events after the reporting date for those events that are indicative of conditions that arose after the reporting date.

1.17. Budget information

The TAG includes an additional financial statement on comparison of budget amounts and actual amounts arising from the execution of the Budget in its annual financial statements, together with disclosure of the reasons for material differences between the approved budget, final budget and actual amounts. This reporting disclosure assists the TAG to discharge its accountability obligations and enhances the transparency of the annual financial statements by demonstrating compliance with the

approved budget for the financial year, for which the TAG is held publicly accountable.

The Statement of Comparison of Budget and Actual Amounts presents separately, for each level of governance oversight, the approved and final budget amounts and the actual amounts on a comparable basis to the budget. The budget adopts a cash basis of accounting, whilst the annual financial statements are prepared on the accrual basis of accounting. To assist users in understanding the application of the budget, the TAG includes a separate reconciliation of actual amounts on a comparable basis to the budget, to the actual amounts in the annual financial statements (net surplus in the Statement of Financial Performance). The TAG is committed to expending funds and operating within the limits of its approved budget allocation.

1.18. Segment reporting

A segment is an activity of the TAG that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity as well as in assessing its performance and for which separate financial information is available.

The TAG shall report separately information about each segment that has been identified.

1.19. Financial instruments

Financial instruments comprise cash and cash equivalents, other receivables, liabilities (accruals) and other payables.

Initial recognition

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

TAG classifies a financial instrument, or its component parts, on initial recognition as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and to the extent that the instrument satisfies the definitions of a financial liability, a financial asset and a residual interest.

Financial instruments are evaluated, based on their terms, to determine if those instruments contain both liability and residual interest components (i.e. to assess if the instruments are compound financial instruments). To the extent that an instrument is in fact a compound instrument, the components are classified separately as financial liabilities and residual interests as the case may be.



Accounting Policies (continued)

Initial measurement

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

Subsequent measurement

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

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

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

Derecognition

A financial asset is derecognised at trade date, when:

- The cash flows from the asset expire, are settled or waived;
 - a) Significant risks and rewards are transferred to another party; or
 - b) Despite having retained significant risks and rewards, the TAG has transferred control of the asset to another entity.
- A financial liability is derecognised when the obligation has ceased. Exchanges of debt instruments between a borrower and a lender are treated as the extinguishment of an existing liability and the recognition of a new financial liability. Where the terms of an existing financial liability are modified, it is also treated as the extinguishment of an existing liability and the recognition of a new liability.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in the Statement of Financial Performance.

Offsetting

The TAG does not offset financial assets and financial liabilities in the Statement of Financial Position unless a legal right of set-off exists and the parties intend to settle on a net basis.

Impairment

All financial assets measured at amortised cost, fair value or cost are subject to an impairment review. The TAG assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets held at amortised cost:

The TAG first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the TAG determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in the collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the financial asset's original effective interest rate i.e. the effective interest rate computed at initial recognition. The carrying amount of the asset is reduced using an allowance account. The amount of the loss is recognised as an expense in the Statement of Financial Performance.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in the Statement of Financial Performance.

Financial assets held at cost:

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



Accounting Policies (continued)

Cash and cash equivalents

Cash and cash equivalents are recognised at fair value.

Cash and cash equivalents comprise cash at the bank including deposits held at call with banks. These are short-term, highly liquid investments, readily convertible into known amounts of cash, 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 at the bank including deposits held on call with banks.

Receivables

Receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

A provision for impairment of receivables is made when there is objective evidence that the TAG will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of any debtor, the probability that the debtor will be bankrupt or under financial administration, and default or delinquency in payments, are considered indicators that the receivable is impaired, and that a provision should be raised.

The provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted using the effective interest rate and is recognised in the Statement of Financial Performance. Uncollectable debts are written off against the provision. Subsequent recoveries of amounts previously written off are recognised in the Statement of Financial Performance.

Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

1.20. Financial risk management

The entities activities expose it to the following risks:

- Credit risk;
- Liquidity risk; and
- Market risk.

The TAG Board has overall responsibility for the establishment and oversight of the TAG's Risk Management framework. The Board has established the Audit and Risk Committee, which is responsible for developing

and monitoring the TAG's risk management policies. The Committee reports regularly to the Board on its activities. The TAG's risk management policies and systems are established to identify and analyse the risks faced by the TAG, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the TAG's activities. The TAG has a fundamental objective in maintaining a disciplined and constructive control environment in which all appointed officials understand their roles and obligations in relation to the TAG's overall risk management framework, policy, systems and processes.

This policy presents information about the TAG's exposure to each of the above risks, the TAG's objectives, policies and processes for measuring and managing risk and the TAG's management of capital, assets and liabilities. Further quantitative disclosures are included in the Notes to the annual financial statements.

(A) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as committed transactions. Banks and financial institutions with an acceptable independent rating are accepted.

(i) Deposits

The TAG limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable independent credit rating. Management does not expect any counterparty to fail to meet its obligations with regards to the TAG deposits.

(B) Liquidity risk

Cash flow forecasting is performed on a monthly basis. This rolling forecast is monitored for liquidity requirements to ensure the TAG has sufficient cash to meet the Project's monthly financial obligations as they fall due. Surplus cash held is invested in an interest-bearing current account.

(C) Market risk

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The TAG ensures that it reviews its cash management strategies to ensure finance income is maximised.

(i) Price Risks

The TAG does not hold equity security and is therefore not exposed to equity security price risk. The TAG is also not exposed to any commodity price risk.



Accounting Policies (continued)

(ii) Interest Rate Risks

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

1.21. New standards and interpretations

(A) Early adoption of Standards and Interpretations: Approved but not effective in the current year

The impact of this is currently being assessed by management

Standards of GRA	Details of the amendment to the Standards and the anticipated impact	Financial Period
GRAP 1: Presentation on Financial Statements	The new standard amendments prescribe what events or conditions may management consider when assessing going concern and material uncertainties	No effective date
GRAP 103: Heritage Assets	The new standard amendments prescribe the principles for recognising, measuring, presenting and disclosing Heritage Assets.	No effective date
GRAP 104: Financial Instruments	The new standard amendments prescribe the principles for recognising, measuring, presenting and disclosing financial instruments.	01 April 2025
GRAP 105: Transfer of Functions Between Entities Under Common Control	The new standard amendments prescribe the principles for recognising, measuring, presenting and disclosing Transfer of Functions Between Entities Under Common Control.	No effective date
GRAP 106: Transfer of Functions Between Entities Not Under Common Control	The new standard amendments prescribe the principles for recognising, measuring, presenting and disclosing Transfer of Functions Between Entities Not Under Common Control.	No effective date
GRAP 107: Mergers	The new standard amendments prescribe the principles for recognising, measuring, presenting and disclosing Mergers.	No effective date

(B) New Standards and Interpretations: Approved but not effective in the current year

None



Notes to the Financial Statements

for the year ended 31 MARCH 2025

	2025	2024
	R'000	R'000
1. Accounts Receivables		
Accounts Receivables		
Current Account	8 562	8 360
TOTAL	1	-
	8 563	8 360

2. TAG assets

SUMMARY	2025			2024		
	Cost/ Valuation R'000	Accumulated depreciation R'000	Carrying value R'000	Cost/ Valuation R'000	Accumulated depreciation R'000	Carrying value R'000
Office equipment	474	259	215	474	164	310
Computer equipment	762	494	268	762	337	425
Furniture & fittings	281	158	123	281	101	179
TOTAL	1 517	911	606	1 517	603	914
Reconciliation – 2025	Opening balance	Additions	Capitalised	Write-off	Depreciation	Closing balance
Office equipment	310	–	–	–	95	215
Computer equipment	425	–	–	–	157	268
Furniture & fittings	179	–	–	–	56	123
Carrying value – 2025	914	–	–	–	308	606
Reconciliation – 2024	Opening balance	Additions	Capitalised	Write-off	Depreciation	Closing balance
Office equipment	405	–	–	–	95	310
Computer equipment	578	–	–	–	152	425
Furniture & fittings	234	–	–	–	55	179
Carrying value – 2025	1 216	–	–	–	302	914



Notes to the Financial Statements for the year ended 31 March 2025 (continued)

	2025	2024
	R'000	R'000
3.1 Payables (exchange transactions)		
Trade Payables	8 562	8 360
TOTAL	8 562	8 360
3.2 Services rendered (employees)-accruals		
Gratuity & CEO Bonus	2 978	7 129
Leave	–	1 522
TOTAL	2 978	8 651

4. Board members and other committee members' remuneration**Board member remuneration – 2025**

Names of Board members		2025		
		Board fees R'000	Other expenses R'000	Total remuneration R'000
Mr T Ratshitanga (Chairperson)	April 2024 - May 2024	24	0	24
Mr EB Lengane	April 2024 - May 2024	19	0	19
Ms SF Mkhize	April 2024 - May 2024	19	0	19
Mrs YM Matolong	April 2024 - May 2024	–	0	–
Mr SA Ngobeni	April 2024 - May 2024	19	0	19
Ms VN Vedalankar	April 2024 - May 2024	19	0	19
Ms L Mogakabe	April 2024 - May 2024	–	1	1
Ms M Rapetsoa	April 2024 - May 2024	–	0	0
Mr SN Mofokeng	April 2024 - May 2024	–	0	0
Mr R Hendrikse	April 2024 - May 2024	–	0	0
Mr TJ Ngcobo	April 2024 - May 2024	–	0	0
Prof. MP Ntsobi	June 2024 - July 2025	86	3	89
Mrs YM Matolong	June 2024 - July 2025	136	5	141
Adv KG Maja	June 2024 - July 2025	102	3	105
Mr IB Sibisi	June 2024 - July 2025	125	4	128
Mr B Mpondo	June 2024 - July 2025	90	3	93
Mr DK Golding	June 2024 - July 2025	132	3	135
Ms L Mtiya	June 2024 - July 2025	108	3	111
Ms M Luthuli	June 2024 - July 2025	94	2	96
Mr R Hendrikse	October 2024 - July 2025	–	1	1
Mr L Mogakabe	October 2024 - July 2025	–	2	2
Mr B Makgoga	October 2024 - July 2025	–	4	4
Mr L Swanepoel	October 2024 - July 2025	–	2	2
Mr N Mofokeng	October 2024 - July 2025	–	2	2
TOTAL		973	40	1 013



Notes to the Financial Statements for the year ended 31 March 2025 (continued)

4. Board members and other committee members' remuneration

Audit & Risk Committee remuneration

Names of Audit & Risk Committee members		2025		
		Attendance fees R'000	Other expenses R'000	Total remuneration R'000
Mrs YM Matolong	June 2024 – March 2025	11	–	11
Adv KG Maja	June 2024 – March 2025	16	–	16
Mr IB Sibisi	June 2024 – March 2025	16	–	16
Mr B Mpondo	June 2024 – March 2025	16	–	16
Mr DK Golding	June 2024 – March 2025	16	–	16
Ms L Mtia	June 2024 – March 2025	16	–	16
Ms M Luthuli	June 2024 – March 2025	–	–	–
		92	–	92
				1 105

Board member remuneration – 2024

Names of Board members	2024		
	Board fees R'000	Other expenses R'000	Total remuneration R'000
Mr T Ratshitanga (Chairperson)	123	3	126
Mr EB Lengane	98	4	102
Ms SF Mkhize	110	4	114
Mrs YM Matolong	59	3	62
Mr SA Ngobeni	102	3	106
Ms VN Vedalankar	94	3	97
Ms L Mogakabe	–	5	5
Mr E Van Der Merwe	–	3	3
Mr A Motobatse	–	3	3
Ms M Rapetsoa	–	3	3
Mr SN Mofokeng	–	2	2
Mr R Hendrikse	–	–	–
Mr TJ Ngcobo	–	–	–
TOTAL	586	36	622

Audit & Risk Committee remuneration

Names of Audit & Risk Committee members	2025		
	Attendance fees R'000	Other expenses R'000	Total remuneration R'000
Mr EB Lengane (Chairperson)	16	–	16
Ms SF Mkhize	16	–	16
Mr SA Ngobeni	16	–	16
Ms VN Vedalankar	18	–	18
Mr T Ratshitanga	9	–	9
Mrs YM Matolong	5	–	5
TOTAL	81	–	81
			704



Notes to the Financial Statements for the year ended 31 March 2025 (continued)

5. Executive management remuneration

	2025						Total remuneration
	Basic salary	Company contributions	Bonus	Acting Allowances	Lump sums		
Mr E Van Der Merwe – CEO April 2024- May 2024	872	130	4 094	–	1 465		6 561
Mr TP Kgobe Interim CEO – June 2024 – March 2025	–	–	100	1 419	–		1 519
TOTAL	872	130	4 194	1 419	1 465		8 079

Bonuses are paid in arrears, thus the amounts disclosed above relate to bonuses paid for the prior financial period.

	2024						Total remuneration
	Basic salary	Company contributions	Bonus	Acting Allowances	Lump sums		
Mr E Van Der Merwe CEO	6 160	847	–	–	–		7 007
TOTAL	6 160	847	–	–	–		7 007

		2025	2024
		R'000	R'000
6. Employee costs			
Salaries, bonuses and allowances		16 339	5 910
Increase/(Decrease) in leave accrual		(1 522)	1 522
Increase/(Decrease) in bonus accrual		(4 152)	9 210
Provident fund contributions & Subsidy		360	2 231
Employer contributions		–	340
TOTAL		11 025	19 213

7. Depreciation and amortisation costs

Depreciation	308	302
TAG assets	308	302
TOTAL	308	302



Notes to the Financial Statements for the year ended 31 March 2025 (continued)

	2025	2024
	R'000	R'000
8. Operational expenditure		
Travel, accommodation, entertainment & subsistence	2 208	1 127
Recruitment costs	304	367
Training & membership fees	642	–
ITMP25 & STIP costs	15 196	14 913
Audit Fees	484	360
Building rent and utilities	1 429	1 285
Office running costs	105	–
IT related costs	350	475
Marketing and communications	243	–
Consultants HR & Legal	523	–
TOTAL	21 485	18 527
9. Revenue from non-exchange transactions		
MTEF funding		
Revenue	39 289	29 793
Sub Total	39 289	29 793
10. Reconciliation of the budget to actual amounts in the statement of financial performance		
Net Deficit per the Statement of Financial Performance	5 366	(8 953)
Base adjusted for:		
Depreciation	308	302
Other non-cash movement		
Increase/Decrease in accruals	–	8 651
Increase/(decrease) in current assets	-203	(1 088)
Increase/(decrease) in current liabilities	-5 571	1 088
Cash flows from operating activities	0	(0)
11. Commitments		
ITMP25 & STIIP Consultants	8 682	20 349
Information technology	81	419
Corporate Governance	131	771
Comms, Facilities and Human Resources	878	749
	9 772	22 289



Notes to the Financial Statements for the year ended 31 March 2025 (continued)

12. Related party transactions

Non-executive Board Members and Board Committee Members:

The total value of remuneration of the Non-Executive Board Members, including the Audit and Risk Committee Members, is disclosed in note 3. TAG did not enter into any other transactions with Non-Executive Board Members, including the Audit and Risk Committee Members.

Executive Management:

The total value of remuneration of executive management is disclosed in note 4. TAG did not enter into any other transactions with executive

Gauteng Provincial Government

An entity that is a member of the Gauteng Provincial Government and is under the common control of the Gauteng Provincial Legislature is related to the TAG. However, only transactions and balances of the same economic entity will be disclosed.

In respect of entities, other government entities or appointed members of the government, only transactions and balances under the Executive Authority of the MEC of Gauteng Department of Roads and Transport are disclosed. The Gauteng Department of Roads and Transport, and its entities have been identified as entities of the same economic entity.

During the financial year under review, the TAG entered into financial transactions with Gautrain Management Agency under the Executive Authority of the MEC of the Gauteng Department of Roads and Transport .The detailed transaction is disclosed under the note . 'Payables'.

G-fleet's Chief Executive Officer (Ms Noxolo Maninjwa) was seconded to the Transport Authority of Gauteng (TAG) during the 2023/24 financial year in order to facilitate the operationalisation of TAG. The G-fleet continues to bear the cost of the official's remuneration. This employee does not hold a key position at TAG and is not a Board Member of TAG, therefore not subjected to any disclosure requirements.

13. Financial instruments and risk management

TAG's financial instruments consist of payables.

The fair values together with the carrying amounts have been determined by using available market information and are presented in the Statement of Financial Position as detailed below.

	2025 R'000	2024 R'000
Financial assets – at carrying value		
Receivables	8 562	8 360
Financial liabilities – at carrying value		
Payables	8 562	8 360
Fair value of financial instruments:		
Financial assets at fair value:		
Receivables	8 562	8 360
Financial liabilities held at fair value:		
Payables	8 562	8 360



Notes to the Financial Statements for the year ended 31 March 2025 (continued)

13. Financial instruments and risk management (continued)

Financial Instruments

Potential concentrations of credit risk consist mainly of cash and cash equivalents, trade receivables and other receivables. Other receivables consist of accrued interest and prepayments, upon which credit risk is limited as interest is receivable from banks with an acceptable independent rating and prepayments are minimal.

On 31 March 2025, TAG did not consider there to be any significant concentration of credit risk which had not been insured or adequately provided for.

Fair Value of Financial Instruments

The carrying amounts of the following financial instruments, approximate their fair value due to the fact that these instruments are predominantly short term nature.

- Cash and cash equivalent bank balances with commercial interest rates.
- Short term receivables - due to the short-term nature of TAG's receivables, amortised cost approximates its fair value.
- Long term receivables bear interest at a rate that approximates market rates.
- Other payables - are subject to normal trade credit terms and short payment cycles. The cost of other payables approximates its fair value.

No financial instrument is carried at an amount in excess of its fair value.

Risk Management

Interest rate risk management

TAG does not have significant interest-bearing assets, and therefore the TAG's income and operating cash flows are substantially independent of changes in market interest rates.

Liquidity risk management

TAG manages liquidity risk through the compilation and monitoring of Accounts receivables and Accounts Payables.

MATURITY PERIOD	2025		
	0 - 12 Months	1 - 5 Years	>5 Years
Financial Liabilities			
Receivables	8 562	-	-
Payables	(8 562)		

14. B-BBEE performance

Information on compliance with the B-BBEE Act is included in the Annual Report under the section titled B-BBEE Compliance Performance Information.

15. Subsequent events

The TAG board member's tenure of office ended 30 April 2024. The GMA board currently acts as the TAG board. The advertisement and recruitment process for the appointment of the new board is currently underway.

The GMA CEO currently acts as the TAG CEO and company secretariat's of the GMA currently acts as TAG secretariat. The advertisement and recruitment process for the appointment of the new CEO and Secretariat is currently underway.



Notes to the Financial Statements for the year ended 31 March 2025 (continued)

16. Going concern

On 31 March 2025, the TAG Board has every reason to believe that the TAG has adequate resources in place to continue in operation in the foreseeable future. The TAG is a Provincial entity and is funded by the budget allocations from the Gauteng Province. The entity has been allocated a budget of R35 Million for the 2025/26 financial year. The budget is sufficient to ensure that TAG can meet all its obligations for the 2025/26 financial year.

Gauteng Province and Gauteng Treasury have funds allocated for the TAG through the MTEF Budget process as part of their budget/commitments.

17. Segment reporting

TAG has one economic activity that generates service potential, whose results are regularly reviewed by management to make decisions about resources to be allocated and for which financial information is available. TAG has a single service segment as well as a geographical segment.

	2025	2024
	R'000	R'000
18. Irregular expenditure		
Description		
Irregular Expenditure	–	12
Closing balance	–	12

Annual renewals of these subscriptions was conducted in accordance with the National Treasury note 3 of 2021/2022 and the TAG SCM Policy i.e. through deviations. The GMA had consultations with the Provincial Treasury in this regard and the Provincial Treasury ruled that this is an Irregular Expenditure relating to the 2023/24 financial year. A new competitive process was undertaken during the 2024/25 financial year.



Annexure A

Disclosure on the Application of the King IV™ Report on Corporate Governance

The TAG is committed to upholding the highest standards of corporate governance in line with the principles and recommended practices outlined in the King IV Report on Corporate Governance™ for South Africa 2016 (King IV). This disclosure reflects the extent to which TAG has applied the 17 King IV principles during the 2024/25 financial year, taking into consideration its current operational context, the transitional governance arrangements under an Interim Board, and the institution's reliance on the Gautrain Management Agency (GMA) for support services through a formal Service Level Agreement. While TAG is still maturing as a Schedule 3 (C) public entity, notable progress has been made in embedding sound governance practices, ethical leadership, and stakeholder inclusivity. This disclosure is presented in the spirit of transparency and continuous improvement.

King IV Principle	Application by TAG	Status
1. Leadership: Ethical and Effective Leadership	<p>The Interim Board has demonstrated ethical and effective leadership by setting a clear strategic direction and fostering a culture of integrity and accountability. This has been achieved through the approval of key governance instruments, including the Strategic Plan, Annual Performance Plan (APP), and foundational policies that align with TAG's legislative mandate.</p> <p>The Interim Board's leadership has been further strengthened through structured oversight by its Committees—such as the ARC, FPC and the HCSEC, as well as adherence to the governance provisions of the GTA Act. These structures have enabled the Board to fulfil its fiduciary responsibilities in a transparent and effective manner.</p>	Applied
2. Organisational Ethics	<p>TAG is committed to fostering and institutionalising an ethical culture as a cornerstone of its governance framework. TAG adopted a Business Code of Conduct and Ethics for Board Members, which provides a clear guide to ethical behaviour, conflict-of-interest management, accountability, and sound decision-making. All Board Members have submitted signed declarations of interest, which are reviewed and updated regularly to ensure proactive identification and mitigation of ethical risks.</p> <p>Although TAG is still in the process of becoming fully operational and continues to receive administrative and operational support through a SLA with the GMA, the ethical obligations extend to all seconded GMA personnel. These officials are required to complete Annual Declarations of Interest tailored to their specific roles at TAG.</p> <p>As part of its ethical risk mitigation strategy, TAG has implemented an independent whistle-blower reporting mechanism, which enables the confidential disclosure of suspected unethical behaviour, fraud, and corruption. This hotline forms an essential component of TAG's early-warning system and ethical resilience.</p> <p>While the Ethics Function is still being developed as part of the organisation's maturing governance capacity, oversight responsibility for ethics currently resides with the HCSEC, in conjunction with the ARC. These structures monitor ethical conduct and ensure alignment with the governance objectives of the Authority.</p> <p>This integrated approach reflects TAG's commitment to embedding ethical governance principles and has laid a solid foundation for cultivating trust, credibility, and ethical consciousness as the Authority evolves.</p>	Applied



Annexure A (continued)

King IV Principle	Application by TAG	Status
3. Responsible Corporate Citizenship	<p>TAG demonstrates its commitment to responsible corporate citizenship by ensuring that its strategic planning, implementation, and oversight of public transport programmes are aligned with broader national and provincial development objectives. TAG has established key governance support functions, including the Board Secretariat, Compliance, and Portfolio Management Units, which collectively promote adherence to applicable legislative and regulatory frameworks.</p> <p>The TAG Board remains ultimately accountable for sustainability outcomes and discharges this responsibility through its oversight of the Integrated Transport Master Plan (ITMP25), which promotes inclusive, accessible, and sustainable mobility across the province. Furthermore, TAG advances responsible citizenship by engaging meaningfully with stakeholders to ensure that its initiatives respond to the economic, social, and environmental needs of the communities it serves.</p>	Applied
4. Strategy and Performance	<p>The Interim Board of the TAG has provided clear strategic direction to enable the achievement of TAG's legislative mandate and strategic objectives. The Board retains overall accountability for organisational performance and value creation, while the execution of the strategy is delegated to Management through the implementation of the Annual Performance Plan.</p> <p>TAG's strategy is reviewed and approved by the Board and is closely aligned with broader provincial development outcomes. The TAG Strategic Plan (2024/25 – 2026/27) and APP for the 2024/25 Financial Year were developed in full compliance with the Public Finance Management Act (PFMA) and the Framework for Strategic and Annual Performance Plans, ensuring coherence with national and provincial priorities.</p> <p>The Board, together with the Finance and Planning Committee, conducts quarterly reviews of organisational performance, thereby ensuring continuous monitoring of the achievement of strategic goals. TAG's operational partnership with the GMA, as part of the transitional support arrangement, contributes to the reliability and accuracy of performance information and supports the effective implementation of strategic initiatives.</p> <p>This integrated approach ensures that TAG's strategy, performance, risks, and sustainability considerations are addressed holistically to support long-term value creation.</p>	Applied
5. Reporting	<p>The TAG is committed to transparent, credible, and integrated reporting that enables stakeholders to make informed assessments of its performance and long-term value creation. TAG fulfils this commitment through the timely preparation and submission of its Annual Financial Statements, Annual Performance Reports, and Integrated Annual Report, in accordance with applicable legislative and regulatory frameworks.</p> <p>Through these practices, TAG promotes transparency, accountability, and informed stakeholder engagement while supporting sustainable decision-making and long-term strategic alignment.</p> <p>To ensure the integrity and reliability of reported information, both financial and non-financial performance data are subject to rigorous oversight by the ARC and the FPC prior to approval by the Board. TAG's reporting processes are further validated by the unqualified audit opinion received from the Auditor-General of South Africa (AGSA), which affirms the credibility and compliance of its reporting mechanisms.</p>	Applied



Annexure A (continued)

King IV Principle	Application by TAG	Status
6. Primary Role and Responsibilities of the Board	<p>The Board of the TAG has assumed full responsibility for the governance of the organisation and serves as the focal point and custodian of corporate governance. In discharging this role, the Board provides strategic direction, approves key governance instruments, including policies, strategic plans, and performance frameworks, and has established Board Committees to support effective oversight.</p> <p>The Board operates in full compliance with its legislative mandate, as set out in the Gauteng Transport Authority Act, and continuously seeks to strengthen its governance practices by applying the principles and recommended practices of King IV to the extent appropriate to TAG's current stage of operationalisation. Through these efforts, the Board ensures that TAG's governance framework promotes accountability, ethical leadership, and sound decision-making, thereby enabling the organisation to deliver on its mandate in a responsible and sustainable manner.</p>	Applied
7. Composition of the Governing Body	<p>The Board TAG is composed of members with diverse professional backgrounds and expertise spanning key disciplines such as transport, governance, finance, and law, enabling effective oversight and strategic leadership. The recruitment process for the appointment of a permanent Board is currently underway.</p> <p>While diversity in skills and professional experience is well represented, the Board acknowledges that improvements are still required in terms of gender and age diversity, and this will be addressed as part of the permanent Board recruitment process.</p> <p>Through these measures, TAG strives to ensure that the composition of its governing body supports the effective discharge of its mandate and promotes governance that is inclusive, ethical, and performance-driven.</p>	Applied
8. Committees of the Board	<p>The Board TAG has established formal committees to support it in the effective discharge of its oversight responsibilities. These committees operate in accordance with approved Terms of Reference that define their roles, responsibilities, authority, and reporting lines to the Board.</p> <p>Currently, TAG has the following Board Committees:</p> <ul style="list-style-type: none"> Audit and Risk Committee: Provides oversight over financial reporting, risk management, internal controls, and compliance with applicable legislation and governance frameworks, including the PFMA and King IV. Finance and Planning Committee: Advises on financial performance, budgeting, strategic planning, and ensuring alignment with TAG's strategic objectives and public transport mandates. Human Capital, Social and Ethics Committee (HCSEC): Oversees the human resources function, organisational ethics, transformation, stakeholder relations, and corporate citizenship. <p>Each committee is chaired by a Board member and comprises individuals with the requisite knowledge, skills, and experience relevant to its mandate. The committees meet regularly and provide feedback to the Board through formal reports and recommendations.</p> <p>The Board ensures that these committees function independently, promote transparency and accountability, and facilitate balanced and informed decision-making.</p>	Applied



Annexure A (continued)

King IV Principle	Application by TAG	Status
9. Performance Evaluations	<p>A formal performance evaluation of the TAG Board and its Committees was not conducted during the 2024/25 financial year due to the interim nature of the current governance structure. The Interim Board was constituted as a transitional mechanism, pending the finalisation of TAG's Schedule 3(c) public entity listing, the appointment of key executive positions, and the constitution of a permanent Board.</p> <p>Despite the transitional context, the Interim Board has functioned effectively, ensuring that all meetings were held with a quorum and that its oversight responsibilities were diligently discharged in line with legislative and regulatory requirements.</p> <p>Formal performance evaluations will be institutionalised once the permanent Board is appointed.</p>	Partially Applied
10. Appointment and Delegation to Management	<p>The Interim CEO was appointed as part of the interim Governance Structures to operationalise TAG, and is responsible for implementation of the Strategic and Annual Performance Plans. As part of the transitional governance arrangements, the appointment of key executive leadership is currently underway. The recruitment of the CEO and Board Secretary is in progress and is being guided by principles of transparency, merit-based selection, and alignment with TAG's strategic and legislative mandate.</p> <p>The Interim Board has remained mindful of the need to ensure role clarity and continuity during the establishment phase. While the permanent executive leadership team is still being constituted, TAG has operated with interim support through a Service Level Agreement (SLA) with the Gautrain Management Agency (GMA), which has provided seconded personnel to assist in fulfilling essential operational and compliance functions. Upon the appointment of the permanent CEO, the process of appointing the full executive management team will be prioritised. This will ensure that appropriate levels of authority and responsibility are delegated to qualified and accountable individuals, in line with TAG's organisational structure, performance expectations, and governance framework.</p> <p>The Board remains committed to ensuring that the delegation of authority supports effective leadership, accountability, and the delivery of TAG's mandate, in accordance with the principles of King IV and relevant public sector governance requirements.</p>	Applied (with transitional arrangements)



Annexure A (continued)

King IV Principle	Application by TAG	Status
11. Risk Governance	<p>TAG's risk governance encompasses both opportunities and associated risks, as well as their impact on achieving GMA's objectives.</p> <p>The Board oversees risk management and has delegated the risk management function to the Audit and Risk Committee. The responsibility for implementing and executing effective risk management is delegated to Management.</p> <p>Some of the key focus areas during the reporting period were as follows:</p> <ul style="list-style-type: none"> • Setting the approach for risk governance, including opportunities and risks when developing the strategy. • Treating risk as an integral part of decision-making and adherence to duties. • Identifying, mitigation and monitoring of emerging risks. • Migrating TAG active project risk registers to the Highbond platform (2 active project risk registers for FY). Project risk registers are maintained for active TAG projects on a GRC system, with regular project risk meetings scheduled to be held in the future • Aligning the risk management processes with ISO standards • Development of Strategic Risk and Opportunity Register, which identifies and monitors key risks and opportunities that could impact the achievement of its strategic objectives. This register is subject to regular review by key stakeholders, including ARC, which exercises governance oversight over TAG's risk management processes. Risk reporting to the ARC encompasses coverage of both strategic risks and project risks that have a strategic impact. • An Enterprise-Wide Risk Management Policy and Performance Information Policy has been drafted and will be implemented upon approval. <p>The initiatives outlined above enable a comprehensive view of TAG's risk profile. This ensures that emerging risks are identified early and managed proactively in alignment with the organisation's mandate and developmental priorities. Policies and frameworks will further strengthen TAG's ability to assess, monitor, and respond to risks in a structured and integrated manner, ensuring that risk management becomes an enabler of informed decision-making and sustainable value creation.</p> <p>The gaps identified in the implementation and monitoring of the effectiveness of risk management were as follows:</p> <ul style="list-style-type: none"> • Development and implementation of a formal Enterprise Risk Management (ERM) Framework • Development and implementation of a formal Risk Appetite and Tolerance Framework. • Development and implementation of a formal Risk Management Plan • Risk awareness initiatives will further enhance TAG's risk management process. • Development of process maps for TAG risk and performance information processes. <p>The above gaps will be addressed in the next reporting period to enhance the risk maturity of the TAG and strengthen its ability to achieve strategic objectives, as well as improve alignment with King IV.</p>	Partially Applied



Annexure A (continued)

King IV Principle	Application by TAG	Status
12. Technology and Information Governance	<p>Although formal ICT governance structures within the TAG are still in the process of being established, significant progress has been made in laying the foundation for effective technology and information governance. TAG has commenced the development of an ICT Governance Framework, which is being aligned to the Control Objectives for Information and Related Technologies (COBIT) framework to ensure that technology management practices are robust, standardised, and aligned with international best practices.</p> <p>Oversight of ICT-related risks and opportunities currently resides with the ARC, which reviews ICT risk registers and monitors the implementation of key controls to mitigate cyber, operational, and information security risks. This interim oversight mechanism ensures that technology and information considerations are integrated into TAG's governance and risk management processes.</p> <p>As TAG continues to advance operationally, the ICT Governance Framework will be further developed to incorporate clearly defined roles, accountability structures, and performance metrics. This enhancement will ensure that technology and information systems effectively support the attainment of TAG's strategic goals and service delivery responsibilities.</p>	Applied (transitional support via GMA)
13. Compliance Governance	<p>The TAG is committed to operating within a sound legal and regulatory framework. TAG complies with all applicable legislation and regulatory requirements, including the TAG Act, the PFMA, Treasury Regulations, and other relevant governance frameworks applicable to public entities.</p> <p>Oversight of legal and regulatory compliance is exercised through the ARC. Additionally, the Board and its Committees are provided with quarterly legal and compliance reports, enabling informed oversight and proactive identification of emerging legislative or regulatory developments.</p> <p>This structured approach to compliance governance supports TAG's commitment to ethical conduct, accountability, and its role as a responsible public institution aligned with the principles of good corporate citizenship, as advocated by King IV.</p>	Applied
14. Assurance	<p>TTAG has adopted a layered approach to assurance, aimed at supporting a robust control environment and the integrity of information used for decision-making and external reporting. The Audit and Risk Committee, as delegated by the Board, provides oversight of the internal control environment and the integrity of information and reports to support decision-making.</p> <p>The Internal Audit Unit under the existing Service Level Agreement (SLA), ensures independent and objective assurance on the effectiveness of TAG's internal control systems, risk management, and governance processes in conformance with the Global Internal Audit Standards.</p> <p>External assurance is provided by the Auditor-General of South Africa, who issued an unqualified audit opinion for the 2024/25 financial year, affirming the credibility and reliability of TAG's financial and performance information and reporting..</p>	Applied



Annexure A (continued)

King IV Principle	Application by TAG	Status
15. Remuneration Governance	<p>The TAG has developed a Remuneration Framework in alignment with the directive issued by the Gauteng Provincial Treasury, which requires the adoption of the Department of Public Service and Administration (DPSA) Remuneration Framework. This ensures alignment with public sector standards and promotes responsible and consistent remuneration practices during TAG's transitional phase.</p> <p>Recognising TAG's evolving strategic role as a public transport authority, ongoing engagements are underway with relevant stakeholders regarding the adoption of a fit-for-purpose remuneration framework that reflects the organisation's specialised mandate and future operating model. In the interim, the DPSA Framework remains applicable, and individuals in acting positions continue to be remunerated by their respective parent organisation under the existing Service Level Agreement.</p> <p>TAG is committed to ensuring that its future remuneration practices are fair, transparent, performance-aligned, and supportive of its efforts to attract and retain the critical skills necessary to deliver on its long-term strategic objectives.</p>	Applied
16. Stakeholder Relationships	<p>The TAG has adopted a stakeholder-inclusive approach to governance, recognising that meaningful engagement is essential to achieving its mandate and sustaining long-term value creation. TAG's Communication and Stakeholder Engagement Strategy provides a structured framework for guiding interactions with key stakeholders, including transport entities, provincial departments, municipalities, and the public.</p> <p>Extensive engagements have been undertaken on key strategic initiatives such as the Integrated Transport Master Plan (ITMP25) and the Sustainable Transport Programme (STP). These engagements have been instrumental in ensuring that stakeholder insights, needs, and concerns are appropriately considered and integrated into TAG's strategic and planning documents.</p> <p>TAG is committed to inclusive, transparent, and participatory planning processes, ensuring that stakeholder perspectives are actively incorporated across all planning initiatives and policy frameworks. This approach strengthens legitimacy, fosters collaboration, and supports the development of integrated and responsive transport solutions for the Gauteng province.</p>	Applied
17. Responsibilities of Institutional Investors	<p>The TAG is not classified as an institutional investor in the traditional sense and does not currently hold equity investments in external entities. However, in line with the spirit of Principle 17 of King IV, TAG is committed to prudent and responsible use of public resources and ensuring that all financial commitments, infrastructure investments, and funding allocations support sustainable development, value creation, and ethical governance.</p> <p>All investments in public transport infrastructure and services must be guided by robust planning, feasibility assessments, and alignment with national and provincial development priorities, including the Integrated Transport Master Plan (ITMP25) and related strategic frameworks.</p> <p>Although TAG is not governed by this principle in a strict investor capacity, it remains committed to embedding responsible investment practices in its procurement, infrastructure, and public-private partnership initiatives—ensuring that governance standards, environmental sustainability, and social impact considerations are upheld across all its programmes.</p>	Partially Applied

Notes





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