

NATIONAL CONSUMER COMMISSION

a member of the dtic group

ANNUAL REPORT 2024 / 2025



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PART A

GENERAL INFORMATION



1. GENERAL INFORMATION

Registered name:	National Consumer Commission
Physical address:	1 Dr Lategan Road, SABs Campus, Groenkloof, Pretoria
Postal address:	P.O. Box 36628, Menlo Park, 0102
Telephone number:	012 065 1940
Email address:	commissioner@thencc.org.za
Website address:	http://www.thencc.org.za/
Bankers:	Nedbank Ltd and South African Reserve Bank
Company Secretary:	Mr Lefu Nhlapo

2. LIST OF ABBREVIATIONS/ACRONYMS

AA	Accounting Authority
ADR	Alternative Dispute Resolution
ADRA	Alternate Dispute Resolution Agent
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AOPO	Audit of Predetermined Objectives
APP	Annual Performance Plan
ARC	Audit and Risk Committee
B-BBEE	Broad-Based Black Economic Empowerment
CFO	Chief Financial Officer
CGSO	Consumer Goods and Services Ombud
CompCom	Competition Commission
CPA	Consumer Protection Act
CTFL	Clothing, Textile, Footwear and Leather
DRP	Disaster Recovery Plan
EA	Executive Authority
ERM	Enterprise Risk Management
HRM	Human Resource Management
ICT	Information Communication Technology
MIOSA	Motor Industry Ombud of South Africa
MTDP	Medium-Term Development Plan
NCC	National Consumer Commission
NCT	National Consumer Tribunal
NPA	National Prosecuting Authority
NRCS	National Regulator for Compulsory Specifications
OORS	Opt-Out Registry System
PFMA	Public Finance Management Act, Act 1 of 1999
SABS	South African Bureau of Standards
SAPS	South African Police Service
SARS	South African Revenue Services
SCM	Supply Chain Management
SMME	Small, Medium and Micro-Enterprise
the dtic	Department of Trade, Industry, and Competition
TR	Treasury Regulations
WCRD	World Consumer Rights Day

3. FOREWORD BY THE MINISTER OF TRADE, INDUSTRY AND COMPETITION



Mr. Parks Tau, MP
Minister of Trade, Industry, and Competition

“The annual results of the NCC’s outputs demonstrate renewed efforts to protect consumers and contribute to South Africa’s broader economic development and industrialisation objectives.”

I am pleased to present the Annual Report of the National Consumer Commission (NCC) for the 2024/2025 financial year. In this financial year, and to align with the 7th administration’s goals of fostering inclusive growth, reducing poverty, and ensuring a capable, ethical, and developmental state, the NCC revised its Annual Performance Plan (APP) to focus on these priorities.

The annual results of the NCC’s outputs demonstrate renewed efforts to protect consumers and contribute to South Africa’s broader economic development and industrialisation objectives. There are tangible outcomes in measures to eradicate practices that undermine local production and industrialisation, particularly the sale of expired goods and the import of non-compliant products. The NCC also prioritised scams and Ponzi schemes that particularly exploit vulnerable consumers, and through the National Prosecuting Authority (NPA) secured significant preservation orders of just over R13 million.

The NCC was called to action when the country was facing the challenge of foodborne illnesses, attributed to the sale of expired products, particularly in townships and rural areas. The

NCC collaborated with other regulatory authorities within **the dtic** family as well as other regulatory spheres of Government. The NCC inspected at least 392 manufacturers, wholesalers, and retailers of food, including spaza shops, to ensure compliance with the Consumer Protection Act (CPA). Swift action was immediately taken against non-compliant suppliers through enforcement action.

In the next financial year, and to contribute to Government’s re-industrialisation strategy, the NCC should prioritise consumer protection transgressions that undermine industrialisation and economic growth.

I thank the Acting Commissioner, Deputy Commissioner, executive management, and staff of the NCC for the performance and outcomes in this financial year.

A handwritten signature in black ink, likely of Mr. Parks Tau, MP, written over a horizontal line.

Mr. Parks Tau, MP
Minister of Trade, Industry, and Competition
Republic of South Africa

4. FOREWORD BY THE DEPUTY MINISTER OF TRADE, INDUSTRY AND COMPETITION



Mr. Zuko Godlimpi, MP
Deputy Minister of Trade, Industry, and Competition

“In this financial year, the NCC affirmed its resolve to respond to urgent consumer concerns including unsafe foodstuffs, foodborne diseases especially across various townships and rural areas of our country”

The National Consumer Commission (NCC) continues to play a vital role in protecting consumers against unfair practices, unsafe goods, and exploitative schemes, while supporting Government’s broader goals of inclusive growth and reindustrialisation. The 2024/25 Annual Report of the NCC reflects these efforts and it has been my pleasure providing strategic oversight on the work of the NCC, guided by the priorities of the 7th Administration.

In this financial year, the NCC affirmed its resolve to respond to urgent consumer concerns including unsafe foodstuffs, foodborne diseases especially across various townships and rural areas of our country, non-compliant imports of Clothing, Textiles, Footwear and Leather, product recalls and combating Ponzi schemes and fraudulent activities that exploit consumers and cause harm. These interventions, coupled with strong collaboration with other regulators and law enforcement agencies, demonstrate the NCC’s firm commitment to safeguarding vulnerable consumers while promoting a fair and transparent marketplace.

Through sound governance practices, effective risk management, and adherence to the Public Finance Management Act (PFMA), the NCC achieved a clean audit opinion, consistent with the previous financial year. This outcome not only reflects

prudent financial management, but also affirms the NCC’s culture of integrity, professionalism, and ethical leadership. That is the ethos of a capable and ethical state.

As we look ahead, the NCC’s mandate will remain central to strengthening consumer protection, restoring confidence in markets, and ensuring that business practices align with the values of fairness and respect for consumer rights. The dtic has considered measures to further strengthen consumer protection, and will continue these efforts in the next financial year.

I wish to commend the Acting Commissioner, Deputy Commissioner, executive management, and staff of the NCC for their dedication and unwavering commitment to protecting consumer rights. Their efforts continue to demonstrate that effective consumer protection can advance the social and economic welfare of consumers.

A handwritten signature in black ink, reading 'Zuko Godlimpi', positioned above a horizontal line.

Mr. Zuko Godlimpi, MP
Deputy Minister of Trade, Industry, and Competition
Republic of South Africa

5. ACCOUNTING AUTHORITY'S OVERVIEW



Mr. Hardin Ratshisusu
Acting Commissioner

“The NCC ensures that once prohibited conduct is identified, it is investigated and prosecuted in accordance with the law.”

I hereby present the 2024/2025 Annual Report of the National Consumer Commission (NCC), which outlines the NCC's performance during this period.

Performance against the APP

The NCC has achieved 14 out of its 20 targets in the 2024/2025 financial year, attaining a performance score of 70%.

Commitment to strategic objectives

The NCC's targets were reviewed in the middle of the 2024/25 financial year. This was to align with the priorities of the 7th administration. While some of the targets were not achieved as indicated above, the NCC interventions remained impactful, particularly in contributing to Government's industrialisation goals, curbing prohibited conduct, and advancing advocacy initiatives targeted at business and consumers.

Contributing to Government's industrialisation goals

In the 2024/2025 period, the NCC efficiently addressed non-compliant Clothing, Textiles, Footwear, and Leather (CTFL) products by ensuring they were either destroyed or sent back to their countries of origin. Out of 130 investigated cases, with a total customs value of R10 829 204.25 (Ten Million Eight Hundred Twenty-nine Thousand Two Hundred and Four Rand and Twenty-five cents), destruction was ordered in 80 instances, representing 62% of the cases.

Curbing prohibited conduct

The NCC ensures that once prohibited conduct is identified, it is investigated and prosecuted in accordance with the law. During the reporting period, a total of 13 investigations into Ponzi schemes were finalised, resulting in the prevention of further consumer harm. Through the NPA, the NCC secured preservation orders to the value of R13 116 146.28 (Thirteen Million One Hundred and Sixteen Thousand One Hundred and Forty-six Rand and Twenty-eight cents).

In response to the foodborne illnesses that affected many communities during this period, the NCC stepped up efforts by conducting inspections in collaboration with other authorities throughout the country. The NCC inspected at least 392 suppliers (manufacturers, wholesalers, and retailers of food, including spaza shops), which led to enforcement actions against non-compliant suppliers.

The NCC achieved redress to consumers to the value of R5 916 270.81 (Five Million Nine Hundred Sixteen Thousand Two Hundred and Seventy Rand and Eighty-one cents). This amount constitutes refunds or returns of goods secured during investigations of the NCC and through orders of the National Consumer Tribunal (NCT) and Courts.

The NCC continues to maintain a strong track record in legal proceedings, with a success rate of 90.47% before the Courts and the NCT. This high success rate reflects the NCC's continued commitment to enforcing consumer protection laws and holding transgressors accountable.

To ensure expeditious enforcement of some matters, the NCC issued a total of 135 Compliance Notices, with 80 against non-compliant CTFL importers and 55 against suppliers that supplied non-compliant goods including expired food, non-display of prices and not honouring general terms and conditions of sale.

Ensuring that consumers and businesses are aware of their rights and obligations.

The NCC fulfils its mandate through a range of consumer and business education initiatives aimed at promoting awareness and compliance with consumer protection laws. During the reporting period, the NCC conducted 31 initiatives targeting consumers through workshops, outreach programs, and digital platforms, aimed at empowering individuals with knowledge of their rights and responsibilities.

In addition, 18 business education initiatives were implemented to raise awareness among businesses about their legal obligations and to encourage ethical, consumer-friendly practices.

Additionally, the NCC celebrated World Consumer Rights Day, using the occasion to highlight a wide range of consumer issues and foster engagement with stakeholders, including Government, industry, and civil society. The event reinforced the NCC's commitment to advocating for consumer rights and strengthening consumer protection in the country.

General financial review of the NCC

The NCC had an initial allocated budget of R69 120 000 (Sixty-nine Million One Hundred and Twenty Thousand Rand). An additional amount of R2 100 000 (Two Million One Hundred Thousand Rand) was allocated in February 2025 to enable the NCC to bolster its activities in response to the scourge of foodborne diseases across the country. Therefore, the total allocation for the year was R71 220 000 (Seventy-one Million Two Hundred and Twenty Thousand Rand).

The NCC augmented its budget through interest from short-term investments. The funds not immediately required were therefore invested in an interest-bearing account with the South African Reserve Bank (Corporation for public deposits), and interest to the value of R2 729 631 (Two Million Seven Hundred and Twenty-nine Thousand Six Hundred and Thirty-One Thousand Rand) was earned at the end of March 2025.

Spending trends of the NCC

The major component of the expenditure for the NCC is compensation of employees. The NCC relies on human resources to execute its mandate. These functions include, amongst others, investigations, market monitoring, and consumer education initiatives. It is for this reason that compensation of employees accounts for 61% of the total expenditure.

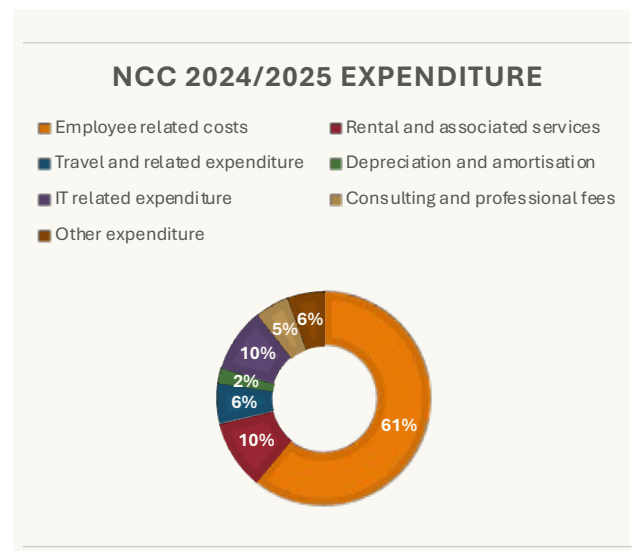
Rental is also one of the biggest contributors to expenditure, which accounts for 10% of the total expenditure.

ICT-related costs also contribute a greater percentage of expenditure because of increased licences as well as support and maintenance costs.

Travel and related expenditure account for a further 6% of total expenditure. This is owing to the nature of the NCC's mandate, which requires travel throughout South Africa.

Once prohibited conduct is identified after investigations, the NCC ensures that such conduct is prosecuted in the NCT. However, some of the cases are also litigated in courts as judgements are appealed by the suppliers. Legal costs, which make up a majority of consulting and professional services, were therefore incurred by the NCC.

Figure 1: Expenditure trends



Capacity of the NCC

The NCC has been facing capacity challenges in terms of Human Resources. While there are positions currently approved in terms of the structure, they have not been sufficiently funded. This hinders the NCC's ability to have the desired impact in the execution of the mandate. The NCC continues to engage **the dtic** in this respect.

Outlook/ Plans for the future to address financial challenges

The NCC is currently in the process of operationalising the opt out register, to protect consumers from unwanted spam or marketing calls. The opt-out registry is planned to be implemented in Quarter 4 of the 2025/26 financial year and will, in the long run, be self-funding, only requiring additional funding in the initial implementation phases.

Requests for retention of surplus funds

The NCC was granted approval to retain surplus funds generated in the 2023/24 financial year for an amount of R12 805 249 (Twelve Million Eight Hundred and Five Thousand Two Hundred and Forty-nine Rand). These surplus funds were used to supplement the budget in the 2024/2025 financial year. The NCC will further apply to the National Treasury (NT) to retain surplus funds generated in the 2024/2025 financial year. If granted, the funds will be used to cover commitments and supplement the budget for the 2025/26 financial year.

Audit Report matters in the previous year and how these would be addressed.

There are no significant audit matters from the previous years as the NCC received an unqualified audit opinion with no material findings on financial information, compliance, and performance information.

Events after the reporting date

Other than those already disclosed in the Annual Financial Statements (AFS), the NCC does not have any material events that took place after the reporting period that require any disclosures in the financial statements.

Economic viability

The NCC remains a going concern and will continue to operate for the foreseeable future based on the guaranteed Government grant. This is despite the cash flow constraints caused by the previous budget reductions.

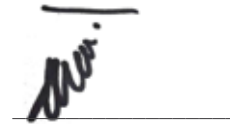
Acknowledgements

I appreciate the commitment and dedication of the NCC executive, senior management, and staff. Their efforts contributed to the achievement of targets and the delivery of services to NCC stakeholders, and more importantly, consumers.

I also acknowledge the Audit and Risk Committee (ARC) for the value-add and commitment to governance within the organisation.

The work of the NCC is complemented by collaboration with partners, particularly national, provincial, and municipal authorities, other regulators, law enforcement agencies, and sector ombuds, and I thank these partners.

Finally, I duly extend my appreciation to Minister Parks Tau MP, Deputy Minister Zuko Godlimpi MP, Director-General Simphiwe Hamilton, and Deputy Director-General Dr Evelyn Masotja, for their strategic guidance and support during the financial year.



Mr. Hardin Ratshisusu
Acting Commissioner

6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

- 6.1. All information and amounts disclosed in the annual report are consistent with the AFS audited on behalf of the Auditor-General South Africa (AGSA).
- 6.2. The annual report is complete, accurate, and free from any omissions.
- 6.3. The annual report has been prepared in accordance with the guidelines on the annual report as issued by the National Treasury (NT).
- 6.4. The AFS (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.
- 6.5. The Accounting Authority (AA) is responsible for the preparation of the AFS and for the judgement made in this information.
- 6.6. The AA 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.
- 6.7. The external auditors are engaged to express an independent opinion on the AFS.
- 6.8. In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information, and the financial affairs of the public entity for the financial year ended 31 March 2025.

Yours faithfully,



Mr. Hardin Ratshisusu
Acting Commissioner

7. STRATEGIC OVERVIEW

7.1. Vision

To promote a fair and sustainable marketplace for consumer goods and services.

7.2. Mission

To deliver services that exceed expectations in tackling unfair business practices, promoting compliance, and ensuring redress to consumers.

7.3. Values

The following values inform everything that the NCC does:

- **Fairness:** We are committed to just treatment of all parties and unbiased decision-making.
- **Integrity:** We are committed to honest, professional, and ethical conduct.
- **Good corporate governance:** We strive to always maintain good corporate governance.

STRATEGIC FOCUS

The 7th Administration of the Government adopted the draft Medium-Term Development Plan (MTDP) 2024-2029 for Government. The MTDP serves as the 5-year medium-term plan for the 7th Administration of the Government.

The MTDP in the main identifies three (3) priorities, namely:

- Inclusive growth and job creation;
- Reduce poverty and tackle the high-cost of living; and
- A capable, ethical, and developmental state.

The NCC then revised its APP to align with the broader priorities of the 7th Administration. The NCC set out the following institutional programmes:

- Programme 1: Contribution to Government industrialisation and transformation of the economy;
- Programme 2: Curbing prohibited conduct;
- Programme 3: Education and awareness; and
- Programme 4: Improving service delivery efficiencies.

To achieve these strategic objectives, the NCC identified seven (7) key priority areas:

- Secondhand automotive industry;
- Unsafe and expired foods in all provinces;
- Unfair and unreasonable pricing of goods and services;
- Combating importation of non-compliant Clothing, Textiles, Footwear, and Leather goods (CTFL);
- Market monitoring of low-quality imported goods – focus on imported frozen chicken, metal roof sheeting, gardening tools and wheelbarrows;
- Scams and Ponzi Schemes; and
- Product recalls.

In this period, the NCC implemented measures to strengthen collaboration with other regulatory authorities, particularly with entities within **the dtic**, namely, standard setting bodies and regulators including South African Bureau of Standards (SABS), National Regulator for Compulsory Specifications (NRCS), Competition Commission (CompCom), International Trade Administration Commission of South Africa (ITAC), as well as various national Government departments (Health, Agriculture, Forestry, Fisheries and Environment), and related entities. In addition, the NCC continues to work collaboratively with Ombud Schemes established by the Minister in terms of the CPA, namely Consumer Goods and Services Ombud (CGSO) and Motor Industry Ombudsman of South Africa (MIOSA).

8. LEGISLATIVE AND OTHER MANDATES

8.1. The NCC is a Schedule 3A entity in terms of the Public Finance Management Act (PFMA) (No.1 of 1999). The Consumer Protection Act (CPA) (No. 68 of 2008) aims to promote and advance the social and economic welfare of consumers by:

- Establishing a legal framework for the achievement of a fair, accessible, responsible, and sustainable market;
- Reducing any disadvantages experienced in accessing the supply of goods and services by low income, low literacy, rural, and vulnerable consumers;
- Promoting fair business practices;
- Protecting consumers from unfair and deceptive conduct;
- Improving consumer awareness; and
- Providing for an accessible, efficient and effective system of redress.

8.2. The main functions of the NCC are to:

- Improve consumer protection through education and awareness interventions;
- Improve compliance with the CPA through business guidance interventions;
- Receive complaints concerning alleged prohibited conduct and deal with them as prescribed by the provisions of the CPA;
- Monitor the consumer goods and services market to prevent, detect and/ or prosecute contravention;
- Conduct investigations against suppliers allegedly engaging in prohibited conduct;
- Issue and enforce compliance notices;
- Negotiate and conclude undertakings and consent orders; and
- Refer matters to the NCT and appear before the NCT.

8.3. The NCC is responsible for enforcing the CPA and investigating consumer complaints. Where the investigation reveals that the CPA has been contravened, that finding is not the end of the matter, as the NCC has to refer the case to the NCT for adjudication. The NCT adjudicates cases referred by the NCC and has the authority to hear cases, make rulings, and impose penalties on businesses that breach consumer protection laws.

8.4. Constitutional Mandate

Through its legislative mandate and its promotion of fair business practices, the NCC plays a significant role in upholding and preserving the principles enshrined in the Bill of Rights. Specifically, the NCC has a direct impact on the following areas within the Constitution of the Republic of South Africa, under the Bill of Rights section:

Sub-section 9: Equality

Through remaining accessible to diverse groupings of consumers, the NCC plays its role in ensuring that parties have the right to equal protection and the benefit of the law. Additionally, the NCC strives through its value system to respect human diversity and ensure that no form of discrimination of consumers is tolerated.

Sub-section 10: Human dignity

The NCC ensures that prohibited conduct on the part of suppliers of goods and services, as well as the relevant action thereto, does not impair human dignity.

Sub-section 14: Privacy

The NCC ensures that the privacy of persons is protected.

Sub-section 33: Just administrative action

The NCC ensures it applies the rules of natural justice in its decisions.

Schedule 4 of the Constitution

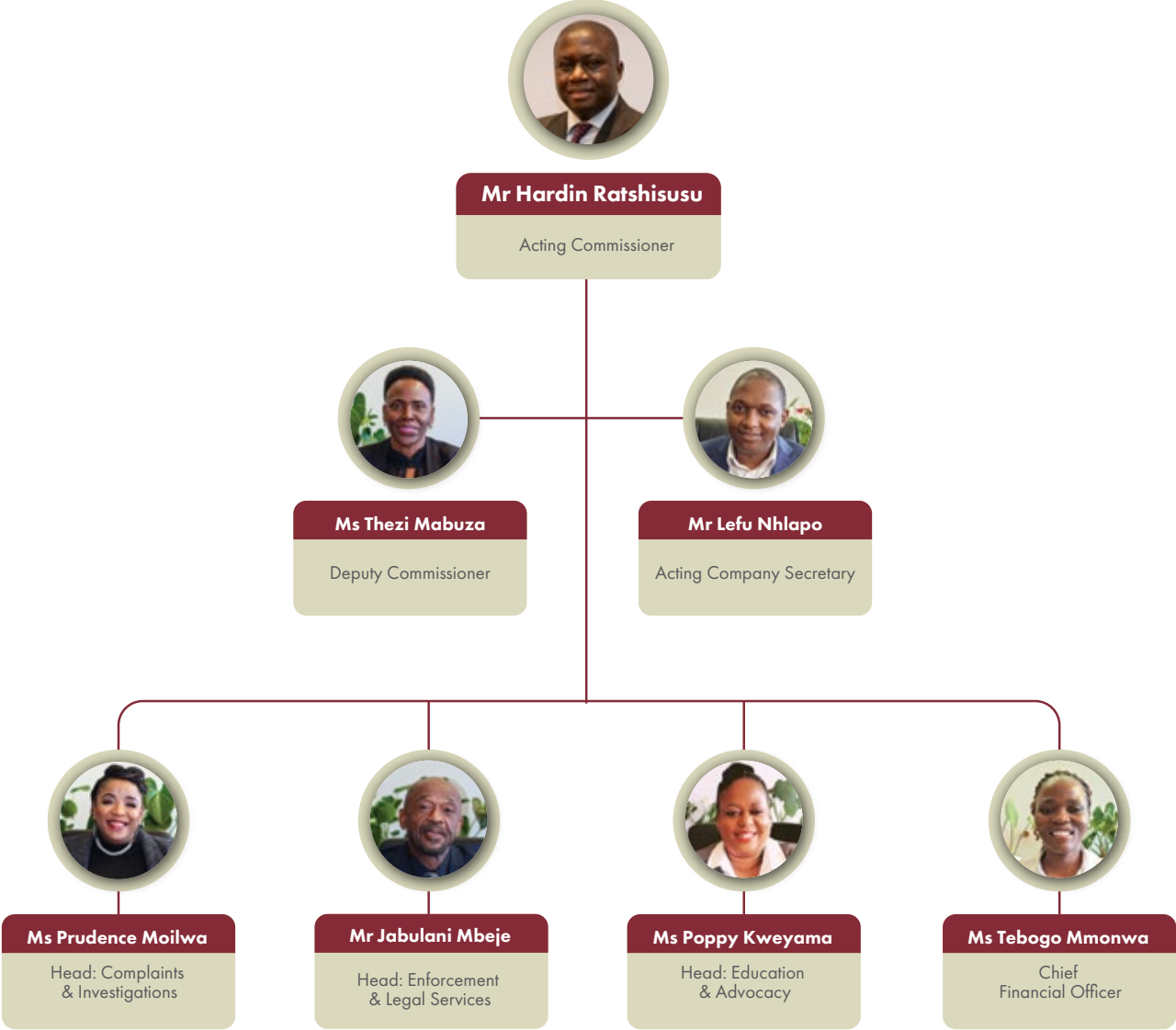
Provides that consumer protection is an area of concurrent jurisdiction between national and provincial Governments. This means that both levels of Government assume responsibility insofar as consumer protection is concerned. Section 146 (2) (b) of the Constitution provides that national legislation applies uniformly with regard to the country as a whole and prevails over provincial legislation if, amongst other things, the following conditions are met:

- The national legislation deals with a matter that cannot be regulated effectively by legislation enacted by the respective provinces individually.
- The national legislation deals with a matter that, to be dealt with effectively, requires uniformity across the nation, and the national legislation provides that uniformity by establishing norms and standards, frameworks, and national policies.

The CPA entrenches national consumer protection policy as well as norms and standards.

9. ORGANISATIONAL STRUCTURE

9.1. Organogram



9.2. Divisions

Complaints and Investigations

- The Division ensures consumer protection and consumer safety through the enforcement of the provisions of the CPA. It facilitates an environment that enables the resolution of disputes between consumers and suppliers that is expedient, cost-effective, fair, and transparent.
- Through the Division, the NCC, upon receiving complaints of alleged contravention of the CPA, investigates such allegations. The Division also facilitates, conducts, and monitors product recalls.

Enforcement and Legal Services

- The Division provides legal advice to the NCC and consumers and refers matters to the NCT and other Courts for adjudication. It is responsible for the processes leading to the accreditation of industry codes and advocacy groups, and monitors the functioning of Ombud schemes established in terms of the CPA.
- The Division also contributes to the development/ amendment of Consumer Protection legislation and practices.

Education and Advocacy

- The role of the Division is to promote public awareness of consumer protection matters by implementing education and awareness measures on the provisions of the CPA.
- The Division also facilitates stakeholder relations to foster collaboration and cooperations with other regulators within and outside the borders of the Republic of South Africa.

Office of the Commissioner

- The Division oversees compliance within the NCC, to ensure that financial and operational procedures comply with all relevant and applicable laws, regulations, and contractual agreements.
- Through the Division, the NCC ensures compliance, risk management, internal, and external audits. The Office of the Commissioner facilitates policy changes by advising the Minister on matters relating to consumer protection.

Corporate Services

- The Corporate Services Division is aligned with the strategic objectives of the NCC by providing support to all Divisions to ensure compliance with the CPA and associated legislation, regulations, and procedures.
- The Division implements various strategies and policies to improve service delivery within the NCC, including capacity of the organisation to cope with change. Corporate Services allocates and manages resources as required to fulfil the goals and objectives of the NCC.

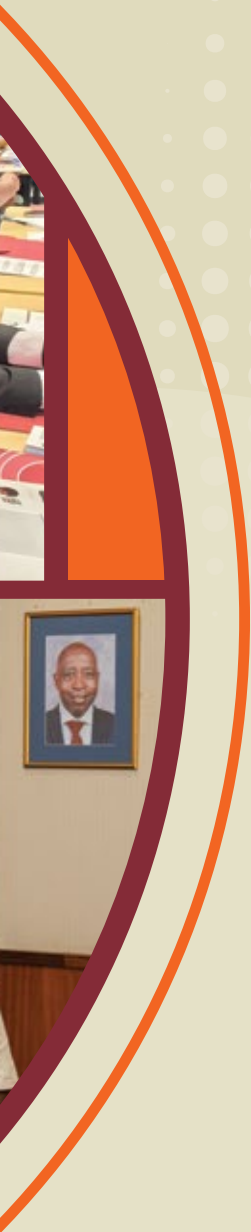
Information Communication and Technology

- The ICT Unit is responsible for enabling the organisation's strategic goals by driving digitalisation initiatives and introducing cutting-edge technologies to improve business processes and customer experience. The Unit ensures that the NCC derives the most value possible from technology and manages the risks posed by technology. Some of the most important areas of interest for the ICT Unit are infrastructure maintenance, IT governance, securing information assets and systems support to ensure that systems run efficiently.



PART B

PERFORMANCE INFORMATION



1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The external auditor performed the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Report on the audit of the annual performance report heading section of the auditor's report.

Refer to page 90 - 96 of the Report of the Auditors, published as Part F: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1. Introduction

- 2.1.1. The NCC operated in a dynamic environment shaped by political, economic, social, technological, environmental, and legal (PESTEL) factors. It had to adapt continuously to shifts in Government priorities, economic conditions, and societal needs. The NCC's operations were influenced by changes in Government policy and leadership, requiring it to reassess its strategy and risk posture regularly, which included increased appeals against NCT decisions.
- 2.1.2. South Africa experienced low economic growth and rising cost of living, which led to increased consumer complaints. Consumers were more sensitive to exploitative practices.
- 2.1.3. In light of these pressures, the NCC continued to prioritise consumer concerns affecting vulnerable consumers. The NCC remained committed to protecting consumer rights in the evolving regulatory landscape.

2.2. Organisational environment

- 2.2.1. The NCC is a Schedule 3A entity in terms of the PFMA established by section 85 of the CPA and is funded wholly from appropriations from the National Treasury through the Department of Trade, Industry and Competition **(the dtic)**.
- 2.2.2. The NCC operates in a dynamic environment which requires skilled employees to deliver on its mandate. The NCC has an approved functional personnel structure, with 71 positions currently funded. In addition, the NCC has an internship program to provide training opportunities for qualified unemployed graduates and also augment the staff complement.
- 2.2.3. The Acting Commissioner is the Accounting Authority for the NCC.

2.3. Governance structures

The NCC has both Internal and External governance committees, with the only external committee being the Audit and Risk Committee (ARC).

2.4. Key policy developments and legislative changes

There were two (2) policy developments that impacted the NCC. The first being the contemplation to merge the NCC and the Competition Commission, and the second being the change in Administration, which led to the revision and re-tabling of the APP in September 2024.

2.5. Progress towards achievement of institutional impacts and outcomes

The NCC had a total of 20 performance targets in 2024/25 as per the revised APP tabled in September 2024. The APP was revised to incorporate the priorities of the 7th Administration.

The NCC achieved 14 out of 20 performance areas, thereby attaining a performance score of 70% (14 out of 20).

OVERVIEW OF PERFORMANCE (Cont.)

The NCC did not achieve the following targets as indicated in Table 1 below:

Table 1: Targets which were not achieved

Key indicators not achieved	Planned target	Actual achievement
Time taken to finalise the investigations	Finalise CTFL matters within 20 business days	124 of 130 CTFL matters were finalised within 20 business days
Number of business education initiatives targeted at companies in industrial parks conducted	4 business education initiatives targeted at companies in industrial parks conducted	2 business education initiatives targeted at companies in industrial parks conducted
Number of interns employed by the NCC and accredited Ombud Schemes	20 interns employed by the NCC and accredited Ombud Schemes, namely MIOSA and CGSO	14 interns employed by the NCC and accredited Ombud Schemes
Percentage of complaints finalised in priority sectors including second hand cars	75% of complaints in priority sectors including second hand cars finalised	59% (1 572 of 2 652) of complaints in priority sectors including second hand cars finalised
Time taken to administer and issue communication on product recalls	Administer product recalls and issue communication thereon within 20 business days of receipt of recall notice from suppliers	53 of 57 administered product recalls and issued communication thereon within 20 business days of receipt of recall notice from suppliers
Number of days taken to pay suppliers	Pay service providers within 20 business days	473 of 481 service providers were paid within 20 business days

KEY HIGHLIGHTS

2.5.1. Enforcement outcomes

- a) In the 2024/25 financial year, the NCC prevented non-compliant imported CTFL goods to value of R10 829 204.25 (Ten Million, Eight hundred and Twenty-nine Thousand Two hundred and Four Rand and Twenty-five cents) from entering the South African market.
- b) In addition to Compliance Notices issued against non-compliant CTFL suppliers, the NCC issued a further 55 Compliance Notices against suppliers that supplied non-compliant goods, including expired food, non-display of prices, and not honouring general terms and conditions of sale.
- c) The NCC, through its investigation and enforcement activities, has obtained redress for consumers to the amount of R5 916 270.81 (Five Million Nine Hundred Sixteen Thousand Two Hundred and Seventy Rand and Eighty-one cents).

- d) In the 2024/25 financial year, administrative fines to the value of R2 867 500.00 (Two Million Eight hundred and Sixty-seven Thousand and Five Hundred Rand) were levied by the NCT, following prosecutions by the NCC.

- e) Below are some of the key cases where there was direct redress to consumers:

i) **NCC V Wynberg Used Cars (PTY) Ltd, Bryanston Executive Cars CC**

The investigation by the NCC, which revealed that the consumer's 2013 Audi Q7, purchased from Bryanston Executive Cars CC, broke down within two (2) months of purchase. The supplier ignored the consumer's request for redress.

The NCT ruled that the supplier distributed a defective vehicle, thus contravening sections 56(2) read with 55(2)(c) of the CPA. The supplier was ordered to pay an administrative penalty of R 100 000.00 (One hundred Thousand Rand).

OVERVIEW OF PERFORMANCE (Cont.)

ii) NCC V Farhad Omar Ismail, trading as Squad Cars

The consumer purchased a 2014 BMW 316i for R200 000.00, and the engine ceased within two (2) months of purchase. Squad Cars relied on a condition of sale that indicated that *"the vehicle could have been in an accident and reconditioned, and that Squad Cars does not issue any warranty/warranties whatsoever to the purchaser"* in refusing to repair the consumer's car.

The NCC referred the matter to the NCT, which ruled that the consumer was exploited by the sale of a vehicle under terms that deprived her of the right to approach the supplier to request for a repair of the vehicle or a refund. Squad Cars' conduct was found to be in contravention of sections 48(1)(a)(ii) and 48(1)(c) in that Squad Cars made the consumer sign terms and conditions that waived the consumer's right to fair, reasonable, and just terms. The NCT said that this conduct brought the consumer industry into disrepute and was declared as prohibited. Squad Cars was fined R100,000.00 (One Hundred Thousand Rand).

iii) NCC V Cape SUV

This matter was heard by the NCT earlier this year, where the Tribunal ruled in favour of the NCC. The NCT then ruled that Cape SUV conducted prohibited conduct and was ordered to refund the consumer, within 30 business days, the purchase price of R151 900.00 (One Hundred and Fifty-one Thousand Nine Hundred Rand) for a Daihatsu Terios vehicle. The supplier was also ordered to collect the vehicle from the consumer within five (5) business days. Cape SUV appealed this matter at the High Court.

The High Court ruled that Cape SUV's argument that the gearbox malfunction was due to the consumer's driving style was without merit. The court further ruled that the failure of the gearbox was a clear indication that the vehicle was defective from the start. The supplier was reminded that *"the purpose of the CPA is to promote a fair, accessible and sustainable marketplace for consumer*

products and services and for that purpose to establish national norms and standards relating to consumer protection to provide for improved standards of consumer information, to prohibit unfair practices." The supplier was ordered to refund the consumer the purchase price of the vehicle and collect the vehicle within five (5) business days.

iv) NCC V Supertech Motor Holdings (PTY) LTD, trading as BMW

The NCC's investigation revealed that Supertech Motor Holdings has contravened section 54(1)(b) of the CPA. This was after the consumer took their vehicle to Supertech for repairs and paid R19 974.47 (Nineteen Thousand, Nine Hundred And Seventy-Four Rand Forty-Seven Cents). While Supertech repaired the vehicle, the consumer was not satisfied with the repairs.

The NCT found that by failing to repair the vehicle to the expected standard, Supertech contravened section 54(1)(b). Their conduct was declared prohibited. The supplier was ordered to ensure that all repairs paid for by the consumer were properly conducted. The Tribunal further imposed an administrative fine of R20 000.00 (Twenty Thousand Rand).

v) NCC V Spares for Africa CC

The NCT imposed an administrative fine of R75 000.00 (Seventy-five Thousand Rand) against the supplier. This was after the supplier was found to have contravened sections 47(2)(a) and 54(1)(a) of the CPA. Spare for Africa's conduct was declared prohibited and the business was ordered to also refund the consumer R5 000 (Five Thousand Rand).

vi) NCC VS LFA Auto (Pty) Ltd t/a LFA Deals

The NCT imposed an administrative fine of R10 000.00 (Ten Thousand Rand) against the supplier. This was after the supplier was found to have contravened section 48(1)(a)(ii) and 51(1) of the CPA.

OVERVIEW OF PERFORMANCE (Cont.)

The consumer bought a vehicle from LFA deals for the sum of R100 000,00 (One Hundred Thousand Rands). Within two (2) months of delivery of the motor vehicle, the consumer detected various defects and reported the same to the supplier, who disregarded communication from the consumer. During the investigation, it was found that the vehicle was sold voetstoots (i.e. as it is), and such terms and condition were in contravention of section 48 (1) (a) (ii) and 51 (1) of the CPA.

2.5.2. Market Monitoring Inspections

- a) The NCC conducted market monitoring in all provinces in order to eliminate foodstuff that was potentially unsafe, not of good quality, and to combat the challenge of poisoned food.
- b) **the dtic** secured motor vehicles from Toyota South Africa, on a loan, to enable the NCC to conduct compliance inspections in all provinces. These work-tools were of great assistance.
- c) The NCC compliance inspections led to formal investigations into warehouses that supplied biscuit remnants implicated in the Foodborne Illness cases in KZN. The NCC followed up on a warehouse in Verulam that operated for 15 years with no Certificate of Acceptability (CoA) as well as another factory in Umgeni Road that operated from a site not zoned for business and with no CoA.
- d) The investigations resulted in a recall and destruction of biscuits and snacks, with a total value of R534 457.06 (Five Hundred and Thirty-Four Thousand Four Hundred and Fifty-Seven Rand and six cents), which were destroyed at the supplier's expense.
- e) As part of monitoring supplier behavioural change and for enforcing compliance, the NCC paid visits to inspected suppliers at least twice. The impact of the inspections was observed during the second visits to suppliers, in that many of them mended their errant behaviour and complied. The incorrigible ones were put on terms and forced to change via Compliance Notices.

2.5.3. Response to foodborne illnesses

Following the President's announcement of the disaster on 15 November 2025, the NCC (**See Textbox 1**):

- a) Set up a national hotline to receive complaints and tip-offs to enable consumers to report non-compliance with the CPA regarding food safety concerns;
- b) Embarked on consumer education focused on food safety;
- c) Conducted country-wide compliance inspections together with other regulatory authorities; and
- d) Initiated and finalised investigations against suppliers that were allegedly selling expired food.

2.5.4. Product recalls

- a) The NCC administered 57 product recalls for the 2024/25 financial year. These are administered to ensure that consumers receive goods that are of good standard, free of defects and safe for public consumption.
- b) One major recall that was initiated in February 2024 related to peanut butter and peanut butter products from major retailers affecting distribution in all provinces.
 - i) The NCC initiated the recall in the financial year 2023/24 and finalised a widescale assessment of the safety of Peanut Butter and Groundnut / Peanut-based foodstuffs, produced or imported (supplied) into the SA market in the financial year 2024/25. This assessment was conducted in terms of Section 60(2) of the CPA.
 - ii) The said assessment which entailed each supplier subjecting their products to Tests at the South African National Accreditation Standards (SANAS) accredited Laboratory in terms of the FSSC 22000 or equivalent standard, was triggered by the Product Recall Notifications received from major retailers (namely, Pick 'n Pay, Dischem, and several others), who distributed and

OVERVIEW OF PERFORMANCE (Cont.)

sold various Peanut Butter nationally. The affected suppliers had detected higher than permissible Aflatoxin levels in the course of the Laboratory Tests, and hence the Recalls.

- iii) The NCC did a Risk Analysis of the Recall Notifications, Laboratory Test Results available at that early stage, as well as the likely harm that consumption of Aflatoxin-infected Peanut Butter and related Products posed, and concluded that a wider and thorough assessment was required. Besides confirming the extent of the Aflatoxins footprint, the assessments were meant to gauge the extent to which protection of consumers had been impacted or compromised. In order to realise this, the NCC served the Section 60(2) Notices to a mixed pool of suppliers in the Value Chain including Peanut / Groundnut farmers or producers, processors or manufacturers of Peanut Butter Paste and Peanut-based products such as Ice Cream, Biscuits and other Snacks, as well as Retailers of the said Products.
- iv) The NCC served a total of 39 suppliers with the Section 60(2) Notice, instructing them to test their products accordingly for Aflatoxins B1, B2, G1 and G2. 28 Of the Laboratory Test Results received and analysed, both internally and externally by the dtic sister agencies the National Metrology Institute of South Africa (NMISA) and SANAS, 28 out of 28 confirmed that the products tested were within the levels prescribed in Regulation 2(b) of the FCDA Regulations Governing Tolerance for Fungus-Produced Toxins In Foodstuffs i.e. Regulation 1145 of 2004.
- v) The balance of 11 respondents confirmed that they either do not or have ceased to produce Peanut Butter or related products, and in the end, the NCC satisfied itself that the risk associated with the products had been mitigated. They were therefore deemed "fit for human consumption", as contemplated in the FCDA Regulations.

2.5.5. Scams and Ponzi Schemes

- a) The NCC contributes to Immediate Outcomes (IO) numbers 07 (IO7) and 08 (IO8) of the Action Plan on South Africa's Greylisting. IO7 requires South Africa to demonstrate *"a sustained increase in investigations and prosecutions of serious and complex money laundering, in particular involving professional money laundering networks/enablers and third-party ML in line with its risk profile."*
- a) IO8 requires South Africa to *"enhance its identification, seizure and confiscation of proceeds and instrumentalities of a wider range of predicate crimes, in line with its risk profile."*
- b) The NCC investigated the following three (3) schemes involved in predicate offences, being:

i) Piggy Farm Trading

In this scheme, consumers invested R2 750 (Two Thousand Seven Hundred and Fifty Rand) for a virtual pig and were guaranteed a return on investment of R6 600 (Six Thousand and Six Hundred Rand). The NCC investigation revealed that this scheme is a Ponzi scheme, which the CPA outlaws. The NCC obtained, through the NPA's Asset Forfeiture Unit, a preservation order in the amount of R4 300 000 (Four Million Three Hundred Thousand Rand) pending the finalisation of the investigation.

ii) Grosavestokvel

The NCC's ongoing investigations into Piggy Farm Trading revealed that the operators of Piggy Farm Trading, upon being served with the above-mentioned preservation order, devised a stokvel called Grosavestokvel. Grosavestokvel was a scheme designed to carry-on the unlawful activities of Piggy Farm Trading and to conceal or disguise the nature, location, source of ownership or control of the proceeds of Piggy Farm Trading. This constitutes what is called a fraudulent financial transaction in terms of the CPA. The NCC requested the NPA to seek a preservation order, and it was granted by the North Gauteng High Court in the amount of R1 000 000 (One Million Rand).

OVERVIEW OF PERFORMANCE (Cont.)

iii) NCC V Women Against Poverty and Hunger (WAPH)

The scheme was a pyramid and multiplication scheme disguised as a grocery stokvel. The scheme invites members of the public to make a once-off payment of R300 (Three Hundred Rand), promising members monthly grocery parcels for 12 months, thereby offering, promising or guaranteeing an effective interest of above 1770%. The NCC obtained, through the NPA's Asset Forfeiture Unit, a preservation order in the amount of R5 326 869.00 (Five Million Three Hundred and Twenty-six Thousand Eight Hundred and Sixty-nine Rand).

The investigation continued and further bank accounts were identified. In quarter three (3), the NCC obtained, through the NPA's Asset Forfeiture Unit, a further two (2) preservation orders in the amount of R136 709.77 (One Hundred and Thirty-six Thousand Seven Hundred and Nine Rand and Seventy-seven cents) and R1 273 645 (One Million Two Hundred and Seventy-three Thousand Six Hundred and Forty-five Rand).

iv) Further Ponzi Schemes or Scams

The NCC investigated Ponzi schemes or scams under the names, Trouva, Hot Farm, Tiger Agriculture, Eureka Gold Mining, The Fruit Sleeve and DMW SOLAR. The NCC obtained two (2) preservation orders, through the NPA's Asset Forfeiture Unit, to the tune of R 1 078 922.51 (One Million and Seventy-Eight Thousand Nine Hundred and Twenty-two Rand and Fifty-one cents) against the schemes.

In total, in this financial year, the NCC, through the NPA's Asset Forfeiture Unit, obtained preservation orders to the tune of R13 116 146.28 (Thirteen Million One Hundred and Sixteen Thousand One hundred and Forty-six Rand and Twenty-eight cents) against these schemes.

2.5.6. Complaints Management

- a) In response to **the dtic's** focus on Red Tape reduction across the group, the NCC continued to utilise the eService Portal established for digital filing and administration of complaints and also focused efforts to reduce the backlog of cases that were within the NCC system for a period longer than 12 months.
- b) When complaints are received, they are pre-assessed to ascertain their completeness and jurisdiction.
- c) The eService Portal currently has 18 245 consumer profiles created since the system was established in the 2023/24 financial year. In this financial year, 12 174 consumer profiles have been created, and a total of 5 944 complaints were filed in the eService Portal.
- d) Of the 5 944 complaints, 2 652 were further investigated, and the balance was either referred to other authorities or incomplete. Of the 2 652 complaints investigated, 1 572 complaints were finalised, representing a 59.27% completion rate. The finalised complaints were either through a referral to the NCT or non-referral. Most of the non-referred complaints, except for those that had prescribed that no contraventions were established, were finalised by either repair, cancellation of contracts, replacement of defective products, or refund, as redress to consumers.
- e) In this financial year, the NCC took steps to clear the backlog of complaints that remained under investigation from prior years. Through this process, 1 981 complaints were identified. The total cases under investigation for the year were therefore 4 633 (2 652 + 1 981). The complaints were then prioritised in terms of the first-in-first-out approach and the nature and gravity of the contravention. The NCC cleared all 1 981 backlog complaints, which affected the progress of some of the new complaints in the 2024/2025 financial year.

OVERVIEW OF PERFORMANCE (Cont.)

2.5.7. Call Centre statistics

The NCC received a total of 16 596 calls through the Call Centre, 16 081 (97%) calls were answered, while 515 (3%) calls were either abandoned or lost (Figure 2).

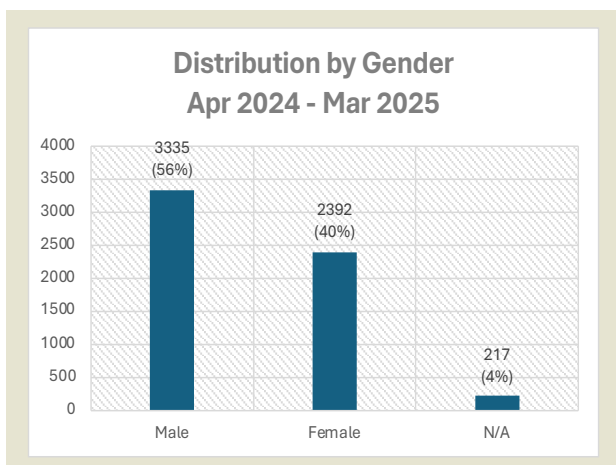
Figure 2: Calls received



2.5.8. Trends Analysis

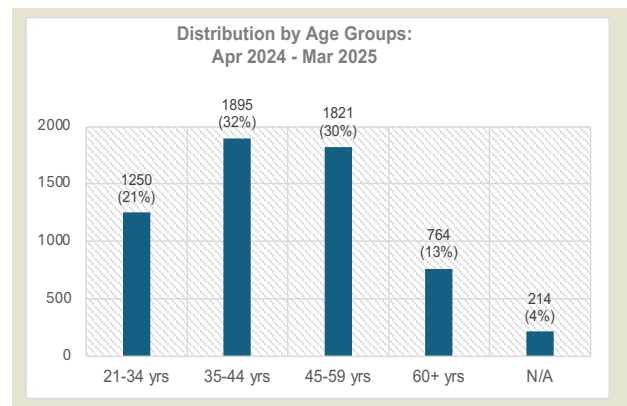
- For the financial year under review, the NCC received a total of 5 944 consumer complaints on the eService portal. The figures below provide a breakdown of the overall complaints in terms of gender, race, and various categories.
- Figure 3 below illustrates that 3 335 (56%) of complaints were made by males, as opposed to 2 392 (40%) by females, while 217 (4%) of complainants identified as 'other'.

Figure 3: Distribution of complaints by gender 2024-25



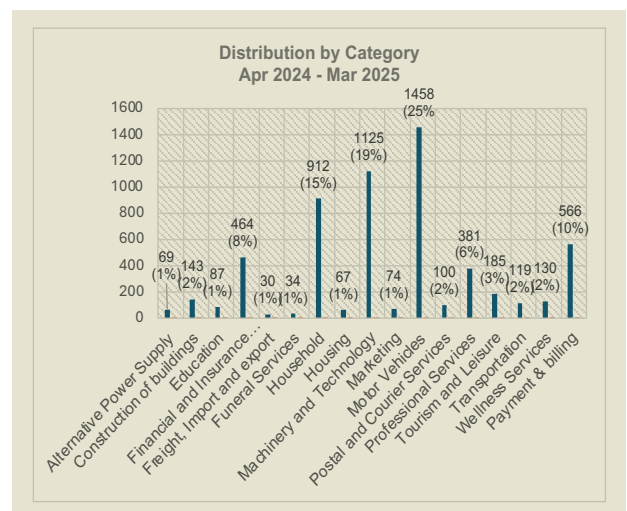
- The age distribution of complainants is represented in Figure 4 below. The age group 21 to 34 lodged 1 250 complaints (21%), the age group 35 to 44 lodged 1 895 complaints (32%), the age group 45-59 lodged 1 821 complaints (30%), the age group 60+ lodged 764 complaints (13%), and the unspecified age group lodged 214 complaints (4%). Most of the complaints, 62%, were concentrated in the 35-44 and 45-59 age groups.

Figure 4: Distribution of complaints by age group 2024-25



- The categories in which complaints were lodged are represented in Figure 5 below. According to Figure 5, motor vehicles had the highest number of complaints which amounted to 1 458 (25%) of all complaints. Machinery and technology had the second-highest complaints at 1 125 (19%). Household was third with 912 (15%), and Payment and Billing was fourth with 566 (10%) complaints.

Figure 5: Distribution of complaints by categories 2024-25



OVERVIEW OF PERFORMANCE (Cont.)

2.5.9. World Consumer Rights Day 2025 Commemoration

- a) Each year, 15 March is commemorated globally as World Consumer Rights Day (WCRD) - a key event aimed at promoting awareness and advocacy for consumer rights. First observed in 1983, WCRD serves as an annual reminder that consumer rights are not merely theoretical principles, but essential foundations of a fair and ethical society. Upholding the right to safety, the right to be informed, and the right to choose fosters a marketplace that serves and protects everyone.
- b) In celebration of WCRD 2025, the NCC, in partnership with the Mpumalanga Department of Economic Development and Tourism (DEDT) and the Competition Commission, successfully hosted a two-day commemorative event. The MEC for Mpumalanga Economic Development and Tourism also used the occasion to introduce the newly appointed Mpumalanga Consumer Court members.
- c) The main event on 14 March 2025 featured expert-led Panel Discussions covering key topics on:
 - i) Food Safety and Sustainability;
 - ii) Emerging Consumer Trends in the Digital Age; and
 - iii) Fair Digital Financial Marketplace and Consumer Protection.
- d) The 2025 theme, *"Empowering Consumers – Balancing Rights with Ethical Business Practices"*, was thoughtfully coined by South African consumer protection authorities under the umbrella of the Consumer Protection Forum (CPF). The theme reflects the current challenges faced by South African consumers and underscores the need for ethical business conduct aligned with consumer empowerment.

2.5.10. Partnership with the University of Pretoria

On 3 March 2025, the NCC entered into a Memorandum of Understanding (MoU) with the University of Pretoria to strengthen collaboration in promoting consumer protection. This partnership aims to advance the field of consumer law by integrating consumer protection principles into academic curricula. Both institutions will work jointly on the

development and delivery of various academic modules focused on consumer rights and legal frameworks.

2.5.11. Media Highlights

- a) The NCC strategically collaborates with media houses to communicate its messages to South African consumers and businesses. To empower consumers and businesses with information, the NCC issued several media statements on various topical issues, including product recalls, market monitoring inspections, WCRD, and decisions of the NCT and other Courts.
- b) A strong relationship with the media is crucial for the NCC to empower consumers and suppliers about the provisions of the CPA. The NCC has cultivated relationships with journalists to shape public perception, disseminate information, dispel misinformation and navigate crises effectively.
- c) Social media has become an essential part of the business world. The NCC optimised the use of social media to connect with consumers and promote its work, to build brand awareness, analyse consumers' pain points, and reach a large audience at a relatively low cost.
- d) Due to these activities, the NCC garnered widespread favourable media coverage across the nation. The voice of the NCC in the media space has increased, while the tone of coverage remains balanced.
- e) Monitoring media to track mentions and coverage helps the NCC to understand how industry topics are portrayed in the media. This assists in managing reputation and making strategic decisions. Media monitoring enabled proactive responses to consumer dissatisfaction or complaints. It was through media monitoring that the NCC decided to initiate an investigation against FlySAFair.

TEXTBOX 1 - NCC FOODBORNE ILLNESSES INTERVENTIONS

The NCC, in the 2024/25 Financial Year, prioritised food safety noting rising incidents of food contamination.

On 15 November 2024, following heightened cases of foodborne illness, President Cyril Ramaphosa addressed the nation on food safety and associated interventions.

The President said:

Our people have every right to be upset and to be angry in the face of such tragedies.

At a time like this, we need to unite as a country and work together to end these deaths.

As soon as the deaths occurred, multidisciplinary teams in government were activated to address these incidents.

These teams included detectives from the South African Police Service, health officials, environmental inspectors, Department of Agriculture officials and officials from the National Consumer Commission.

Furthermore, and with respect to the role of the NCC, the President said:

We must make sure that foodstuffs being sold have clear branding and labels, and that they are not past their sell-by date.

We must educate our children about food safety and teach them to check for this labelling themselves.

Anyone who sees fake foodstuffs and expired foodstuffs being sold in our communities, should report them to the National Consumer Commission.

The number for the National Consumer Commission is 012 065 1940.

Market monitoring therefore increased in quarter 3 and 4 of the financial year, as the NCC had to respond to further unforeseen escalation of foodborne illnesses, with the Department of Cooperative Governance and Traditional Affairs ultimately classifying foodborne illnesses as a national disaster on 18 November 2024. The NCC had initially planned 9 (nine) market monitoring inspections corresponding to the provinces in the country covering a number of municipalities and districts, and ended up visiting some provinces with high cases of foodborne illnesses more than once, ending the year with an unprecedented total number of inspections, 19 (nineteen) in total.

From a legislative point of view, Section 55 of the CPA requires that goods supplied or marketed to consumers must be reasonably suitable for the purposes for which they are generally intended. Further, Section 55(2)(b) and (d) of the CPA provides every consumer with the right to receive goods that “are of good quality, in good working order and free of any defects” and “comply with any applicable standards set under the Standards Act, 1993 (Act No.29 of 1993), or any other public regulation.”

The NCC proactively took steps to monitor consumer goods in the market to prevent, detect and/or prosecute contraventions of the provisions of CPA, in so far as they relate to the sale of hazardous and unsafe foodstuffs by manufacturers. In particular, the NCC took the following measures in line with the CPA:

- Product recalls conducted and monitored in terms of Section 60 of the Act;
- Initiating or receiving complaints in terms of Section 99 of the Act;
- Market monitoring and inspections;
- Investigating such complaints in terms of Section 99 of the Act; and
- Referring complaints to National Consumer Tribunal in terms of Section 74 of the Act, where a contravention has been found.

TEXTBOX 1 - NCC FOODBORNE ILLNESSES INTERVENTIONS (Cont.)

At least 6 (six) of the product recalls administered for the year related to foodstuffs, which included instant porridge (product of Namib Mills), India appetizers (product of McCain Foods), hummus (product of BM Foods), herbs and spices (Cape Herb & Spices), frozen yoghurt peanut butter (product of Marcel's Gourmet Frozen Yoghurt) and cereals (product of Heartland Foods). Of these recalls, the NCC initiated formal investigations against BM Foods and Namib Mills. The investigation against Namib Mills was finalised as extensive laboratory tests did not confirm the presence of harmful contaminants in the instant porridge. The investigation against BM Foods on hummus was finalised, and the matter is to be referred to the NCT for prosecution.

The inspections impacted all provinces in the country, covering a number of areas including Seshego, Polokwane, Lebowakgomo, Mankweng, Turfloop, Hartswater, Warranton, Barkley West, Jan Kempdorp, Kimberley, Pretoria west, Atteridgeville, Midrand, Mitchells Plain, Milnerton, Brackenfell, Monte Vista, Cape Town CBD, Durbanville, Sun Valley, Ottery, Thohoyandou, Makhado, Malamulele, Giyani, Thembisa, Monti/East London, Mdantsane, Qonce, Harrismith, Verde, Warden, Phuthaditjhaba, Phoenix, Verulam, Durban, Ulundi, Port Shepstone, Pietermaritzburg, Richards Bay, Nelspruit, Lydenberg, White River, Naas, Nkomazi, Ehlanzeni, Bronkhorstspuit, Newcastle, Soweto, Johannesburg and Nelson Mandela Bay.

These inspections were conducted in collaboration with Environmental Health Practitioners, Department of Health, SAPS, Department of Agriculture, SARS, Home Affairs (Immigration), Business Regulation / Licensing, Municipal Waste Management, Municipal Police, Provincial Governments, Border Management Authority, Provincial Consumer Protector Offices, Regulators including SABS and NRCS, and other stakeholders.

In the inspections, in which the NCC inspected at least 392 suppliers (manufacturers, wholesalers and retailers of food, including spaza shops), the following common contraventions of the CPA were identified:

- Date markings past sell-by or use-by date;
- Suppliers not issuing proof of purchase (receipts); and
- Goods not labelled in accordance with the CPA (e.g. labelled in foreign languages, with unclear or no information on ingredients).

One of the key achievements in KwaZulu-Natal was the multidisciplinary inspection that led to a warehouse for biscuits and snacks in Verulam leading to the immediate recall the biscuits and snacks, whose total value was R534 457.06 (Five hundred and Thirty-four Thousand Four Hundred and Fifty-seven Rand and Six cents). In addition, the returned biscuits and snacks were destroyed at the expense of the supplier i.e. A2Z (Pty) Ltd. The compliance inspections in KwaZulu-Natal led to formal investigations into warehouses that supplied biscuit remnants suspected to contain contaminants that likely contributed to foodborne illness cases.

In the main, investigations have led to enforcement action against suppliers found to have contravened the CPA, whilst other investigations will be completed in the next reporting period.

At the height of foodborne illnesses cases the NCC participated in a high-level task team coordinated by **the dtic** and was also part of the National Joint Operational and Intelligence Structure (NATJOINTS). There was also support from the private sector, for the zero-rating of the NCC's contact centre number for three months and provision of vehicles for inspections. In this regard, the Association of Comms & Technology (ACT) facilitated the zero-rating of the NCC's contact centre number by mobile network operators (MTN, Vodacom, Cell C and Telkom), which ensured that consumers called the contact centre number at no cost. Toyota South Africa provided motor vehicles for a period of 5 (five) months to ensure seamless mobility for the NCC team during inspections.

It is through these efforts that the NCC contributed to the fight against the scourge of foodborne illnesses affecting mostly the vulnerable in our society, the children. In the words the President Ramaphosa: *"We must do what it takes to make sure such tragedies never happen again."*

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION: APP TABLED ON 30 SEPTEMBER 2024

3.1. Programme 1: Contribution to Government's Industrialisation Goals

The programme seeks to reduce the availability of non-compliant and substandard goods and foodstuffs and to inculcate a culture of compliance with the CPA.

Food inspections are designed to ensure compliance with national laws and safety standards. This includes product labelling. The NCC followed both the proactive and reactive approaches to detect practices that undermine industrialisation. It is intensifying the collaboration with **the dtic**, Municipal Health Services (District and Metropolitan Municipalities), Department of Agriculture, NRCS, ITAC, SARS Customs, the Border Management Authority, and the Provincial Consumer Protection Authorities.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

For the revised Programme 1, three (3) targets were missed, which was an achievement of 57% in this Programme.

The NCC successfully conducted market monitoring inspections in several provinces and joint initiatives in collaboration with other regulatory bodies. There were also quarterly engagements held with two (2) accredited consumer protection ombud schemes, and 100% of the goods and services procured by the NCC were from SMME's in designated groups.

These milestones contributed positively to the eradication of practices that undermined local production and industrialisation as well as provided the necessary support to SMME's in order to meet **the dtic** targeted economic growth objectives.

During this period, the NCC investigated 130 CTFL matters that were referred by SARS Customs. These investigations prevented non-compliant imported CTFL goods to value of R10 829 204.25 (Ten Million, Eight Hundred and Twenty-nine Thousand, Two Hundred and Four Rand and Twenty-five cents) from entering the South African market (**see Textbox 2**).

Table 2 sets out outputs and outcomes on the programme of NCC's measures contributing to Government's industrialisation goals.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

Table 2: Contribution to Government's industrialisation goals

Programme: Contribution to Government's industrialisation goals							
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Eradicate practices that undermine local production and industrialisation	1. Market monitoring inspections targeted against the sale of expired goods, product labelling and general non-compliance with the CPA.	Number of market monitoring inspections	New indicator	9 market monitoring inspections	Achieved 19 Market Monitoring Inspections were carried out	Target exceeded by 10	High incidents of reported cases of ingested poisoned food.
Reduction in practices that involve the importation of non-compliant CTFL	2. CTFL matters referred to the NCC by SARS Customs finalised.	Time taken to finalise the investigations	New indicator	Finalise CTFL matters within 20 business days	Not Achieved 124 out of 130 CTFL matters were finalised within 20 business days	Six (6) were finalised outside the prescribed time limit of 20 days	Some matters outside the Gauteng Province took longer to finalise.
Eradicate practices that undermine local production and industrialisation	3. Enhanced collaboration with regulatory bodies (national and provincial authorities) to improve regulatory outcomes for consumers.	Number of joint initiatives conducted in collaboration with regulatory bodies with concurrent jurisdiction	New indicator	1 joint initiative conducted in collaboration with regulatory bodies with concurrent jurisdiction.	Achieved 2 joint initiatives were conducted in collaboration with Limpopo Economic Development, Environment and Tourism Department (LEDET) and Mpumalanga Economic Development and Tourism (DEDT) as regulatory bodies with concurrent jurisdiction	Target exceeded by 1	The additional collaboration initiative was enabled by the World Consumer Rights Day activities.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

Programme: Contribution to Government's industrialisation goals							
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Eradicate practices that undermine local production and industrialisation	4. Strategic oversight over accredited consumer protection ombud schemes.	Number of engagements with accredited consumer protection ombud schemes	New indicator	4 engagements with accredited consumer protection ombud schemes.	Achieved 4 engagements were held with MIOSA and CGSO as the accredited consumer protection ombud schemes	None	N/A
SMME supported	5. Preferential procurement from SMME's in designated groups.	Percentage of preferential procurement from SMME's in designated groups.	New indicator	60% of preferential procurement from SMME's in designated groups.	Achieved 100% of preferential procurement from SMME's in designated groups.	Target exceeded by 40%	Services required were within capabilities of SMMEs.
SMME supported	6. Conduct business education targeted at companies in industrial parks to ensure compliance with the CPA.	Number of business education initiatives targeted at companies in industrial parks conducted.	New indicator	4 business education initiatives targeted at companies in industrial parks conducted	Not Achieved 2 business education initiatives targeted at companies in industrial parks conducted.	Target was less by 2	Challenges in the coordination of sessions at municipal level.
Work experience provided	7. Internship programmes provided.	Number of interns employed by the NCC and accredited ombud schemes namely, MIOSA and CGSO.	New target	20 interns employed by the NCC and accredited ombud schemes namely, MIOSA and CGSO.	Not Achieved 14 interns were employed by the NCC and accredited ombud schemes namely, MIOSA and CGSO	Target was less by 6	Recruitment took longer due to high volume of applications.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

TEXTBOX 2: ENFORCEMENT AGAINST NON-COMPLIANT CLOTHING, TEXTILE, FOOTWEAR AND LEATHER (CTFL) GOODS

The Consumer Protection Act No. 68 of 2008 (CPA) repealed the Merchandise Marks Act and replaced it with Section 24 read with Section 22, Regulation 6 of the CPA Regulations and SABS Standards applying to Clothing, Textile, Footwear and Leather (CTFL) goods, which require that labels on such goods reflect country of origin, care labelling, care-labelling instructions and be in plain language. The NCC has partnered with South African Revenue Services Customs to list these goods on the Prohibited and Restricted List in order to detain suspected goods for destruction or back to country of origin. Over the past five years the NCC has ordered the destruction and the re-exportation of goods to the countries of origin, where goods were found to contravene the Regulations.

The NCC issued Guidelines for compliance with these prescripts to CTFL stakeholders in 2023, resulting in the decline in the Customs Value of goods destroyed or returned to countries of origin. The Guidelines also clarified the compliance requirements for yarns and Rolls of Fabrics which are meant for further processing.



In this financial year, the NCC investigated 130 CTFL matters that were referred by SARS Customs. These investigations prevented non-compliant imported CTFL goods to value of R10 829 204.25 (Ten Million Eight Hundred and Twenty-nine Thousand Two Hundred and Four Rand and Twenty-five cents) from entering the South African market.

CTFL investigations that were finalised during the 2024/2025 Financial Year

No.	Name of Importer	Action Taken	Description of Goods	Reasons
1	MULTI DISTRIBUTION	Release	Heat Resistant Gloves	Compliant
2	QABULA HOLDING	Release	Clothing	Compliant
3	BECK TRADING	Release	Rolls of Fabric	Compliant
4	FAMORA CC	Release	Clothing	Compliant
5	JOHNNY'S PHOTOGRAPHY EQUIPMENTS	Release	Rolls of Polyester Fabric	Compliant
6	MMC EMPORIUM SA	Release	Bath Towels	Compliant

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

TEXTBOX 2: ENFORCEMENT AGAINST NON-COMPLIANT CLOTHING, TEXTILE, FOOTWEAR AND LEATHER (CTFL) GOODS (CONTINUED)

No.	Name of Importer	Action Taken	Description of Goods	Reasons
7	PARTNERS TRANSIT SA	Release	Clothing and Footwear	Compliant
8	SARR FASHION CC	Release	Clothing	Compliant
9	PHEHELLO ANDREW LETEBELE	Release	Clothing	Compliant
10	NNAMBI STANLEY ELUWA	Release	Clothing	Compliant
11	KDDL GROUP	Release	Clothing	Compliant
12	ORBIT IMPORT & EXPORT 00030	Release	Clothing and Footwear	Compliant
13	GATES VILLE	Release	Rolls of Fabric	Compliant
14	ALYMAT BUSINESS CONSULTANTS	Release	Clothing	Compliant
15	AL REHAB FASHION CC	Release	Clothing	Compliant
16	FLASH GLOBAL PTY	Release	Rolls of Fabric	Compliant
17	LAZARUS ORCHID	Release	Footwear	Compliant
18	MMC EMPORIUM SA	Release	Bath Towels	Compliant
19	NEXT GENERATION ACCESSORIES	Release	Clothing	Compliant
20	DAME BEYE	Release	Clothing	Compliant
21	HARVEST NON-WOVEN FABRICS	Release	Rolls of Fabric	Compliant
22	ITALIAN FABRICS	Release	Rolls of Fabric	Compliant
23	M I MAHOMEDY	Release	Clothing	Compliant
24	MMC EMPORIUM SA 00092	Release	Bath Towels	Compliant
25	MMC EMPORIUM SA 00093	Release	Bath Towels	Compliant
26	SHIVA IMPEX SA	Release	Clothing	Compliant
27	STRASBOX	Release	Clothing	Compliant
28	UKUTWALA UMKHUMBI	Release	Bags	Compliant
29	ZOOMLION HEAVEY INDUSTRIES	Release	Bags	Compliant
30	SARR FASHION CC	Release	Clothing	Compliant

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

TEXTBOX 2: ENFORCEMENT AGAINST NON-COMPLIANT CLOTHING, TEXTILE, FOOTWEAR AND LEATHER (CTFL) GOODS (CONTINUED)

No.	Name of Importer	Action Taken	Description of Goods	Reasons
31	BELLO FRANCHISING TENTCO 00114	Release	Bags	Compliant
32	BLUE MARBLE CONCEPTS	Release	Clothing	Compliant
33	CINDALINA FASHION	Release	Clothing	Compliant
34	KAREN NEL PERSONALISED	Release	Blankets	Compliant
35	TAURUS INTERNATIONAL	Release	Rolls of Fabric	Compliant
36	WONDERLY INVESTMENT	Release	Bags	Compliant
37	YAIP TRADERS	Release	Clothing	Compliant
38	MUHAMMED ASHRAF	Release	Clothing	Compliant
39	UNDEEZ UNLIMITED DURBAN CC	Release	Clothing	Compliant
40	BELLO FRANCHISING	Release	Camping Chairs	Compliant
41	CHIC SHOETIQUE	Release	Rolls of Satin Material	Compliant
42	EASI EIGHT AMUSEMENT SALE	Release	Bags	Compliant
43	HANDBAG & LUGGAGE	Release	Bags	Compliant
44	JINXIN TRADING	Release	Sewing Threads	Compliant
45	PARK - FOUNDER USAFETY SOLUTIONS	Release	Safety Gloves	Compliant
46	RUGS OF PERSIA	Release	Carpets	Compliant
47	SALERATOP	Release	Clothing	Compliant
48	SRA SHIPPING ORTIA	Release	Clothing	Compliant
49	USSR TRADING 00218	Release	Leather Goods	Compliant
50	VAN GLOBAL LOGISTICS	Release	Sewing Threads	Compliant
51	EDURA PTY LTD	Compliance Notice	Bath Towels	Destruction /back to country of origin
52	LOCISPEX	Compliance Notice	Clothing	Destruction /back to country of origin
53	PZY TRADING	Compliance Notice	Footwear	Destruction /back to country of origin

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

TEXTBOX 2: ENFORCEMENT AGAINST NON-COMPLIANT CLOTHING TEXTILE FOOTWEAR AND LEATHER GOODS (CTFL) (CONTINUED)

No.	Name of Importer	Action Taken	Description of Goods	Reasons
53	ROMATEX HOME TEXTILES	Compliance Notice	Clothing	Destruction /back to country of origin
55	SARIC ENTERPRISE	Compliance Notice	Clothing	Destruction /back to country of origin
56	SARINA DRUNISKY	Compliance Notice	Clothing	Destruction /back to country of origin
57	VAPESIRE	Compliance Notice	Clothing	Destruction /back to country of origin
58	FATMA FASHION	Compliance Notice	Clothing	Destruction /back to country of origin
59	BALEKA CONSULTING	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin
60	ZIPLO IMPORT & EXPORTS	Compliance Notice	Gloves and Handkerchiefs	Destruction /back to country of origin
61	AMANDA PAYNE	Compliance Notice	Footwear	Destruction /back to country of origin
62	PREMIER WORKWEAR	Compliance Notice	Clothing	Destruction /back to country of origin
63	Y.A NKEE HAIR SALON	Compliance Notice	Clothing	Destruction /back to country of origin
64	DROMEX	Compliance Notice	Safety Gloves	Destruction /back to country of origin
65	AAMINA ISMAIL	Compliance Notice	Clothing	Destruction /back to country of origin
66	SEAX LOGISTICS	Compliance Notice	Clothing	Destruction /back to country of origin
67	GLOBAL WORLDWIDE LOGISTICS	Compliance Notice	Clothing	Destruction /back to country of origin
68	DAGSONS WHOLESALERS	Compliance Notice	Clothing	Destruction /back to country of origin
69	MAHMOUD AL NAKHLA	Compliance Notice	Clothing	Destruction /back to country of origin
70	JOY COLLECTABLES	Compliance Notice	Clothing	Destruction /back to country of origin
71	PROTO TRADING	Compliance Notice	Clothing	Destruction /back to country of origin
72	LUCIA BUTHANE	Compliance Notice	Clothing	Destruction /back to country of origin
73	ANIL MAKAN	Compliance Notice	Clothing	Destruction /back to country of origin
74	BAIYE S A	Compliance Notice	Clothing	Destruction /back to country of origin
75	MATUS / BRANDCORP	Compliance Notice	Gloves	Destruction /back to country of origin
76	MRT WHOLESALERS	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

TEXTBOX 2: ENFORCEMENT AGAINST NON-COMPLIANT CLOTHING, TEXTILE, FOOTWEAR AND LEATHER (CTFL) GOODS (CONTINUED)

No.	Name of Importer	Action Taken	Description of Goods	Reasons
77	PROCET FREIGHT	Compliance Notice	Clothing	Destruction /back to country of origin
78	SECK MODOU	Compliance Notice	Clothing	Destruction /back to country of origin
79	SHANTONSH TRADING	Compliance Notice	Clothing	Destruction /back to country of origin
80	BOA SAFETY SOLUTIONS	Compliance Notice	Safety Gloves	Destruction /back to country of origin
81	HOLLYWOOD COSTUMES	Compliance Notice	Clothing	Destruction /back to country of origin
82	NOMBULELO MILDRED	Compliance Notice	Clothing	Destruction /back to country of origin
83	PA CARGO.CO.ZA	Compliance Notice	Footwear and Clothing	Destruction /back to country of origin
84	SALERATOP 00082	Compliance Notice	Clothing	Destruction /back to country of origin
85	SALERATOP 00090	Compliance Notice	Clothing	Destruction /back to country of origin
86	TRAJIA INVESTMENTS	Compliance Notice	Clothing	Destruction /back to country of origin
87	2 JS DETAILING	Compliance Notice	Bags and Towels	Destruction /back to country of origin
88	AFRICAN WHALE TEXTILES	Compliance Notice	Clothing	Destruction /back to country of origin
89	BELLO FRANCHISING TENTCO 00112	Compliance Notice	Occasional Chairs and Textile Bags	Destruction /back to country of origin
90	INDIA INK	Compliance Notice	Clothing	Destruction /back to country of origin
91	KAPATAL BRADS	Compliance Notice	Clothing	Destruction /back to country of origin
92	LUMELA AFRICA	Compliance Notice	Textile Bags	Destruction /back to country of origin
93	MOHAMED	Compliance Notice	Clothing	Destruction /back to country of origin
94	NALICOL	Compliance Notice	Clothing	Destruction /back to country of origin
95	ZAR BROKERAGE SOLUTIONS T/A SUPERBIKE	Compliance Notice	Leather Goods	Destruction /back to country of origin
96	AMIIRAA	Compliance Notice	Clothing	Destruction /back to country of origin
97	ANAFIELD DISTRIBUTORS	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin
98	ECOLOGIX FORWARDING & CLEARING	Compliance Notice	Clothing	Destruction /back to country of origin
99	GRETWIL TRADING	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

TEXTBOX 2: ENFORCEMENT AGAINST NON-COMPLIANT CLOTHING, TEXTILE, FOOTWEAR AND LEATHER (CTFL) GOODS (CONTINUED)

No.	Name of Importer	Action Taken	Description of Goods	Reasons
100	PATRICIA BONGAI ZHOU	Compliance Notice	Clothing	Destruction /back to country of origin
101	SHIPPING MASTERS	Compliance Notice	Clothing	Destruction /back to country of origin
102	SIMONE'S BOUTIQUE T/A THE HIP SHOP	Compliance Notice	Clothing	Destruction /back to country of origin
103	SULEIMAN AHMED NASIR	Compliance Notice	Clothing	Destruction /back to country of origin
104	TRIMPAD SA CC	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin
105	UNDEEZ UNLIMITED	Compliance Notice	Clothing	Destruction /back to country of origin
106	WOLRD FOCUS 646 CC	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin
107	ZAHURA NASIB ABDULA	Compliance Notice	Clothing	Destruction /back to country of origin
108	AKINBABS TRADING	Compliance Notice	Hats	Destruction /back to country of origin
109	BOHOGIRL BOUTIQUE	Compliance Notice	Bags	Destruction /back to country of origin
110	GURU REGGIE NAIDOO	Compliance Notice	Clothing	Destruction /back to country of origin
111	JUMBO	Compliance Notice	Clothing	Destruction /back to country of origin
112	MN LOGISTICS AND TRANSPORT	Compliance Notice	Clothing	Destruction /back to country of origin
113	MR WHALES LIU	Compliance Notice	Clothing	Destruction /back to country of origin
114	REBUFF	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin
115	RED CARPET	Compliance Notice	Carpets	Destruction /back to country of origin
116	SINDI MABASO KOYANA OLK CLOTHING MANTAC	Compliance Notice	Clothing	Destruction /back to country of origin
117	SOUTH AFRICA	Compliance Notice	Clothing	Destruction /back to country of origin
118	TITUS SHAFIKA T/A TITUS AND SONS	Compliance Notice	Clothing	Destruction /back to country of origin
119	WESTERN ACCESSORIES	Compliance Notice	Bags and Outdoor Tents	Destruction /back to country of origin

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

TEXTBOX 2: ENFORCEMENT AGAINST NON-COMPLIANT CLOTHING, TEXTILE, FOOTWEAR AND LEATHER (CTFL) GOODS (CONTINUED)

No.	Name of Importer	Action Taken	Description of Goods	Reasons
120	WEYLANDS FURNITURE	Compliance Notice	Carpets	Destruction /back to country of origin
121	RAYLIN IMPORT AND EXPORT	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin
122	RENEWAL CLOTHING CC	Compliance Notice	Rolls of Fabric	Destruction /back to country of origin
123	CITY EXPRESS STORES	Compliance Notice	Clothing	Destruction /back to country of origin
124	FATIMA FASHION	Compliance Notice	Clothing	Destruction /back to country of origin
125	INDIA INK	Compliance Notice	Clothing	Destruction /back to country of origin
126	MOSED INVESTMENTS	Compliance Notice	Bath Mats	Destruction /back to country of origin
127	MOUSTAPHA DIOP	Compliance Notice	Hats	Destruction /back to country of origin
128	NEWREST JHB	Compliance Notice	Bags and Towels	Destruction /back to country of origin
129	SECK MODOU	Compliance Notice	Clothing	Destruction /back to country of origin
130	ZSA CLOTHING	Compliance Notice	Canvas Bags	Destruction /back to country of origin

Summary of CTFL Investigations

In total, for 50 CFTL import investigations, goods were released following physical inspections, either due to compliance or because the goods did not fall within the scope of Guidelines.

For 80 CFTL import investigations, the products were found non-complaint and Compliance Notices were issued instructing importers to either destroy or return the goods to the country of origin. Products that were found non-compliant included clothing, bags, footwear, Rolls of Fabric, gloves, carpets, sewing threads, leather goods, towels, camping chairs, outdoor tents, handkerchiefs, bathmats and hats. These products mainly originated from China, India, Egypt, South Korea, Thailand and Dubai.

3.2. Programme 2: CURBING PROHIBITED CONDUCT

By safeguarding consumers' rights, this outcome aims to promote fair market practices and enhance financial security for low-income households. The goal is to safeguard vulnerable consumers from financial exploitation and contribute to a more equitable economic environment, ultimately improving living standards and reducing the financial burden on low-income households.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

In terms of the CPA, consumers have the right to receive products that are safe and free of defects. In order to enforce this right, the NCC administered a total of 57 product recalls during the 2024/25 financial year for different types of products. For a product recall, there has to be information on a product indicating that there is a product failure i.e. a product not performing in the intended manner or to the intended effect, or defect i.e. a material imperfection in the manufacture of a product affecting its usefulness, practicality or the safety of its users, or a hazard (see **Textbox 3** for detailed information on the product recalls administered in this financial year).

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

In addition to Compliance Notices issued against non-compliant CTFL suppliers, the NCC issued a further 55 Compliance Notices against suppliers that supplied non-compliant goods including expired food, non-display of prices, and not honouring general terms and conditions of sale.

In this financial year, the NCC initiated high impact investigations against the following suppliers:

- Namib Mills and Spar Group with regard to alleged poisoned instant porridge.
- Woolworths and Oceana with regard to expired and repackaged tinned fish.
- Shoprite Checkers and BM Foods with regards to *Listeria Monocytogenes* detected in Hummus Range (Deli Hummus 300g and 125g).
- FlySafair for alleged overbooking of flights.

Outcomes and progress on high impact investigations are as follows:

- The investigation against Namib Mills and Spar Group with regard to alleged poisoned instant porridge was finalised as the information available and laboratory test results did not show observable contamination of the affected products that Namib Mills and Spar had supplied. Therefore, Namib Mills and Spar did not contravene the provisions of the CPA, particularly section 55, which relates to the provision of safe and quality goods.
- The investigation against Woolworths and Oceana regarding alleged expired and repackaged tinned fish is ongoing and will be finalised in the next financial year.
- The investigation against FlySafair for alleged overbooking of flights is ongoing and will be finalised in the next financial year.
- The NCC investigation against Shoprite Checkers and its supplier BM Foods was finalised. The investigation emanated from the product recall of the Hummus Range (Deli Hummus 300g and 125g) by Shoprite Checkers manufactured by its supplier, BM Foods, following the detection of *Listeria Monocytogenes* which is a species of foodborne bacteria. Based on the collected evidence, adverse findings were made against BM Foods. The matter will be filed with the NCT in the next financial year.
- The investigation against suppliers of peanut butter, subject of a recall initiated in the 2023/24 financial year, was finalised. There were adverse findings against Lluvia Nutrition and House of Natural Butters (Pty) Ltd trading as Eden All Butters (House of Natural Butters), as higher than acceptable levels of Aflatoxins were found in the peanut butter these suppliers supplied. The NCC and House of Natural Butters concluded a settlement agreement on 25 February 2025, where the supplier agreed to pay an administrative fine of R500 000 (Five Hundred Thousand Rand). The NCC then referred the settlement agreement to the NCT for the settlement agreement to be made a consent order of the NCT, and as at the end of the financial year the matter was still before the NCT. Proceedings against the other supplier, Lluvia Nutrition, are still underway.

The NCC maintained a strong track record in legal proceedings, with a success rate of 90.47% before the Courts and the NCT. Judgements in favour of the NCC attest to this **(see Textbox 4)**.

Table 3 sets out outputs and outcomes on the programme focusing on curbing prohibited conduct in terms of the CPA.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

Table 3: Curbing prohibited conduct

Programme: Curbing prohibited conduct							
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Reduction in the prevalence of Ponzi schemes and fraudulent activities targeting vulnerable populations.	8. Investigations into Ponzi Schemes and scams finalised.	Time taken to finalise the investigations.	New indicator	Finalise investigations into Ponzi Schemes and scams within 40 business days.	Achieved 13 investigations into Ponzi Schemes and scams were finalised within 40 business days.	None	N/A
Minimised harm to consumers caused by unsafe or defective goods and exploitative supplier practices.	9. Initiate high impact investigation affecting cost of living for consumers.	Number of high impact investigations affecting cost of living for consumers initiated	New indicator	One high impact investigation affecting cost of living for consumers initiated	Achieved 7 high impact investigations were initiated against: 1. Namib Mills; 2. Spar Group; 3. Woolworths; 4. Oceana; 5. Shoprite Checkers; 6. BM Foods; and 7. FlySafair.	Target exceeded by 6	Response to foodborne crisis.
Minimised harm to consumers caused by unsafe or defective goods and exploitative supplier practices	10. Finalise high impact investigations into high priority sectors including steel, food and unsafe goods exploitative supplier practices.	Number of high impact investigations into high priority sectors including steel, food and unsafe goods exploitative supplier practices finalised.	New indicator	One high impact investigation into high priority sectors including steel, food and unsafe goods exploitative supplier practices finalised.	Achieved 6 investigations into the exploitative practices of: 1. BM Foods; 2. Checkers Shoprite; 3. Namib Mills; 4. Spar Group; 5. Lluvia Nutrition; and 6. The House of Natural Butters; were finalised	Target exceeded by 5	Response to foodborne crisis.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

Programme: Curbing prohibited conduct							
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Minimised harm to consumers caused by unsafe or defective goods and exploitative supplier practices	11. Complaints finalised in priority sectors including second-hand cars.	Percentage of complaints finalised in priority sectors including second-hand cars.	New indicator	75% of complaints in priority sectors including second-hand cars finalised.	Not Achieved 59% of complaints (1 572 of 2 652) in priority sectors, including second-hand cars, finalised.	Target Not Met	The approach used was the FIFO principle, hence the achievement for the current period was lower.
Minimised harm to consumers caused by unsafe or defective goods and exploitative supplier practices	12. Percentage of cases in favour of the NCC matters brought before the National Consumer Tribunal and/or Courts.	Success rate achieved in cases presented before the National Consumer Tribunal and/or Courts.	New indicator	80% success rate in cases presented before the National Consumer Tribunal and/or Courts.	Achieved 90.47% success rate. 19 of 21 of judgements issued by the NCT or Courts during this quarter were in favour of the Commission. Two (2) judgements were against the Commission.	Target Exceeded	Complete investigation reports and convincing arguments were presented before the Tribunal.
Minimised harm to consumers caused by unsafe or defective goods and exploitative supplier practices	13. Administer product recalls and issue communication thereon.	Time taken to administer and issue communication on product recalls.	New indicator	Administer product recalls and issue communication thereon within 20 business days of receipt of recall notice from suppliers.	Not Achieved Administered 53 out of 57 product recalls and issued communication thereon within 20 business days of receipt of recall notice from suppliers.	Not Achieved	More time needed for further clarity on the harm to consumers.
Minimised harm to consumers caused by unsafe or defective goods and exploitative supplier practices	14. Finalise energy-related complaints.	Percentage of energy-related complaints finalised within a specified period.	New indicator	Finalise 80% of energy-related complaints within 6 months.	Achieved Finalised 87.5% (7 of 8) energy-related complaints within 6 months.	Target Exceeded	The matters were prioritised

3.3. Programme 3: EDUCATION AND AWARENESS

In its pursuit of meaningful impact through consumer and business education and awareness initiatives, the NCC shifted its focus from merely achieving high numbers to ensuring the quality and effectiveness of its interventions. This strategic change involved a deliberate reduction in the number of initiatives, prioritising those with the potential for high impact. The 7th Administration places greater emphasis on tangible outcomes in the consumer protection space, rather than on volume-driven metrics that risk being perceived as tick-box exercises.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

A total of 31 consumer education initiatives were conducted across Gauteng, Mpumalanga, KwaZulu-Natal, and Limpopo provinces.

The target for business education and awareness was 8, and exceeded the set target largely due to ad-hoc collaborative stakeholder engagements that arose, particularly in response to the food-borne illnesses disaster that affected the country. These workshops aimed to raise awareness and promote business compliance with Section 55 (the consumer's right to safe, good quality goods) and Section 56(2) (the consumer's right to redress) of the Consumer Protection Act No. 68 of 2008.

Additionally, 13 targeted workshops and exhibitions were held with SMMEs owned by both men and women in the Free State, Gauteng, Eastern Cape, North West, and KwaZulu-Natal provinces.

Table 4 sets out outputs and outcomes on the programme of NCC's education and awareness initiatives.

Table 4: Education and awareness

Programme: Education and awareness							
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Education and Awareness	15. Enhanced public knowledge and understanding of the CPA.	Number of consumer education and awareness initiatives targeted at consumers.	16 consumer education and awareness initiatives targeted at consumer conducted	16 consumer education and awareness initiatives targeted at consumer conducted	Achieved 31 consumer education and awareness initiatives targeted at consumers were conducted	Target exceeded by 15	World Consumer Rights Day build-up activities created ad-hoc opportunity for additional consumer education and awareness initiatives.
Education and Awareness	16. Enhanced public knowledge and understanding of the CPA.	Number of business education and awareness initiatives targeted at SMMEs	8 business education and awareness initiatives targeted at SMMEs conducted.	8 business education and awareness initiatives targeted at SMMEs conducted.	Achieved 21 business education and awareness initiatives targeted at SMMEs were conducted in Mpumalanga Province	Target exceeded by 13	There were additional stakeholder collaboration opportunities during the World Consumer Rights Day initiative.
Education and Awareness	17. Enhanced public knowledge and understanding of the CPA.	Number of Education and Awareness Newsletters published	Publication of one Newsletter on NCC interventions and outreach.	1 publication of a Newsletter on NCC interventions and outreach	Achieved One Newsletter on NCC interventions and outreach was published	None	N/A

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

3.4. Programme 4: IMPROVING SERVICE DELIVERY EFFICIENCIES

The purpose of this program was to enhance the overall effectiveness and responsiveness of services to deliver faster, higher-quality services to customers in a timely, reliable, and cost-effective manner. Also, to keep online systems fit for purpose by maintaining a high availability of systems to enable consumers to file complaints or access information quickly.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under the revised Programme 4, two of the three targets were achieved. The NCC was able to ensure that 94% of inbound calls to the contact centre were answered, and 97% availability of the e-Service portal and website. In the main, these achievements were targeted at improving service delivery efficiencies and thereby reducing red tape as well as the time taken to file complaints and receive feedback by simplifying the filing and handling of consumer complaints. The target that was not achieved related to the payment of service providers, as 473 of 481 (98.34%) of the NCC's service providers were paid within 20 business days, marginally below the target of 100%.

Table 5 sets out outputs and outcomes on the programme of NCC's measures on improving efficiencies in the delivery of services, in terms of the availability of the eService portal and contact centre for consumers lodging complaints or following up on complaints, as well as ensuring that service providers are paid within 20 business days.

Table 5: Improving service delivery efficiencies

Programme: Improving service delivery efficiencies							
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Improving service delivery efficiencies.	18. Answer calls made to the contact centre.	Percentage of answered inbound calls to the contact centre.	New indicator	Answer 90% of calls made to the contact centre.	Achieved 94% of calls made to the call centre were answered	Target exceeded	There was less system down-time experienced.
Improving service delivery efficiencies	19. Available complaints handling e-Service System and Website	Percentage of availability of complaints handling e-Service System and Website	New indicator	95% availability of complaints handling e-Service System and Website	Achieved 97% availability of complaints handling e-Service System and Website.	Target exceeded	There was less system down-time experienced.
Improving service delivery efficiencies	20. Pay service providers within 20 business days.	Number of days taken to pay suppliers.	New target	Pay service providers within 20 business days.	Not Achieved 473 of 481 service providers were paid within 20 business days.	8 paid outside the 20 business days	Did not follow up on the non-compliant invoices timeously

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION: APPLICABLE UNTIL 30 SEPTEMBER 2025

This is the report of the APP that was initially approved for the financial year. The APP was subsequently revised as reported above. In this section, the performance report until the revision of the APP is presented for completeness.

4.1. Programme 1: Administration

This programme contributed to **the dtic** outcomes 32 and 40 by ensuring that the appropriate technology architecture, electronic communications channels and other associated information resources and services, were available to ensure that the NCC operates efficiently and securely. The functions of this objective were performed by the Corporate Services division.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 1, all targets were successfully achieved, as indicated in Table 6 below. The NCC successfully maintained the secure and efficient availability of its eService System and Website, which made a positive impact towards Government's priority to reduce red tape and improve turnaround times in the administration of incentives and work of agencies. Furthermore, in contributing towards the production of 1 000 case studies of, amongst others, communities impacted by **the dtic** measures, the NCC was able to document 20 cases of impact made as a result of its activities.

Table 6: Administration

Programme: Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until 30/09/2024	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved turn-around times in the administration of complaints	1. Available complaints handling e-Service System and Website	Percentage of availability of complaints handling e-Service System and Website	New indicator	95% availability for complaints handling e-Service System and Website	Achieved An average of 99% availability for complaints handling e-Service System and Website	None	N/A	Alignment to priorities of the 7 th Administration
Services rendered by NCC positively impact the socio-economic welfare of consumers	2. Documented cases of NCC's impact	Number of documented cases of impact by the NCC activities	Achieved 50 cases consumers impacted by the NCC activities	60 documented cases of impact by the NCC activities	Achieved 57 documented cases of impact by the NCC activities	Mid-year target exceeded by 27	N/A	Alignment to priorities of the 7 th Administration

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

4.2. Programme 2: Education and Awareness

This programme contributes to **the dtic** output 33. The purpose was to educate consumers about their consumer rights and to educate businesses about their obligations. The role of the programme was to promote public awareness of consumer protection matters by implementing education and awareness initiatives based on the provisions of the CPA.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Targeted and focused engagements were conducted through various multimedia platforms—including social media, print, and electronic media along with interviews, campaigns, the website, and TV and radio broadcasts at national, regional, and community levels. A total of 312 consumer and business education and awareness initiatives were conducted, resulting in targets being met and, in some cases, exceeded. This multi-platform approach ensured coverage across all nine provinces, allowing both consumer and business education initiatives to reach a broad and diverse audience.

In addition, several meetings were held with business associations and other stakeholders to explore potential partnerships aimed at promoting legislative compliance among businesses. Notable engagements included meetings with the Free State Black Business Chamber, SEDA Free State, SEDA Northern Cape, and the Western Cape Chamber of Commerce. Feedback received from participants of both consumer and business education programmes indicated a positive impact. Consumers reported improved awareness and understanding of their rights and responsibilities, while businesses gained a clearer understanding of their roles and obligations in complying with consumer protection legislation.

Table 7: Education and awareness

Programme: Education and awareness								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until 30/09/2024	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Public awareness of the provisions of the CPA	3. Consumer education and awareness programmes conducted	Number of Consumer education and awareness programmes conducted	Achieved 86 consumer consumer education and awareness programmes conducted by the end of the financial year	384 consumer education and awareness programmes conducted.	Achieved 312 consumer education initiatives were conducted through various media platforms	The mid-year target was exceeded	The target was exceeded due to more opportunities to engage with media outlets	Alignment to priorities of the 7 th Administration
Business awareness of the provisions of the CPA	4. Business education programmes conducted	Number of business education conducted	New indicator	30 business education programmes conducted.	Achieved 21 business education programmes conducted.	The mid-year target was exceeded	There were additional opportunities to conduct business education programmes	Alignment to priorities of the 7 th Administration

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

4.3. Programme 3: Promote The Supply of Safe Goods

This programme seeks to ensure that goods that are unsafe, or that pose a potential risk to the public from the continued use of or exposure to the goods, are recalled from the consumer market.

Consumer safety is of paramount importance, and the NCC will ensure that consumers are supplied with goods that are safe for consumers' health as well as for the environment. To this extent, the NCC will administer product recalls, issue directives for recalls and conduct investigations where applicable.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Programme 3 had a single target, which was fully achieved and aimed at promoting the supply of safe goods to consumers. The NCC successfully produced quarterly reports on its activities in the administration of product recalls. Through these efforts, there was a positive contribution to the removal of unsafe and hazardous goods from the marketplace, and which averted any harmful impact that such goods may have had on the health of consumers and the environment.

Table 8: Promote the supply of safe goods

Programme: Promote the supply of safe goods								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until 30/09/2024	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Unsafe goods recalled from the consumer market	5. Administer product recalls	Reports on all product recalls administered produced	New indicator	Produce 4 product recall reports on the administration of the product recalls	Achieved Two (2) product recall reports on the administration of the product recalls were produced.	N/A	N/A	N/A

4.4. Programme 4: Importation of Non-Compliant Clothing, Textile, Footwear, and Leather

The programme sought to combat non-compliant imports of CTFL. The planned performance was to support the South African Retail-Clothing, Textile, Footwear, and Leather (R-CTFL) Value Chain Masterplan by conducting investigations on receipt of detention notices from SARS. The activities were to include an investigation to detect the prohibited conduct and taking enforcement action against suppliers that violate the labelling requirements in the CPA thus combating the importation of illegal CTFL.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 4, both targets were achieved. The NCC successfully conducted 71 investigations and took enforcement action against suppliers for non-compliant imports of clothing, textile, footwear and leather goods.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

Table 9: Importation of non-compliant Clothing, Textile, Footwear and Leather (CTFL)

Programme: Importation of non-compliant Clothing, Textile, Footwear, and Leather (CTFL)							
Outcome	Output	Output Indicator	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until 30/09/2024	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Importation of non-compliant clothing, textile, footwear, and leather (CTFL) combated	6. % of CTFL investigations conducted and completed by the 31 st of March 2025	100% of CTFL investigations, approved from the 1 st of March 2024 to the 28 th of February 2025, were conducted and completed by 31 st of March 2025	100% of CTFL investigations completed by the end of the financial year.	Achieved 100% (71 of 71) CTFL investigations approved from the 1 st of March 2024 to the 31 st of August 2024, or before 30 th of September 2024	None	N/A	Alignment to priorities of the 7 th Administration
	7. % of enforcement action taken against non-compliant CTFL importers by the 31 st of March 2025	Enforcement action taken against all non-compliant CTFL importers by the 31 st of March 2025	Enforcement action taken against 100% of non-compliant CTFL importers on matters approved from the 1 st of March 2024 to the 31 st of May 2024 by 30 th of June 2024	Achieved 100% (10 out of 10) of enforcement papers on assessment report (CTFL) approved for enforcement during the 1 st day March 2024 to the 31 st of August 2024 or before 30 th of September 2024 were drafted, approved, and filed with the Tribunal or issued with compliance notices.	None	N/A	Alignment to priorities of the 7 th Administration

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION (Cont.)

4.5. Programme 5: Promote Fair, Reasonable, and Just Price of Goods or Services

The programme sought to promote and advance the social and economic welfare of consumers in South Africa by combating the supply of goods or services at prices that were unfair, unreasonable, or unjust. The functions concerning this objective were performed by the Complaints and Investigations division and the Enforcement and Legal Services division.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

The NCC had to conduct market monitoring to understand the magnitude of the problem and address the disregard of the provision of the CPA by suppliers in particular, around issues of bundling and opaque pricing of goods and services. Though the intention was to deal with 10 matters, the NCC had to investigate and enforce compliance on those suppliers that were identified during the market monitoring process, hence the target was exceeded.

Table 10: Promote Fair, Reasonable, and Just Price of Goods or Services

Programme: Promote Fair, Reasonable, and Just Price of Goods or Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2023 /2024	Planned Annual Target 2024/ 2025	Actual Achievement 2024/2025 until 30/09 /2024	Deviation from planned target to Actual Achievement 2024/ 2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Goods or services supplied at prices that are fair, reasonable, and just	8. Number of investigations conducted and completed into unfair, unreasonable or unjust prices of goods or services by the 31st of March 2025	10 investigations conducted and completed into unfair, unreasonable, or unjust prices of goods or services by the 31st of March 2025	New indicator	10 investigations conducted and completed into unfair, unreasonable, or unjust prices of goods or services by the 31st of March 2025	Achieved 20 investigations were conducted and completed into unfair, unreasonable, or unjust prices of goods.	Target exceeded by 10	More complaints received	Alignment to priorities of the 7 th Administration
	9. Number of enforcement actions taken against suppliers who supply goods or services at a price that is unfair, unreasonable, or unjust by the 31st of March 2025	10 enforcement actions taken against suppliers who supply goods or services at a price that is unfair, unreasonable, or unjust by the 31st of March 2025	New indicator	10 enforcement actions taken against suppliers who supply goods or services at a price that is unfair, unreasonable, or unjust by the 31st of March 2025	Achieved 100% (32 out of 32) enforcement actions were taken on assessment reports approved for enforcement, against suppliers offering essential goods at unfair price during the 2024/2025 financial year	Target was exceeded by 22 matters	Market monitoring resulted in a high number of suppliers being found to have supplied goods or services at a price that is unfair, unreasonable, or unjust	Alignment to priorities of the 7 th Administration

4.6. Programme 6: Curb Prohibited Conduct

The purpose of this programme was to promote and advance the social and economic welfare of consumers in South Africa by ensuring that prohibited conduct was detected and enforcement action was taken against suppliers who were found to have contravened the CPA; and to ensure that consumers who had suffered detriment received appropriate redress.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

In order to enforce the rights of consumers and compliance, the NCC took action against suppliers following identified contraventions. As part of the corrective measures, the NCC secured redress for affected consumers. Additionally, administrative fines were imposed on suppliers as a deterrent against future non-compliance and to reinforce the importance of adhering to the provisions of the CPA.

Table 11: Curb prohibited conduct

Programme: Curb prohibited conduct								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until 30/09/2024	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Prohibited conduct detected through investigation	10. Investigations conducted and completed.	% of investigations, approved from the 1 st of January 2024 to the 31 st of December 2024, were conducted and completed by or before the 31 st of March 2025.	Achieved 100% (210 of 210) of all investigations approved from the first day of quarter four of 2022/2023 to the last day of quarter three of 2023/2024 were conducted and completed	Conduct and complete, 90% of complaints approved for investigation from the 1 st of January 2024 to the 31 st of December 2024	Not Achieved 79.3% (188 of 237) of investigations approved from the 1 st of January 2024 to the 30 th of June 2024, were conducted and finalised	20.7% was not completed on time.	Tracing of suppliers took longer than anticipated	Alignment to priorities of the 7 th Administration
Prohibited conduct curbed through enforcement action	11. % of enforcement action taken against non-complaint suppliers	Enforcement action taken in 95% of assessment reports approved for enforcement from the 1 st of January 2024 to the 31 st of December 2024, by the 31 st of March 2025	Achieved 100% (53 out of 53) enforcement action was taken on assessment reports (conventional) approved for enforcement between the 1 st day of quarter four of 2022/2023 and the last day of quarter three of 2023/2024 financial years by the end of the financial year.	Enforcement action taken in 95% of assessment reports approved for enforcement from the 1 st of January 2024 to the 31 st of December 2024, by 31 st of March 2025	Achieved 100% (26 out of 26) referral/enforcement papers on assessment reports (conventional) approved for enforcement between the 1 st and the last day of quarter two of 2024/2025 financial year were drafted, approved and filed or issued.	Target exceeded	N/A	Alignment to priorities of the 7 th Administration

4.7. Revenue Collection

The total amount due to the NCC in the form of government grants was received in full for the 2024/25 financial year. Surplus funds are invested with the South African Reserve Bank (SARB) and interest is earned. Table 12 below depicts to actual revenue received against the estimated budget.

Table 12: Revenue collected against the budget

Sources of revenue	2024/2025			2023/2024		
	Estimate	Actual amount collected	Over)/Under) Collection	Estimate	Actual amount collected	Over)/Under) Collection
	R	R	R	R	R	R
Revenue from exchange transactions						
Sundry Income	-	128 114	128 114		52 221	52 221
Other Income	-	422 592	422 592			-
Interest received	3 000 000	2 729 631	(270 369)	4 769 837	4 594 266	(175 571)
Total Revenue from exchange transactions	3 000 000	3 280 337	280 337	4 769 837	4 646 487	(123 350)
Revenue from non-exchange transactions						
Government Grant	71 220 000	71 220 000	-	73 566 000	73 566 000	-
Total Revenue from non-exchange transactions	71 220 000	71 220 000	-	73 566 000	73 566 000	-
Total Revenue	74 220 000	74 500 337	280 337	78 335 837	78 212 487	(123 350)

4.8. Capital Investments

The NCC has cash in the bank, invested in the Corporation for Public Deposits (South African Reserve Bank) on a short-term basis. Other than cash, the majority of the assets are property, plant, and equipment as reflected in the asset register. Capital acquisitions to the value of R528 998 (Five Hundred and Twenty-eight Thousand Nine Hundred and Ninety-eight Rand), consisting of furniture and computer equipment, were made against the budget of R551 997 (Five Hundred and Fifty-one Thousand Nine Hundred and Ninety-seven Rand) to assist the NCC in executing its mandate. There were no material disposals of assets in the 2024/25 financial year.

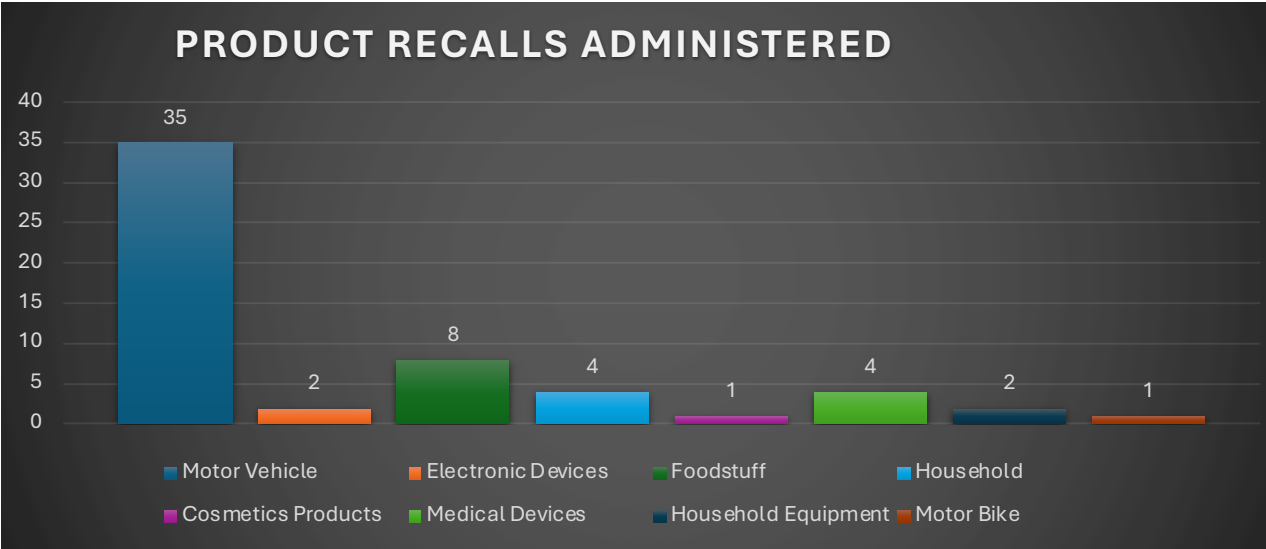
TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR

The NCC administered a total of 57 product recalls in terms of Section 60 of the CPA, read with Product Safety Guidelines issued in 2011, in the year under review. The guidelines are an equivalent to those applicable within the consumer protection space in other jurisdictions. These guidelines provide suppliers with detailed steps to conduct effective recalls. Thus, alongside the CPA, suppliers have access to the guidelines.

Section 60 of the CPA applies where there is a product failure i.e. a product not performing in the intended manner or to the intended effect, or defect i.e. a material imperfection in the manufacture of a product affecting its usefulness, practicality or the safety of its users, or a hazard.

The NCC monitored the sources of information received, analyse the information received with the object of detecting or identifying any previously undetected or unrecognised potential risk to the public from the use of or exposure to those goods. The NCC then used in the main, media, to notify consumers of the nature, causes, extent and degree of the risk pertaining to those goods; and if the goods are unsafe, recall those goods for repair, replacement or refund.

Below are products recalled in this financial year. The bulk the products were for motor vehicles.



Below is a graph depicting product recalls per supplier.



TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

The table below provides a list of product recalls the NCC administered as well as the nature of the defect and associated hazard.

Product recall summaries for the 2024/2025 financial year

Item	Name of Supplier	Product	Defect	Hazards
1	Suzuki Auto South Africa (Pty) Ltd	Suzuki JIMNY (A6G415)	Possible fuel pump impeller swelling.	Loss in engine power or non-start during start up.
2	Marcel's Gourmet Frozen Yoghurt (Pty) Ltd	Marcel's Frozen Yoghurt Peanut Butter 175ml	The production batch: 16.11.23 tested out of specification for aflatoxins.	Chemical: Aflatoxins.
3	Thule AB	Thule RideAlong	The harness padding of the Thule Ride Along bike seats can contain flame-retardant DecaBDE in excess of regulatory limits, posing a chemical hazard.	DecaBDE can be toxic if it's ingested or comes into contact with skin or eyes.
4	Stellantis South Africa	Jeep Takata Passenger Airbag Inflator	The passenger airbag inflator may rupture during airbag deployment phase.	The rupturing of the airbag inflator may lead to metal fragment(s) which could lead to serious injury or possibly death.
5	Mercedes-Benz South Africa Limited (9190101)	Mercedes-Benz Model GLE(167)	On certain GLE and GLS (167 platform) vehicles, the 48V ground connection under the passenger seat might come loose.	Risk of fire.
6	Mercedes-Benz South Africa Limited (5499117)	Mercedes-Benz Model CLA(118), A-Class(177), EQA/EQB(243), GLB(247)	The fallback level of the steering software may not correspond to the specifications in certain model series right-hand drive vehicles.	Power steering may be implied and a loss of steerability cannot be ruled out, which would increase the risk of accident and injury.
7	Mercedes-Benz South Africa Limited (8297011)	Mercedes-Benz C-Class (206 platform), E-Class (214 platform), S-Class (223 platform), SL (232 platform), CLE (236 platform), GLC (254 platform), EQE SUV (294 platform), EQE (295 platform), EQS SUV (296 platform) and EQS (297 platform) vehicles, certain 80A fuses installed might not meet requirements.	The 80A fuses may not correspond to the requirements.	The vehicle might lose its propulsion without pre-warning, restraint functions or the instrument cluster might be impaired.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
8	Schneider Electric South Africa	APC Symmetra PX 9Ah Battery Unit	An internal battery non-conformance that may lead to localised overheating of the battery module assembly and adjacent components.	Smoke, soot and thermal damage so that the potential for property damage and bodily injury may exists.
9	Stellantis South Africa	Takata (Driver & Passenger Airbag Inflator) for Citroen vehicles	The driver and passenger airbag inflator may rupture during airbag deployment phase.	Metal fragment(s) detaching from bursting inflator and these parts could fly in the direction of the driver/occupants in the vehicle, capable of causing serious injury or possibly death in a worst-case scenario.
10	Chery International (Pty) Ltd	Chery Tiggo 4 Pro CVT	Dislodgement of rear axle.	Injury or severe damage.
11	Massmart	Trojan (Boxing Bag / Punching Bag)	A foreign metal object on the Trojan punching bags bought by customers from Game and Makro from the 19th of January 2024.	Possible injury to consumer.
12	Woolworths (Pty) Ltd	Country Road two-tone demm mug	The mug unexpectedly breaks when hot liquid is poured into it, resulting in the base separating from the body of the mug.	Possibility of risk of injury.
13	L'Oréal South Africa (Pty) Ltd	Dark and Lovely Moisture Plus Kit (regular and super) plus and Dark and Lovely Anti Breakage Kits (50ml Single-Use Neutralising Shampoo)	The presence of bacteria.	The risk of infection.
14	Ford Motor Company of Southern Africa (Manufacturing) (Pty) Ltd	23B89 – Ranger - Cylinder Head inspection	A cylinder head that could potentially be partially blocked.	The coolant flow could be compromised which can lead to the heater not functioning and in some circumstances the Engine Overheating Malfunction Indicator Light (MIL) being displayed in the instrument cluster.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
15	Abbott Laboratories	Ensure Gold Plant-Based Almond Flavour Nutritional Supplement	The language "Not suitable for milk allergy" and "May contain milk" was not included on the label for the impacted lots in South Africa. The product is made in a manufacturing facility that processes dairy/milk products and therefore traces of milk protein may be found in the product.	The consumers/people who have allergies to milk may be at risk of an adverse reaction if they consume product from these lots.
16	Mercedes-Benz South Africa Limited (5496226)	Mercedes-Benz Model EQ	The software of the battery management system in certain vehicles of model series EQE SUV (BR 294), EQE (BR 295), EQS SUV (BR 296) and EQS (BR 297) could lead to deactivation of the high-voltage system in specific situations.	An unannounced loss of propulsion cannot be ruled out, which could increase the risk of an accident
17	Boston Scientific	Capio™ SLIM Suture Capturing Device	Certain tooling used to manufacture Capio SLIM devices may have inadvertently affected component dimensions in specific lots, impacting the functionality of the device.	The health consequence that may occur is hemorrhage, which would require medical intervention.
18	Unilever South Africa (Pty) Ltd	Knorr Onion Gravy	A limited batch of consumer units of the Knorr "Professional Brown Sauce Base" product was improperly packed into the Knorr "Brown Onion Gravy" packaging such that cow's milk and soy allergens are present by composition but not declared in the ingredient list. The product label does not carry precautionary "may contain" statements for cow's milk and soya.	If the Knorr "Brown Onion Gravy" is used it would result in milk and soy protein portions that would be harmful to individuals who have cow's milk and soy allergies.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
19	Condere	Condere Switched Socket – Outlet (CN – K034)	Non-compliant to compulsory specifications, i.e., VC 8008.	Failure Clause SANS 60-884-2-3 :2007, Clause SANS 164-1 :2021, Clause SANS 164-0 :2023, Clause 4-1-1. Referred to VC 8008.
20	Boston Scientific	WallFlex™ Esophageal Stent System and Agile™ Esophageal Over the Wire (OTW) Stent System	Potential for delivery catheter tip detachment.	Additional medical attention.
21	Mercedes-Benz South Africa Limited (5497603)	Mercedes-Benz Model C-Class 206	The screw connection of an electric line to the prefuse box in the front passenger footwell may have been tightened with insufficient torque in certain C-Class (model series 206) model series vehicles.	A sudden loss of propulsion cannot be ruled out. Increased risk of a thermal event.
22	Stellantis South Africa	Peugeot Turbo Charger Banjo Bolt	The turbocharger lubrication union banjo bolt may not conform and could cause an oil leak.	The oil could leak onto the adjacent hot engine parts.
23	Stellantis South Africa	36B Jeep (Steering column control module)	An insufficient weld between an internal flexible flat cable and busbar.	The steering column control module may not allow a deployment signal from the airbag controller to reach the driver airbag module, preventing airbag deployment. An airbag that does not deploy when intended may result in increased risk of injury to the driver in crash.
24	Stellantis South Africa	34B Jeep (Steering column control module)	An insufficient weld between an internal flexible flat cable and busbar.	The steering column control module may not allow a deployment signal from the airbag controller to reach the driver airbag module, preventing airbag deployment. An airbag that does not deploy when intended may result in increased risk of injury to the driver in crash.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
25	Mercedes-Benz South Africa Limited (5491114)	Mercedes-Benz Model W206	The wiring harness might not be fixed correctly.	The temperature in this area might increase and the risk of a thermal event cannot be ruled out completely. Furthermore, for plug-in-hybrid-variants the electrical drive train might be deactivated which could influence the exhaust emissions and the electrical range.
26	Volvo Car South Africa	Volvo EX30 Vehicles (R10273)	A software issue related to the display, i.e. motor vehicle's instrument cluster.	This may in rare cases lead to the screen entering a test mode during start-up of the vehicle, which prevent key information, including information such as the vehicle's speed, from being displayed.
27	Volvo Car South Africa	Volvo XC40 seat belt tightening (R 10284)	One of the bolts holding the front left seat may not be mounted properly.	In the event of a crash may increase the risk of injury.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
28	McCain Foods South Africa (Pty) Ltd	India Appetizers (Various): • Potato cheese shotz • Vege nuggets • Veggie burger patty • Aloo tikki • Veggie finger • Chilli garlic potatobites • Saf veggie burger patty • Chilli cheesy nuggets	Detected low level presence of residual amounts of ethylene oxide (ETO) which is used to preserve product seasonings in the affected products. As these products were manufactured in India, they comply with Indian market regulations. However, there are no maximum residue levels specified for ETO in foodstuffs in the South Africa Regulations Governing the Maximum Limits for Pesticide Residues that may be Present in Foodstuffs (Regulation 4388 under the Foodstuffs, Cosmetics, and Disinfectants Act (54) of 1972) (Regulations). There is also no maximum residue level specified for ETO in the Codex Alimentarius Standards. As per the Regulations, in the absence of maximum ETO residue levels in South Africa, the default maximum residue level of 0.01 kg/mg applies as specified in the Directives of the European Community.	Food products containing ETO may potentially cause illness/injury if consumed.
29	Shoprite Checkers (Pty) Ltd (Manufacturer: BM Foods)	Deli Hummus Range: Traditional (125g & 300g); Reduced Fat (125g & 300g) ; Zataar (125g & 300g) ; Red pepper (125g & 300g) ; Caramelised Onion (125g)	Microbial Contamination: Listeria monocytogenes detected in ready-to-consume Deli Hummus Variants, more specifically the Caramelised Onion, Red Pepper and Zataar Hummus.	Risk of possible Listeria infection (Listeriosis).

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
30	Namib Mills	Top Score Instant Porridge 1 kg Vanilla Flavoured	Consumption of the product has led to the death of three children.	Potential food safety risk.
31	Toyota SA Motors	Toyota & Lexus 24SD-056 Panoramic View Monitor Replacement	Due to insufficient laser welding of the camera case at the supplier during a specific production period, there is a possibility that the camera case may separate when exposed to external stress over time, allowing water to leak into the camera.	The circuit inside the camera can short, leading to an inability to display an image of the area in front of and/or behind the vehicle.
32	Belkin Limited	Belkin BoostCharge Pro Fast Wireless Charger for Apple Watch + Power Bank 10K	In some circumstances, the portable wireless battery charger's lithium-ion cell component may overheat which could pose a fire hazard to consumers.	There have been no incidents in South Africa. To date, there have been a small number of reported incidents in a limited number of countries in Asia.
33	Mercedes-Benz South Africa Limited (5496234)	Mercedes-Benz Model S-Class -S580	On certain S-Class (223 platform) vehicles with 8-cylinder gasoline engine, lambda control in the software of the engine control unit might not meet specifications. In the event of an independent hardware failure, the amount of injected fuel might be erroneously increased by the lambda control system in case of a cylinder deactivation. As a result, an increase of exhaust temperatures and a damage of surrounding components (e.g. engine wiring harness, catalytic converter) might occur.	A loss of propulsion without prior warning and an increased risk of fire cannot be ruled out. Furthermore, local legal emission limits could be exceeded.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
34	Mercedes-Benz South Africa Limited (4990103)	Mercedes-Benz Model 247(B-Class, GLA/GLB)	Oil leak at exhaust manifold. In certain vehicles in the model series CLA (model series 118), A-Class (model series 177) and B- Class/GLA (model series 247) with 4-cylinder diesel engine, the sealing ring between the exhaust manifold and the exhaust gas turbocharger may be missing. In such an instance, this could lead to the escape of hot, uncleaned exhaust gas between the exhaust gas turbocharger and the exhaust manifold. This thermal load could, for example, damage the cylinder head cover thereby causing oil to leak out.	If the oil impacts with hot component parts, there is a risk of a fire breaking out. Statutory exhaust gas emission limit values could also be exceeded here.
35	Toyota SA Motors Pty (Ltd)	Toyota & Lexus (24SD-055 Forward Recognition Camera Software Update/ Software Update)	The subject vehicles are equipped with a Toyota Safety Sense (TSS) 3.0 system or Lexus Safety System Plus (LSS +) 3.0, containing a forward recognition camera to detect objects for certain driver assistance features, including the Pre-Collision System (PCS). Due to the programming of the forward recognition camera software, there is a possibility that the memory inside the forward recognition camera could fail during processing when the ignition is turned off.	The PCS will not activate on the next ignition start, causing warning lights to illuminate, audible chimes to sound, and messages to display on the instrument panel. If the PCS cannot activate, it may not conform to local practice in certain countries.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
36	Mercedes-Benz South Africa Limited (1595003 / 1595004)	Mercedes-Benz Model: AMG GT (290), E-Class (213-), E-Class (238) and CLS (257)	The electrical connector for the transmission wiring harness may not have been manufactured correctly. This may lead to the ingress of water into the plug and, over time, cause a short circuit.	The short circuit could lead to thermal overloading of the connector coupling after the vehicle has been parked.
37	Canyon Bicycles GmbH	Canyon bicycle: Speedmax CF (R073), Speedmax CF (R41)	In certain limited circumstances the fork steerer tube of the affected products can crack or break, leading to a detachment of the cockpit assembly (stem and handlebar). This mostly occurs after harsh impact such as hitting a deep pothole or another similar stress event.	The issue referred to may lead to a fall or in severe cases also an injury depending on the situation and the environmental conditions one is riding in. Following internal investigations, a risk assessment was performed (EU Risk Assessment Guide: Commission Decision 2019/417) and a serious level of risk was identified.
38	Toyota SA Motors Pty (Ltd)	Toyota Hino 200 series 310 (Steering pinch bolt replacement)	Steering pinch bolts over torqued during assembly process.	Risk that the steering pinch bolts may fracture and break off causing a loss of steering control.
39	Toyota SA Motors Pty (Ltd)	24SD-145 Corolla Steering Intermediate Shaft Replacement	The steering system of the subject vehicles consists of a steering intermediate shaft assembly that connects the steering wheel to the steering rack. There is a possibility that the upper universal joint on the steering intermediate shaft assembly was manufactured with cracks at the supplier. In this condition, the crack may grow over time due to stress created by steering inputs. If the crack grows, this can lead to abnormal noise, abnormal steering feel, and additional play in the steering wheel while turning.	Eventually the universal joint can break, causing a loss of steering and increasing the risk of an accident.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
40	Volvo Car South Africa	XC90 Rear seat belt buckle and lower anchor screw (R10259)	The second-row seat belt buckle may have not been tightened to the correct specification.	If this condition occurs, it may not fulfil sufficient protection in the event of a crash for the second-row passenger.
41	Toyota SA Motors Pty (Ltd)	Toyota LC 300 24SD-071 V35A Engine Replacement	During a specific production period, there is a possibility that engine machining debris of a particular size and amount may not have been cleared from the engine during manufacturing and subsequently contaminated the engine assembly during the production process. For these engines in the subject vehicles, the pressure on the main bearings due to the engine configuration is such that, if the aforementioned machining debris adheres to the bearings and operation of the engine continues at higher loads over time, failure of the bearings may occur. This can lead to potential engine knocking, engine rough running, engine no start and/or an engine stall. In the subject vehicles, an engine stall while driving leads to a loss of motive power.	A vehicle loss of motive power while driving at higher speeds can increase the risk of an accident.
42	Toyota SA Motors Pty (Ltd)	24SD-146 Corolla Brake Actuator Reprogram	The subject vehicles are equipped with a brake actuator with a skid control Electronic Control Unit (ECU) which controls the hydraulic and regenerative brake systems. Due to the programming of the skid control ECU software, there is a possibility that the brake fluid pressure may not be controlled as designed in limited situations when the brake pedal is applied during cornering.	Operators may temporarily experience a hard brake pedal with reduced braking force, increasing the brake stopping distance more than expected, and potentially increasing the risk of crash.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
43	Pirelli Deutschland GmbH (Pirelli)	Pirelli (Scorpion Trail II 150/70R18 M/C 70V) and Metzeler-branded motorbike tyres (Tourance Next 150/70R18 M/C 70V, Tourance Next II 150/70R18 M/C 70V,W)	Pirelli has identified that, in certain tyre service conditions (such as low inflation pressure, heavy load, road conditions causing irregular wear) and after a consistent mileage, the tyres may be subject to breakage of zero-degree reinforcement. If this condition is not promptly detected, it may lead to potential air loss.	Partial detachment of the tread layer and/or a sudden loss of air pressure may cause loss of control, increasing the risk of a crash.
44	Stellantis South Africa	Opel, Opel Astra and Opel Mokka (Takata Driver Airbag Inflator)	The driver airbag inflator may rupture during airbag deployment phase.	The potentially high energetic deployment of the inflator may lead to metal fragments detaching from the bursting inflator and this part could fly in the direction of the driver/ occupants in the motor vehicle, capable of causing serious injury or possibly death in a worst-case scenario.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
45	Boston Scientific	AXIOS™ Stent and Electrocautery Enhanced Delivery System	Boston Scientific is initiating a removal of specific lots of the AXIOS™ Stent and Electrocautery Enhanced Delivery System, detailed in Attachment 1, due to reports of the outer sheath distal black tip detaching from the device. Boston Scientific has received seven (7) reports of this issue between May 16, 2024, and present day. In cases where the stent was deployed, it was observed that the separated black sheath tip can remain around the stent saddle, preventing proper expansion.	The most common outcome reasonably foreseeable resulting from the sheath tip separation is prolongation of the procedure to exchange the device for a new one. In cases where the stent is deployed with the separated black sheath tip remaining on the saddle of the stent, the nose cone tip of the delivery catheter is not able to pass through the stent. This can lead to breakage of the delivery catheter, which would result in the black sheath tip being left behind on the stent and the nose cone tip along with a portion of the delivery catheter being left behind within the stent. Therefore, the most serious reasonably foreseeable outcome from the black sheath tip separating and remaining on the stent is an additional intervention, either endoscopic or surgical, to remove the stent, retrieve any fragments, and close the puncture site.
46	Massmart	Bounceking Trampolines (8 Foot, 10 Foot, 12 Foot and 14 Foot)	Material strength, safety net dimensions, minimum protective covers and warnings and instructions, with inferior spring design.	Possible injury to consumers, high potential risk of customer injury.
47	Volvo Car South Africa	XC90 – BCM2 – Push rod (R10289)	The rod between the brake pedal and brake booster may not have been assembled according to manufacturing specifications.	The rod could detach and cause the brakes to malfunction.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
48	Volvo Car South Africa	XC40 - Turn indicator system (r10256)	An issue related to the turn indicator system.	This could in rare cases lead to a temporary loss of the left rear turn indicator function.
49	Volvo Car South Africa	XC40 – Ball joint (R10244)	The front suspension may have been incorrectly attached in manufacturing.	This could in some cases affect the maneuverability of the vehicle.
50	Volvo Car South Africa	XC90 – BCM2 Update (R10217)	A potential software failure in the brake control module.	In rare cases it could lead to a support functions.
51	PMI WWW Brands LLC, dba Stanley 1913 of Seattle Washington	The Stanley Switchback and Trigger Action stainless steel double walled travel mugs sold in a variety of colors including white, black, and green in 12 oz, 16 oz and 20 oz sizes with a polypropylene lid.	The lids threads can shrink when exposed to heat and torque, causing the lid to detach during use, posing a burn hazard.	A burn hazard.
52	Cape Herb & Spice – A Division of Libstar Operations (Pty) Ltd	Cape Herb and Spice Chilli & Garlic Seasoning 190g/Black Peppercorns 185g/ Pink Slat 390g/ Salt & Pepper 310g/ Sea Salt 360g/ Seasoned Salt 240g/ Sweet & Smoky BBQ 230g	The presence of hard plastic pieces caused by a faulty grinder mechanism. The affected batches were produced between September 2023 and May 2024.	The hard plastic foreign object (size 4.6mm x 4.6mm)
53	Stellantis South Africa	Jeep Grand Cherokee (rear Coil Spring Isolator)	The motor vehicle may have been built with an incorrect installed rear coil spring. An inspection is required, and spring isolators need to be replaced if necessary.	The rear coils spring may detach from the motor vehicle while driving. This can cause such vehicles to crash, and /or may result in injury.
54	Suzuki South Africa	Swift Sport (A2L414)	The fastening force of the fastening part of the steering wheel and the steering wheel column could be insufficient.	The steering wheel operation may not be possible under certain circumstances.
55	Honda Motor Southern Africa (PTY)Ltd	Civic 4 door/ CIVIC TYPE R 5 door / CR-V 5 door.	The EPS Gear Box Worm Wheel Swelling Failure	The steering gearbox resulting in an abnormal noise or a dangerous sticking occurs when turning the steering.

TEXTBOX 3 - PRODUCT RECALLS ADMINISTERED FOR THE 2024-25 FINANCIAL YEAR (CONTINUED)

Item	Name of Supplier	Product	Defect	Hazards
56	INEOS Automotive South Africa (Pty) Ltd	INEOS Grenadier (M1 Passenger Vehicle – Station Wagon & N1 Light Commercial Vehicle Double Cab Pick-Up)	The possibility of a button within the door handle malfunctioning due to it being either faulty or defective by remaining in a depressed position when a door is opened from the outside.	The door may not fully close and latch as designed.
57	Heartland Foods and Shoprite Checkers	Cereal products manufactured by Heartland Foods	Falsified laboratory results were submitted to Shoprite Checkers to secure approval for product listing and associated nutritional claims. The products do not provide nutritional benefits as claimed in the packaging.	The products may not deliver the full nutritional benefits as indicated on the packaging. Additionally, some products contain slightly higher sugar levels than stated, which could be of concern for individuals or consumers with diabetes if the product was specifically selected based on the sugar content in the nutritional information.

The NCC engaged with each product recall in terms of its Guidelines, with consumer interests uppermost. Most of the product recalls are still under consideration to assess if suppliers took reasonable steps to prevent or mitigate consumer harm.

TEXTBOX 4: SUCCESSFUL ENFORCEMENT BY THE NCC BEFORE THE NATIONAL CONSUMER TRIBUNAL AND COURTS - 2024/2025 FINANCIAL YEAR

The table below notes the matters where enforcement actions were taken:

1	NCC vs Claremont VW	NATURE OF THE MATTER: In May 2018, the consumer bought a used Jeep Compass. After the engine failed in August, the seller refused assistance, blaming driver negligence and unauthorised repairs. The consumer sought a refund under section 56(2) of the Consumer Protection Act 68 of 2008 (CPA). After no response from the seller, the NCC investigated and found a CPA violation, ordering the seller to refund the purchase price by way of a Compliance Notice and the seller made an application to review the Notice. RULING: The National Consumer Tribunal (NCT) found no valid grounds to set aside the Compliance Notice were established by the supplier. The application was dismissed, but the notice was modified. ORDER: The application to set aside the notice is dismissed. The notice is amended to require the supplier to refund the consumer R105 004.83 (One Hundred and Five Thousand and Four Rand and Eighty-three cents) under section 56(2)(b) of the CPA.
2	NCC vs Rasar T/A Jumbo Motors	NATURE OF THE MATTER: The consumer bought a used 2007 Audi on 2 December 2020 for R185 000 (One Hundred and Eighty-five Thousand), with a clause excluding the seller's responsibility for repairs. After two months and 8 400 km, the vehicle developed multiple faults. Repairs at Audi Polokwane cost R102 122.42 (One Hundred and Two Thousand One Hundred and Twenty-two Rand and Forty-two cents), followed by a crankshaft issue requiring an additional R138 900. The respondent claimed they were not given diagnostic reports, weren't asked for consent, and weren't offered a return of the vehicle. MIOSA initially recommended the respondent repair the vehicle but withdrew this after learning repairs were done. NCC then investigated possible CPA breaches. The respondent argued that third-party disassembly of the vehicle voided any statutory warranty. RULING: Accordingly, the NCT ordered: The respondent has contravened sections 51(1)(a)(i) and 51(1)(b)(i) of the CPA; The respondent's contraventions are declared prohibited conduct; The applicant or consumer may approach the Chairperson of the NCT for a certificate in terms of section 115(2)(b) of the CPA to claim the related damages in a civil court; and there is no order as to costs.

TEXTBOX 4: SUCCESSFUL ENFORCEMENT BY THE NCC BEFORE THE NATIONAL CONSUMER TRIBUNAL AND COURTS - 2024/2025 FINANCIAL YEAR (CONTINUED)

3	NCC vs Wingfield Motors	NATURE OF THE MATTER: The consumer bought a used 2017 Ford Focus RS for R568 000 (Five Hundred and Sixty-eight Thousand Rand) on 22 January 2021, financed through a loan arranged by the dealer. Three days later, he reported clutch issues. A Ford assessment revealed wear-and-tear damage not covered by the warranty, with repairs quoted at R62 218. The dealer refused a refund, citing the vehicle's used condition. Mediation failed, and the matter was referred to the NCC for investigation under the Consumer Protection Act. RULING: The NCT ordered that the 1st respondent violated sections 55(2)(a)-(c) and 56(2). The 1st respondent was ordered to refund the consumer R568 000 (Five Hundred and Sixty-eight Thousand Rand) within 15 business days. The consumer must return the vehicle after the refund is issued. The 1st respondent to pay a R50 000 (Fifty Thousand Rand) administrative fine within 30 business days.
4	NCC vs Sandton Repo Cars	NATURE OF THE MATTER: The consumer bought a 2018 VW Golf VII for R459 900 (Four Hundred and Fifty-nine Thousand and Nine Hundred Rand), believing it had no accident history. Days later, she discovered an oil leak, and a VW dealership confirmed the car had been in an accident and was unsafe. The respondent refused help, citing lack of warranty. The NCC found the respondent contravened sections 51(1)(b), 55(2), and 56(2)(b) of the CPA and referred the matter to the NCT. The respondent claimed the complaint had prescribed and denied liability. RULING: The NCT ruled against the respondent, declared the conduct prohibited, and ordered: • A refund of R459 900 (Four Hundred and Fifty-nine Thousand and Nine Hundred Rand) within 30 days; • Vehicle collection at the respondent's cost; and • A R100 000 (One Hundred Thousand Rand) administrative fine payable within 60 business days.
5	NCC vs LFA Deals	NATURE OF THE MATTER: The NCC received a complaint from a consumer who purchased a vehicle for R100 000 (One Hundred Thousand Rand) from the respondent after seeing an advertisement. Within two months, the vehicle developed undisclosed defects. Despite notifying the respondent and having the vehicle assessed, the complainant was ignored, leading them to approach the Motor Industry Ombudsman (MIOSA), which found the respondent uncooperative. The NCC alleges the respondent supplied a defective vehicle in breach of sections 55(2)(a)-(c) and 56(2)(a) of the CPA and imposed unfair terms, including a voetstoets clause, in violation of sections 48(1)(a)(ii) and 51(1). These terms are alleged to unjustly limit the consumer's CPA rights and the respondent's statutory obligations. RULING: The respondent has been ordered to pay an administrative fine of R10 000 (Ten Thousand Rand) within 60 business days from the date this order was issued. This fine is for violating section 48(1)(a)(ii) and section 51(1). The allegations related to the contravention of section 55(2)(a) to (c) in conjunction with section 56(2)(a) were dismissed.

TEXTBOX 4: SUCCESSFUL ENFORCEMENT BY THE NCC BEFORE THE NATIONAL CONSUMER TRIBUNAL AND COURTS - 2024/2025 FINANCIAL YEAR (CONTINUED)

6	NCC vs Wynberg Used Cars	NATURE OF THE MATTER: The complainant bought a used Honda Accord for R99 995 (Ninety-nine Thousand Nine Hundred and Ninety-five Rand). Within two weeks, several defects were identified, including brake issues, steering leaks, and alignment problems. The vehicle was returned for repairs, but only some issues were addressed. Additional defects were later reported, such as exhaust damage, steering fluid leaks, and rust. Repairs were incomplete and poorly documented. The NCC found that multiple defects emerged and were reported within three months, but the respondent only partially resolved them. RULING: The NCT declared that the respondent has contravened section 56(2)(a) read with section 55(2)(a) to (c). The aforesaid contraventions are declared to be prohibited conduct and that the consumer may request a certificate from the Chairperson of the NCT in terms of section 115 in respect of the above contraventions for damages claim at the civil court.
7	NCC vs Unicity Trading (PTY) LTD T/A SUV Cape Town	NATURE OF THE MATTER: The second applicant (Consumer) purchased a 2013 Daihatsu Terios for R151 900 (One Hundred and Fifty-one Thousand and Nine Hundred Rand). The vehicle had multiple faults, repaired three times by the respondent. After the third repair, the vehicle broke down due to a gearbox failure. The second applicant requested a refund, but the respondent did not comply. The second applicant filed a complaint, leading the first applicant to investigate and find the respondent in violation of the CPA. The NCT ruled that the complaint was timely, and the second applicant was entitled to a refund under section 56(3) of the CPA, as the gearbox failure occurred within three months after repairs. The NCT rejected the respondent's claim of impaired driving and dismissed requests for an administrative fine and costs. The second applicant was awarded a full refund. The respondent appealed the NCT Ruling at the High Court. RULING: The High Court confirmed the NCT ruling and dismissed the appeal.
8	NCC vs BAJ Auto Investment	NATURE OF THE MATTER: The investigation by the NCC, which revealed that the consumer's 2012 Volkswagen Amarok purchased from BAJ Auto Investments (PTY) Ltd, broke down (engine failure) within five days of purchase. The supplier ignored the consumer's request for redress. The supplier made the complainant to also sign a mechanical warranty waiver certificate wherein it exonerated itself from liability in the event of a breakdown or failure. RULING: The respondent was found guilty of prohibited conduct for refusing to repair the vehicle and was ordered to refund the consumer R31 088.28 (Thirty-one Thousand and Eight-eight Rand and Twenty-eight cents) and Innovation Group R75 000 (Seventy-five Thousand Rand). An administrative fine of R100 000 (One Hundred Thousand Rand) was imposed, and the respondent was prohibited from engaging in similar conduct in the future.

TEXTBOX 4: SUCCESSFUL ENFORCEMENT BY THE NCC BEFORE THE NATIONAL CONSUMER TRIBUNAL AND COURTS - 2024/2025 FINANCIAL YEAR (CONTINUED)

9	NCC vs JMB Motors (PTY) LTD	NATURE OF THE MATTER: The consumer bought a second-hand VW Golf 6 for R160 000 (One Hundred and Sixty Thousand). The car failed to start, and the consumer took it to a local mechanic, incurring R44 566.90 (Forty-four Thousand Five Hundred and Sixty-six Thousand and Ninety cents) in repair costs. The respondent only authorised the starter repair and refused a refund. Mediation via MIOOSA failed, and the complaint was referred to the NCC. The respondent claimed the vehicle was not returned, so they couldn't assess the defects. RULING: The NCT ordered that the respondent has contravened section 55(2) (c). The respondent was directed to refund the consumer the amount of R5 597.63 (Five Thousand Five Hundred and Ninety-seven Rand and Sixty-three cents) that the consumer paid for the repair of the starter, towing and diagnostic report. This payment shall be made within 15 business days from the date of the issuance of this order into the bank account selected by the consumer.
10	NCC vs WP Motors Sales (PTY) LTD	NATURE OF THE MATTER: The NCC referred the matter to the NCT on the basis that the Supplier/Respondent has contravened the provisions of section 55 (2) (a) and (b) and section 56 (2) (b) of the CPA as a result of selling a defective vehicle to the consumer and failed or refused to provide remedies provided in terms of the CPA. The Commission also requested an order for refund of the purchase price of R276 607.49 plus interests thereon and payment of the administrative fine in the sum of R200 000.00 (Two Hundred Thousand Rand). The Respondent disputed any breach of the CPA and raised a point in limine that the investigation of this matter was done after six months had lapsed from the date of issuing a directive to investigate the acts of the Respondent. The NCT dismissed the point in limine and agreed with the NCC that investigation only relates to collation of information and documents, excluding analysis of such information and documents, preparing an investigation report, and referring the matter to the National Consumer Tribunal. The NCT also agreed with the Commission that the sale of a defective vehicle constitute a contravention of section 55 (2) and 56(2) of the CPA. RULING: The NCT ordered the Respondent/Supplier to refund the consumer the purchase price of R276 607.49 (Two Hundred and Seventy-six Thousand Six Hundred and Seven Rand and Forty-nine cents) excluding interest and pay an administrative fine of R200 000.00 (Two Hundred Thousand Rand) within 15 days of receipt of judgement.

TEXTBOX 4: SUCCESSFUL ENFORCEMENT BY THE NCC BEFORE THE NATIONAL CONSUMER TRIBUNAL AND COURTS - 2024/2025 FINANCIAL YEAR (CONTINUED)

11	NCC vs AVURA MOTORS T/A AVURA EXECUTIVE AUTO	NATURE OF THE MATTER: In July 2022, the consumer bought a 2014 Mazda for R288 577.50 (Two Hundred and Eight-eight Thousand Five Hundred and Seventy-seven and Fifty cents). Within 28 days, the vehicle developed defects, but the respondent refused repair assistance. The consumer's insurer paid R75 000 (Seventy-five Thousand Rand) toward repairs, and the consumer paid R31 088.28 (Thirty-one Thousand and Eighty-eight Rand and Twenty-eight cents). After complaints to the Motor Industry Ombudsman and the NCC, it was found the respondent breached sections 55(2) and 56(2) of the CPA by selling a defective vehicle and failing to repair it. The NCT ruled the defect was likely latent and present at the time of sale, rejecting the respondent's claim that the consumer caused the damage. RULING: The respondent was found guilty of prohibited conduct for refusing to repair the vehicle and was ordered to refund the consumer R31 088.28 (Thirty-one Thousand and Eighty-eight Rand and Twenty-eight cents) and Innovation Group R75 000 (Seventy-five Thousand Rand). An administrative fine of R100 000 (One Hundred Thousand Rand) was imposed, and the respondent was prohibited from engaging in similar conduct in the future.
12	NCC vs Alan Hyde T/A Plett Motor Services	NATURE OF THE MATTER: The consumer bought a Volkswagen Beach Buggy for R70 000.00 (Seventy Thousand Rand). Shortly after collection on 3 November, the vehicle showed multiple faults and was returned for repairs on 5 November. Despite further attempts, the vehicle remained defective, stalling and presenting numerous mechanical and safety issues. The consumer requested a refund and cancellation of the sale, which the respondent refused. The respondent claimed the vehicle was sold in good condition and blamed the complainant for damaging it. RULING: The respondent contravened section 56(2), and such contravention is declared to be prohibited conduct. The respondent was ordered to refund the consumer the purchase price of the vehicle in the sum of R70 000.00 (Seventy Thousand Rand) into a bank account as instructed by the complainant within ten business days of the issuance of this order.
13	NCC vs Farhad Omar Ismail, trading as Squad Cars	NATURE OF THE MATTER: The consumer purchased a 2014 BMW 316i for R200 000.00 (Two Hundred Thousand Rand) and the engine ceased within two months of purchase. Squad Cars relied on a condition of sale that indicated that "the vehicle could have been in an accident and reconditioned, and that Squad Cars does not issue any warranty/warranties whatsoever to the purchaser" in refusing to repair the consumer's car. The NCC referred the matter to the NCT, which ruled that the consumer was exploited by the sale of a vehicle under terms that deprived her of the right to approach the supplier to request for a repair of the vehicle or a refund. Squad Cars' conduct was found to be in contravention of sections 48(1)(a)(ii) and 48(1)(c) in that Squad Cars made the consumer sign terms and conditions that waived the consumer's right to fair, reasonable and just terms. RULING: The NCT said that this conduct brought the consumer industry into disrepute and was declared as prohibited. Squad Cars was fined R100 000.00 (One Hundred Thousand Rand).



PART C

GOVERNANCE



PART C: GOVERNANCE

1. INTRODUCTION

- 1.1. The NCC is an organ of the state and is a Schedule 3A entity in terms of the Public Finance Management Act No. 1 of 1999 (PFMA). The entity is established by section 85 of the CPA. In terms of section 87 of the CPA, the Commissioner of the NCC is responsible for all matters pertaining to the functions of the NCC and is required to hold office for an agreed term, not exceeding five (5) years.
- 1.2. The Commissioner is the Accounting Authority of the NCC in terms of section 87 of the CPA and as such, is responsible for all income and expenditure, revenue collected, assets, and the discharge of all liabilities of the NCC, as well as the proper and diligent implementation of the PFMA, concerning the NCC.
- 1.3. The Commissioner may assign and delegate management or other duties to employees with appropriate skills to assist the NCC in the management or control over the functioning of the entity and delegate, with or without conditions, any of the powers or functions of the Commissioner.

2. PORTFOLIO COMMITTEE

- 2.1. Parliament, through the Portfolio Committee on Trade, Industry and Competition (Portfolio Committee), exercises its oversight role by evaluating the performance of the NCC by interrogating its Strategic and APP, Quarterly Reports and AFS and other relevant documents, which must be tabled, as well as any other documents tabled from time to time.
- 2.2. The Portfolio Committee also exercises oversight over the service delivery performance of the NCC and, in doing so, reviews the financial and non-financial information contained in the annual and quarterly reports of the NCC. In exercising its oversight function, the Portfolio Committee generally concerns itself with service delivery and enhancing economic growth.

The NCC appeared before the Parliamentary Portfolio Committee on Trade, Industry and Competition and presented its financial and non-financial performance. In all its deliberations with the Parliamentary Committees, the NCC has been open and transparent. In return, the NCC has positive feedback and has also attended to all queries raised.

3. EXECUTIVE AUTHORITY

- 3.1. Oversight by the Minister of Trade, Industry and Competition (Executive Authority) rests on the prescripts of the PFMA. The PFMA grants authority to the Executive Authority for the exercise of its oversight powers.
- 3.2. A Compliance Schedule is a critical oversight instrument as it indicates the deliverables and due dates of all documents as stipulated in the PFMA and Treasury Regulations.
- 3.3. The NCC has duly complied with the requirements thereof timeously. These would include, amongst others, the submission to the Executive Authority of Quarterly Reports, AFS, the budget of estimated revenue and expenditure, Strategic and Annual Performance Plans, Fraud Prevention and Risk Management Plans.
- 3.4. The NCC has also reported on its risks, the findings of the External Auditors and those made by the Internal Audit as well as on progress in addressing such findings.

4. AUDIT AND RISK COMMITTEE

In line with the requirements of the PFMA, the NCC has an ARC comprised of independent persons and one ex-officio member that serves thereon at the behest of the Executive Authority. Table 13 reflects the constitution of the ARC and the number of meetings attended by the members of the Committee.

PART C: GOVERNANCE (Cont.)

Table 13: Members of the Audit and Risk Committee

Name	Current/ Former	Internal/ External	Qualifications	If the internal, position in the public entity	Date Appointed	Date Resigned	No. of Meetings Attended
Mr. Faizal Docrat (Chairperson)	Current	External	MBA, MAP, CISA, CISM, CGEIT, CD (SA), CRM-Prac, COPE	N/A	14 October 2021 Reappointment: 17 October 2024	N/A	5
Mr. Ntona Marota	Current	External	MBA, CA (SA), RA, BCom Honours Accounting, B Computations	N/A	14 October 2021 Reappointment: 17 October 2024	N/A	5
Dr Adv. Linda Mbana	Current	External	Doctor of Policing; Master Legum in Labour Law; Bachelor of Laws, B-Juris	N/A	06 January 2022 Reappointment: 20 January 2025	N/A	5
Ms. Nontombi Matomela	Current	Ex- Officio	BA (Hons) Development Studies	N/A	17 December 2016	N/A	3

5. INTERNAL COMMITTEES

5.1. Executive Committee

The management of the NCC is overseen by the Executive Committee (EXCO) made up of Heads of Divisions. The EXCO is responsible for the strategic direction of the NCC, performance monitoring, evaluation, and reporting.

5.2. Management Committee

The Management Committee (MANCO) is constituted by all senior management responsible for the different units.

The MANCO is responsible for overseeing and advising on the implementation of the Annual Operational Plans (AOP) on a monthly basis; and the APP on a quarterly basis. This committee recommends to EXCO pertinent issues related to the delivery of services as articulated in the AOP and APP and the related risks.

5.3. Steering Committee

The Steering Committee is constituted by Heads of Divisions responsible for discharging all functions flowing directly from the mandate within the CPA.

The Steering Committee reviews and screens complaints lodged, oversees investigation reports, determines whether there is sufficient evidence to proceed with enforcement action, and makes recommendations on those matters that have an impact on the functioning of the NCC.

PART C: GOVERNANCE (Cont.)

5.4. Risk Management Committee

The Risk Management Committee (RMC) is constituted by Heads of Divisions and is chaired by an independent chairperson.

The RMC is responsible for implementing the Risk Management Policy and Strategy, and Implementation Plan. In developing its Risk Strategy, the NCC identified strategic and operational risks and developed and implemented management action plans to mitigate the risks to an acceptable level.

5.5. ICT Steering Committee

The NCC constituted an ICT Governance Steering Committee (the Committee). This Committee is responsible for ensuring that the organisation's framework for the corporate governance of ICT is developed, implemented, managed, monitored, and evaluated.

The Committee is responsible for creating an enabling environment that improves the performance management of ICT, the management of ICT risks within the risk appetite of the organisation, benefit derived from ICT projects, providing strategic leadership towards digitalisation of the organisation's business processes, providing recommendations and reporting to EXCO on pertinent ICT issues, including ICT strategies, policies, and plans.

5.6. Loss Control Committee

The Committee falls under the custodianship of the Chief Financial Officer (CFO), and the members are appointed by the AA.

The purpose of the Loss Control Committee is to assess, evaluate, and make recommendations on losses, damages and/or liability claims that take place in the ordinary course of the NCC. The Committee also considers reports in terms of irregular, fruitless or unauthorised expenditure emanating from non-compliance to the PFMA and Procurement Regulations.

5.7. Employment Equity and Skills Development Committee

The members of this Committee are representatives from management and labour and are appointed by the AA. The first role of this Committee is to help NCC comply with the Employment Equity Act (EEA), and promote diversity and inclusion. The Committee works with management to develop and implement an EEA plan that outlines strategies for promoting equity in hiring and monitors progress of the plans, tracks its effectiveness, and recommends necessary adjustments.

The second role is to help develop and implement the Workplace Skills Plan (WSP). The Committee ensures that employees have the necessary skills for their roles and to adapt to changing industry demands.

6. COMPLIANCE WITH LAWS AND REGULATIONS

The NCC has a Compliance Policy and Framework that contains a comprehensive compliance universe. The NCC reports quarterly to the Executive Authority on its compliance with the PFMA, Treasury Regulations, and various Treasury directives. Moreover, the NCC complies with all the laws and regulations.

7. FRAUD PREVENTION

The NCC has approved a Fraud Prevention Plan (Plan) with an ongoing awareness plan in place. As part of the Plan, mechanisms are in place to report fraud and corruption.

No other matters of fraud and/or corruption were reported in the year under review. No acts of fraud were reported on the fraud hotline monitored by the NCC.

8. MINIMISING CONFLICT OF INTEREST

All affected officials of the NCC are obliged to disclose their financial interests annually. Officials are not permitted to engage in any remunerative work outside the NCC unless duly authorised to do so. In addition, all officials are obliged to disclose any conflict of interest before any management, recruitment-related, and bid committee meetings.

PART C: GOVERNANCE (Cont.)

9. CODE OF CONDUCT

The NCC has approved a code of conduct with an ongoing awareness plan in place. This ensures that officials are aware of the conduct and ethics expected of them.

10. HEALTH, SAFETY, AND ENVIRONMENTAL ISSUES

All health and safety legislations are complied with by the NCC. A significant amount of compliance is done in conjunction with the owner of the premises occupied by the NCC, namely, the SABs.

11. GOVERNANCE OVERSIGHT

The NCC has ensured that it meets all the imperatives based on the governance structures in place, including the delegations of authority and the segregation of duties. All the returns and reports required by the various legislations, regulations, and instructions lodged were complete and accurate.

12. AUDIT COMMITTEE REPORT

Audit and Risk Committee (ARC) Responsibility

In line with its strategic commitment to be a well-governed entity, the NCC strives for effective oversight and monitoring of its governance regime. Vital to the achievement of this aim, is a competent and independent ARC. We present the ARC report for the financial year ended 31 March 2025.

The ARC complied with its responsibilities arising from:

- Section 51 (1) (a) (ii) of the PFMA. The ARC also reports that it has adopted its ARC Charter, has regulated its affairs in compliance with this Charter, and has discharged all its responsibilities as contained therein.

In alignment with its Terms of Reference, including relevant legislative requirements, the ARC developed an annual work plan that assists in carrying out its responsibilities and monitoring progress thereto.

The ARC held five (5) meetings. The table below discloses relevant information on the ARC members:

Name	Internal or external	Position	No. of meetings attended
Mr Faizal Docrat	External	Chairperson	5
Mr Ntona Marota	External	Member	5
Dr. Adv. Linda Mbana	External	Member	5
Ms Nontombi Matomela	External	the dtic representative	3

Effectiveness of Internal Control

The systems of internal control are designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed.

The ARC has reviewed the NCC's implementation plan for both the Internal Audit (IA) and External Audit (EA) findings previously reported and noted Management's implementation plan of mitigating strategies for other reported weaknesses, specifically within the ICT function.

The ARC noted the following areas or processes that require immediate improvement going forward:

- Internal controls around the procurement of goods and services;
- Declaration of interests to avoid any potential for material conflict of interest;
- Improvement in the cyber security posture regarding the implementation of public usage systems, namely the opt-out Register;
- Overall, the internal control environment is stable; and
- Management is encouraged to maintain and, where possible, enhance management controls over the internal control, risk, accounting, and compliance functions.

Evaluation of Financial Statements

The ARC reviewed the AFS pre- and post the external audit and discussed the same with management and report the following:

- Assurance provided by Management in terms of financial status, fair representation, state of the control environment, and quality assurance processes has been maintained; and
- There was an irregular expenditure incurred as disclosed by management, however the amount was not material.

Integrated Assurance

The ARC reviewed the plans and reports of the EA, IA, and Management and concluded that these were adequate to address significant strategic and critical operational risks facing the business.

PART C: GOVERNANCE (Cont.)

For the period under review, the ARC noted no material non-compliance with prescribed policies and procedures. From observations, analyses, and reports presented to the ARC by management, IA and the EA, the ARC concluded that the systems of internal control tested and reported on were found to be adequate and sufficient, but broad attention should be focused on internal controls within supply chain management, business continuity, and risk management functions.

Internal Audit Effectiveness

IA, within the combined assurance framework, forms part of the third line of defence and engages with the first and second lines of defence to facilitate the escalation of key control breakdowns. The IA has a functional reporting line to the ARC and an administrative reporting line to the Commissioner. The IA reports quarterly on the adequacy and effectiveness of Internal Controls, Governance, and Risk management.

The ARC is satisfied with the independence of the IA.

The IA function is currently outsourced due to the size of the NCC. The ARC considered and approved the IA three-year strategic rolling plan as well as the AOP which were based on the NCC's strategic risk assessment.

IA provides the ARC and management with assurance that the internal controls are adequate in design and function as intended through its quarterly progress reports. In this regard, IA recommends corrective action and/or suggested improvements to the controls and processes that were accepted by Management and required implementation within specific timeframes.

At its quarterly meetings, the ARC considered the work performed by the IA and the tracking of progress on implementation of corrective action of previously reported Audit Findings.

Conclusion

The ARC concurs with the opinion of the EA and on the AFS and performance information, and is of the opinion that the audited financial statements and performance information can be read together with the report of the EA.

The ARC wishes to express its sincere appreciation to the Acting Commissioner, Company Secretary, and Management of the NCC, the EA and IA who assisted the ARC in performing its functions.



Mr. Faizal Docrat
Chairperson of the Audit Committee
National Consumer Commission

PART C: GOVERNANCE (Cont.)

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Table 14 has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Table 14: B-BBEE Compliance

Has the 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 licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	N/A
Developing and implementing a preferential procurement policy?	Yes	The NCC's Supply Chain Management policy allocates preferential points in support of previously disadvantaged
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	No	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	No	N/A



PART D

HUMAN RESOURCE MANAGEMENT



HUMAN RESOURCE MANAGEMENT

1. OVERVIEW

In the reporting period ending 31 March 2025, NCC had a total of 71 funded positions in its structure. The NCC augmented the staff complement with 31 graduates as interns.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

The cost of employment was divided into five (5) categories which are:

- i) Administration: Corporate Services, and Office of the Commissioner
- ii) Programme 1: Contribution to the Government's industrialisation goals
- iii) Programme 2: Curbing prohibited conduct
- iv) Programme 3: Education and awareness
- v) Programme 4: Improving service delivery efficiency

2.1. Personnel related expenditure

2.1.1. Table 14: Personnel cost by programme/ activity/ objective

Programme/ activity/ objective	Total expenditure for the entity	Personnel expenditure	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee
	R	R			R
Administration	49 800 425	21 953 254	27%	39	562 904
Programme 1: Contribution to the Government's industrialisation goals	14 024 943	9 033 088	11%	22	410 595
Programme 2: Curbing prohibited conduct	5 672 450	4 622 372	6%	9	513 597
Programme 3: Education and awareness	5 741 864	5 049 429	6%	11	459 039
Programme 4: Improving service delivery efficiency	5 638 828	9 033 088	11%	23	392 743
TOTAL	80 878 510	49 691 231	61%	104	477 800

HUMAN RESOURCE MANAGEMENT (Cont.)

2.1.2. Table 15: Personnel cost by salary band

Level	Personnel expenditure	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee
Top Management	2 113 124	4%	1	2 113 124
Senior Management	15 265 408	31%	14	1 090 386
Professional qualified	18 975 048	38%	25	759 002
Skilled	5 258 956	11%	12	438 246
Semi-skilled	6 972 029	14%	21	332 001
Interns	1 106 666	2%	31	35 699
TOTAL	49 691 231	100%	104	477 800

- a) Top management (Salary level 15-16), Senior Management (Salary level 13-14), Professionally Qualified (Salary level 9 - 12), Skilled (Salary level 7-8), Semi-skilled (Salary level 5-6)
- b) In addition to the number of funded posts on an approved structure, the NCC had 21 youth graduates employed in its internship programme.

2.1.3. Performance Rewards.

There were no performance awards.

2.1.4. Training Costs

Though there was a budget of R200 000 allocated, only R26 600 in expenditure was incurred for training.

2.1.5. Table 16: Employment and vacancies

Programme	2023/2024 No. of Employees as of 31 March 2024	2024/2025 Funded Posts	2024/2025 No. of Employees as of 31 March 2025	2024/2025 Vacancies	% of Vacancies per Programme
Administration	22	22	20	2	9%
Programme 1: Contribution to the Government's industrialisation goals	6	14	12	2	14%
Programme 2: Curbing prohibited conduct	5	6	5	1	28%
Programme 3: Education and awareness	27	14	13	1	0%
Programme 4: Improving service delivery efficiency	7	15	12	3	26%
Total	67	71	62	9	12.7%

The NCC had a vacancy rate of 12.7% (9 positions out of 71 funded positions) as at 31 March 2025. The vacancy rate per level or salary band is also depicted in the table below.

HUMAN RESOURCE MANAGEMENT (Cont.)

2.1.6. Table 17: Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	1 ¹	0	2
Senior Management	12	0	3	9
Professional qualified	21	2	3	21
Skilled	11	1	1	11
Semi-skilled	22	0	2	19
Total	67	4	9	62

2.1.7. Table 18: Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	9	13%
Dismissal	0	0%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	9	13%

The reason for staff leaving at the NCC was resignation to pursue other opportunities.

2.1.8. Table 19: Labour relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	1
Final Written warning	0
Dismissal	0
Total	1

HUMAN RESOURCE MANAGEMENT (Cont.)

2.1.9. Table 20: Equity target and employment equity status (males)

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	0	0	0	0	0	0	0
Senior Management	5	0	0	1	1	0	0	0
Professional qualified	10	0	1	0	0	1	0	1
Skilled	5	0	0	0	0	0	0	0
Semi-skilled	5	0	0	0	0	0	0	0
Total	26	0	1	1	1	1	0	1

2.1.10. Table 21: Equity target and employment equity status (females)

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	0	0	0	0	0	0	0
Senior Management	3	0	0	0	0	1	0	0
Professional qualified	11	0	0	0	0	0	0	0
Skilled	5	0	0	0	0	1	1	0
Semi-skilled	7	0	0	0	0	0	0	0
Unskilled	7	0	0	0	0	0	0	0
Total	34	0	0	0	0	2	1	0

2.1.11. Table 22: Equity target and employment equity status (employees with disabilities)

Levels	DISABLED STAFF			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	1	0
Unskilled	0	0	0	0
Total	0	0	1	0



PART E

PFMA COMPLIANCE REPORT



PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular Expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R	R
Opening balance	0	0
Adjustment to opening balance	0	0
Restated opening balance	0	0
Add: Irregular expenditure confirmed	202 500	0
Closing balance	202 500	0

The above expenditure relate to procurement of goods and services without following the SCM processes. Investigation is underway.

b) Reconciling Notes

Description	2024/2025	2023/2024
	R	R
Opening Balance	0	0
Irregular expenditure for current year	202 500	0
Total	202 500	0

c) Details of Irregular expenditure (under assessment, determination, and investigation).

Description	2024/2025	2023/2024
	R	R
Irregular expenditure under investigation	202 500	0
Total	202 500	0

2. PROCUREMENT BY OTHER MEANS

Project Description	Name of Supplier	Type of procurement by other means	Contract Number	Value of Contract R
DSTV Subscription	Multichoice	Sole Supplier	PO002116	R11 040,00
Radio Advertisement	SABC	Sole Supplier	PO002134	R457 829,95
CaseWare Licenses	Adapt IT	Sole Supplier	PO002128	R112 451,77
Total				R581 321,72

PFMA COMPLIANCE REPORT (Cont.)

3. CONTRACT VARIATIONS AND EXPANSIONS

Project description	Name of supplier	Contract modification type (expansion or variation)	Contract number	Original contract value	Value of current contract expansions or variation	Curmulative value of extension
Attorneys to represent the NCC in a case against Mercedes-Benz	Cheadle Thompson and Haysom	Variation	PO001649	R180 550,00	R341 226,90	R526 951,90
Matter between Platinum Wheels and NCC in the Supreme Court of Appeal	Seanego Attorneys	Variation	PO001885	R400 000,00	R446 732,81	R446 732,81
Support and maintenance of backend infrastructure	Datacentrix	Variation	PO002064	R21 966 322,00	R359 884,50	R564 527,83
Matter between Platinum Wheels and NCC in the Supreme Court of Appeal	Seanego Attorneys	Variation	PO001185	R400 000,00	R213 469,44	R660 202,25
Assets insurance extension	Kunene Makopo Risk Solutions	Expansion of time	PO001752	R382 446,00	R50 000,00	R50 000,00
Support and maintenance of backend Infrastructure	Datacentrix	Variation	PO002127	R21 966 322,00	R198 167,75	R762 695,58
CPA enforcement	Cowan Harper Madikizela Inc Attorneys	Variation	PO001162	R400 000	R16 755,55	R16 755,55
Total					R1 626 236,95	

4. PAYMENT OF INVOICES

Description	Number of invoices	Consolidated Value
		R
Valid invoice received	930	24 182 338,53
Invoices paid within 30 days or agreed period	929	23 683 399,85
Invoices paid after 30 days or agreed period	1	498 938,68

The above invoices are for the full year, whereas the invoices measured in key performance indicator 20 were for a period of six (6) months commencing from October 2025, and with the target set at 20 business days.



PART F

FINANCIAL INFORMATION



FINANCIAL INFORMATION

Independent Auditor’s report to Parliament on the National Consumer Commission

Report on the audit of the financial statements

Opinion

1. We have audited the financial statements of the National Consumer Commission set out on pages 100 to 137, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and statement of cash flows and the 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 our opinion, the financial statements present fairly, in all material respects, the financial position of the NCC as of 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act, No. 1 of 1999 (PFMA).

Context for opinion

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report.
4. We are independent of the NCC in accordance with the Code of professional conduct for auditors of the Independent Regulatory Board for Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ International code of ethics for professional accountants (including International Independence Standards).
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
6. In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

7. The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they 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 the financial statements.
8. Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors helped us to determine the scope of our audit and the nature, timing, and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.
9. Based on our professional judgement, we determined final materiality for the financial statements as follows:

Final materiality amount	R809 000
Basis for determining materiality	1% of total expenditure, as disclosed on the annual financial statements for the year ended 31 March 2025.
Rationale for benchmark applied	Expenditure is an appropriate quantitative indicator of materiality as NCC is a public entity that receives allocation of funds from the Department of Trade, Industry and Competition and how the funds have been spent is the area of interest for the users of the financial statements.

FINANCIAL INFORMATION (Cont.)

Other matter

10. We draw attention to the matter below. Our opinion is not modified in respect of this matter.

Previous period audited by predecessor auditors

11. The financial statements for the previous reporting period were audited by the predecessor auditors in terms of section 4(3) of the Public Audit Act, 2004 (Act No. 25 of 2004). An unmodified audit opinion was expressed.

Responsibilities of accounting authority for the financial statements

12. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act (Act no. 1 of 1999) (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.
13. In preparing the financial statements, the accounting authority is responsible for assessing the NCC's ability to continue as a going concern, disclosing, as applicable, matter relating to going concern; and using the going concern basis of accounting unless the accounting authority either intends to liquidate NCC or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor for the audit of the financial statements

14. Our 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 our 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.
15. A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 95, forms part of our auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; we must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected objectives presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
17. We selected the following objectives presented in the annual performance report for the year ended 31 March 2025 for auditing. We selected objectives that measures the NCC's performance on its primary mandated functions and that are of significant national, community or public interest. We selected the following programmes for auditing:
 - **Programme 1:** Contribution to Government's industrialisation goals - (selected from the revised APP)
 - **Programme 6:** Curb Prohibited Conduct - (selected from the initially approved APP)
18. We evaluated the reported performance information for the selected objectives 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 NCC's planning and delivery on its mandate and objectives.

FINANCIAL INFORMATION (Cont.)

19. We performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the NCC's mandate and the achievement of its planned objectives.
 - all the indicators relevant for measuring the NCC'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 we can confirm the methods and processes to be used for measuring achievements.
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets.
20. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
21. We did not identify any material findings on the reported performance information for the selected programmes.

Other matter

22. We draw attention to the matter below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements.
24. The table that follows provides information on the achievement of planned targets and lists the key performance indicators that were not achieved as reported on the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 28 to 49.

Key output indicators not achieved

Targets achieved: 70%		
Key indicators not achieved	Planned target	Reported achievement
2. Time taken to finalise the investigations	Finalise CTFL matters within 20 business days	124 of 130 CTFL matters were finalised within 20 business days
6. Number of business education initiatives targeted at companies in industrial parks conducted	4 business education initiatives targeted at companies in industrial parks conducted	2 business education initiatives targeted at companies in industrial parks conducted
7. Number of interns employed by the NCC and accredited Ombud Schemes	20 interns employed by the NCC and accredited Ombud Schemes, namely MIOSA and CGSO.	14 interns were employed by the NCC and accredited Ombud Schemes.

FINANCIAL INFORMATION (Cont.)

11. Percentage of complaints finalised in priority sectors including second hand cars.	75% of complaints in priority sectors including second hand cars finalised	59% of complaints (1 572 of 2 652) in priority sectors including second hand cars finalised
13. Time taken to administer and issue communication on product recalls	Administer product recalls and issue communication thereon within 20 business days of receipt of recall notice from suppliers.	53 of 57 administered product recalls and issued communication thereon within 20 business days of receipt of recall notice from suppliers
20. Number of days taken to pay suppliers	Pay service providers within 20 business days	473 of 481 service providers were paid within 20 business days

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, we 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 NCC's compliance with legislation.
26. We performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.
27. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of NCC, 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.
28. We did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

29. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the foreword by Minister of DTIC, Accounting Authority's overview and the Audit and Risk committee's report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.
30. Our opinion on the financial statements and our findings on the reported performance information and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.
31. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. We had not yet received the other information prior to the date of this auditor's report. When we receive and read this information, if we conclude that there is a material misstatement therein, we are 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, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

FINANCIAL INFORMATION (Cont.)

Internal control deficiencies

- 33. We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.
- 34. We did not identify any significant deficiencies in internal controls.

Audit tenure

- 35. In terms of the IRBA rule published in Government Gazette No. 39475 dated 4 December 2015, we report that MGI RAS has been the auditors of the NCC for one financial reporting period.

MGI RAS Inc

Jerome Andrews CA(SA), RA
Engagement Director
Registered Auditor
31 July 2025

9 Central Park Office Park,
13 Esdoring Street
Highveld Technopark
Centurion

FINANCIAL INFORMATION (Cont.)

Annexure - Auditor's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the financial statements and the procedures performed on reported performance information for selected objectives and on the NCC's compliance with selected requirements in key legislation.

Financial statements

In addition to our responsibility for the audit of the financial statements as described in this auditor's report, we 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 our 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 NCC'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. We 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 NCC to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause NCC 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

We 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 we identify during our audit.

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

FINANCIAL INFORMATION (Cont.)

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation, or paragraph
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 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; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(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	Section 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	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 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)

GENERAL INFORMATION

Country of incorporation and domicile

South Africa

Nature of business and principal activities

The National Consumer Commission is established in terms of Section 85 of the Consumer Protection Act No.68 of 2008 with jurisdiction throughout the Republic of South Africa, to promote and advance the social and economic welfare of consumers in South Africa by establishing a legal framework for the achievement and maintenance of a consumer market that is fair, accessible, efficient, sustainable and responsible for the benefit of consumer generally.

Acting Commissioner

Mr. Hardin Ratshisusu

Registered Office

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Pretoria
0027

Postal address

P.O Box 36628
Menlo Park
0102

Bankers

Nedbank Ltd
Reserve Bank

Auditors

MGIRAS INC
Registered Auditors

Acting Company Secretary

Lefu Nhlapo

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ABBREVIATIONS USED:

COIDA	Compensation for Occupational Injuries and Diseases Act
dtic	Department of Trade, Industry and Competition
GRAP	Generally Recognised Accounting Practice
NCC	National Consumer Commission
NCT	National Consumer Tribunal
PFMA	Public Finance Management Act
SABS	South African Bureau of Standards

ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Authority to ensure that the annual financial statements fairly present the state of affairs of the NCC as at the end of the financial year and the results of its operations and cash flows for the period then ended.

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

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

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

The Accounting Authority is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatements. The Accounting Authority has reviewed the NCC's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, he is satisfied that the NCC has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 100-137, which have been prepared on the going concern basis, were approved by the accounting authority on 31 July 2025 and were signed on its behalf by:



Mr. Hardin Ratshisusu
Acting Commissioner

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Receivables from exchange transactions	3	212,075	154,005
Receivables from non-exchange transactions	4	31,094	49,628
Prepayments	5	869,986	2,080,167
Cash and cash equivalents	6	16,711,676	20,410,071
		17,824,831	22,693,871
Non-Current Assets			
Property, plant and equipment	7	9,424,519	10,705,270
Intangible assets	8	6,937,663	6,960,442
Prepayments	5	43,095	454,286
		16,405,277	18,119,998
Total Assets		34,230,108	40,813,869
Liabilities			
Current Liabilities			
Operating lease liability	9	816,242	535,662
Payables from exchange transactions	10	4,777,789	5,508,250
Provisions	11	2,444,295	2,200,000
		8,038,326	8,243,912
Total Liabilities		8,038,326	8,243,912
Net Assets		26,191,782	32,569,957
Accumulated surplus		26,191,782	32,569,957
Total Net Assets		26,191,782	32,569,957

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2025	2024 Restated *
Revenue			
Revenue from exchange transactions			
Sundry income		128,114	52,221
Services in kind		422,592	-
Interest received - bank accounts	12	2,729,631	4,594,266
Total revenue from exchange transactions		3,280,337	4,646,487
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	13	71,220,000	73,566,000
Total revenue	14	74,500,337	78,212,487
Expenditure			
Employee related costs	15	(49,287,778)	(48,821,410)
Depreciation and amortisation	16	(1,832,527)	(1,556,743)
Repairs and maintenance	17	(14,171)	(147,453)
Debt Impairment	18	-	(10,101)
Loss on disposal of assets		-	(77,994)
General expenses	19	(29,744,034)	(26,196,728)
Total expenditure		(80,878,510)	(76,810,429)
(Deficit) surplus for the year		(6,378,173)	1,402,058

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand	Accumulated surplus/ (deficit)	Total net assets
Opening balance as previously reported	31,184,961	31,184,961
Adjustments		
Correction of errors	(17,062)	(17,062)
Balance at 01 April 2023 as restated*	31,167,899	31,167,899
Changes in net assets		
Surplus for the year	1,402,058	1,402,058
Total changes	1,402,058	1,402,058
Balance at 31 March 2024 as restated*	32,569,955	32,569,955
Changes in net assets		
Surplus for the year	(6,378,173)	(6,378,173)
Total changes	(6,378,173)	(6,378,173)
Balance at 31 March 2025	26,191,782	26,191,782

Note(s)

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2025	2024 Restated *
Cash flows from operating activities			
Receipts			
Grants		71,220,000	73,566,000
Interest income		2,723,603	4,593,758
Other income		22,512	-
		73,966,115	78,159,758
Payments			
Employee costs		(49,846,361)	(48,746,000)
Suppliers		(26,912,360)	(22,598,987)
		(76,758,721)	(71,344,987)
Net cash flows from operating activities	21	(2,792,606)	6,814,771
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(654,587)	(1,459,415)
Purchase of other intangible assets	8	(251,202)	(1,797,781)
Net cash flows from investing activities		(905,789)	(3,257,196)
Net increase/(decrease) in cash and cash equivalents		(3,698,395)	3,557,575
Cash and cash equivalents at the beginning of the year		20,410,071	16,852,496
Cash and cash equivalents at the end of the year	6	16,711,676	20,410,071

The accounting policies on pages 104 to 116 and the notes on pages 117 to 137 form an integral part of the annual financial statements.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis						
Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Sundry income	-	-	-	128,114	128,114	
Other income	-	-	-	422,592	422,592	
Interest received - bank accounts	4,950,000	(1,950,000)	3,000,000	2,729,631	(270,369)	
Total revenue from exchange transactions	4,950,000	(1,950,000)	3,000,000	3,280,337	280,337	
Revenue from non-exchange transactions						
Transfer revenue and Accumulated Surpluses						
Government grants & subsidies	69,120,000	2,100,000	71,220,000	71,220,000	-	29.1
Accumulated surplus	-	12,805,249	12,805,249	12,805,249	-	29.2
Total revenue from non-exchange transactions	69,120,000	14,905,249	84,025,249	84,025,249	-	
Total revenue	74,070,000	12,955,249	87,025,249	87,305,586	280,337	
Expenditure						
Employee related costs	(50,854,306)	-	(50,854,306)	(49,287,778)	1,566,528	29.3
Depreciation and amortisation	-	-	-	(1,832,527)	(1,832,527)	29.4
Repairs and maintenance	(156,000)	-	(156,000)	(14,171)	141,829	
General Expenses	(23,059,694)	(12,403,252)	(35,462,946)	(29,744,034)	5,718,912	29.5
Total expenditure	(74,070,000)	(12,403,252)	(86,473,252)	(80,878,510)	5,594,742	
Surplus for the year	-	551,997	551,997	6,427,076	5,875,079	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	551,997	551,997	6,427,076	5,875,079	
Statement of Financial Position						
Assets						
Non-Current Assets						
Property, plant and equipment	-	551,997	551,997	528,997	(23,000)	
Total Assets	-	551,997	551,997	528,997	(23,000)	

SIGNIFICANT ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

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

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

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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

1.1 Going concern assumption

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

1.2 Materiality

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

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The materiality assessment for financial and non-financial omissions or misstatements are determined in accordance with the NCC's materiality and significance framework.

The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.3 Significant judgements and sources of estimation uncertainty

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

Trade receivables / Held to maturity investments and/or loans and receivables

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

The impairment for trade and other receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

SIGNIFICANT ACCOUNTING POLICIES

Impairment testing

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

Value in use of non-cash generating assets

The NCC reviews and tests the carrying value of non-cash generating assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Provisions

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

Useful lives of property, plant and equipment

The NCC's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment and other assets. This estimate involves a matter of judgement based on the experience of the NCC with similar assets. The NCC considers all facts and circumstances in estimating the useful lives of assets, which includes the consideration of financial, technical and other factors. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives, and decrease the depreciation charge where useful lives are more than previously estimated useful lives.

1.4 Property, plant and equipment

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

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

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and other 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.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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

SIGNIFICANT ACCOUNTING POLICIES

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value. The depreciation charge for each period is recognised in surplus or deficit.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The initial estimated useful lives of items of property, plant and equipment have been determined to be as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight-line	3-20 years
Office equipment	Straight-line	3- 20 years
Computer equipment	Straight-line	3-10 years

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

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

The NCC assesses at each reporting date whether there is any indication that the NCC expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the NCC revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate in terms of the Standard of GRAP on Accounting Policies, Changes in Estimates and Errors.

The depreciation charge for each period is recognised in surplus or deficit .

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

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

The NCC separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 17).

1.5 Intangible assets

An intangible asset is an identifiable, non-monetary asset without physical substance. The NCC has classified computer software as intangible assets.

An asset is identifiable if it either:

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

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

SIGNIFICANT ACCOUNTING POLICIES

An intangible asset is recognised when:

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

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

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

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

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.
- the amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Amortisation is provided to write down the intangible assets to their residual values. The amortisation charge for each period is recognised in surplus or deficit.

Item	Depreciation method	Average useful life
Computer software	Straight-line	3-5 years

The gain or loss arising from the derecognition of an intangible asset is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on Leases requires otherwise on a sale and leaseback). The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset.

1.6 Impairment of non-cash-generating assets

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

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

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

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

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

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

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Judgement made by management in applying the criteria to designate assets as non-cash-generating assets or cash-generating assets are as follows:

Designation

At initial recognition, the NCC designates an asset as non-cash-generating. The designation is made on the basis of the NCC's objective of using the asset.

The NCC designates an asset as non-cash-generating as its objective is not to use the asset to generate a commercial return but to deliver services.

Identification

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

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

Irrespective of whether there is any indication of impairment, the NCC tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

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

Depreciated replacement cost approach

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

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

SIGNIFICANT ACCOUNTING POLICIES

thus reflects the service potential required of the asset.

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

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

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

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

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

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

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

1.7 Financial instruments

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

Classification

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

Class

Receivables from exchange transactions
Receivables from non-exchange transactions
Cash and cash equivalents

Category

Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at amortised cost

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

Class

Payables from exchange transactions

Category

Financial liability measured at amortised cost

SIGNIFICANT ACCOUNTING POLICIES

Initial recognition

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

The NCC recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The NCC measures a financial asset and financial liability initially at its fair value, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability, except for financial instruments subsequently measured at fair value, which are measured at its fair value.

The NCC measures a financial asset and financial liability initially at its fair value, if subsequently measured at fair value.

Subsequent measurement of financial assets and financial liabilities

The NCC measures all financial assets and financial liabilities after initial recognition using amortised cost.

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

Gains and losses

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

Impairment and uncollectibility of financial assets

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

Financial Assets measured at amortised cost

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount, and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the financial asset's original effective interest rate, if practically determinable. Where the effective interest rate at initial recognition is not practically determinable, the government bond rate is used as the risk-free rate and adjusted for any risks specific to the financial assets. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

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

SIGNIFICANT ACCOUNTING POLICIES

Derecognition

Financial Assets

The NCC derecognises financial assets using trade date accounting. The NCC derecognises a financial asset only when:

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

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

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

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

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

Financial Liabilities

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

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

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

SIGNIFICANT ACCOUNTING POLICIES

1.8 Leases

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

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

Operating leases - lessor

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

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

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis. Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

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

The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term. Any contingent rents are expensed in the period in which they are incurred.

1.9 Provisions and contingencies

Provisions are recognised when:

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

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

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

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

SIGNIFICANT ACCOUNTING POLICIES

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 30.

1.10 Commitments

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

Disclosures must be made in respect of all unrecognised contractual commitments.

1.11 Revenue from exchange transactions

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

Measurement

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

Interest- Short term deposits

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

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

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

1.12 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the NCC either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue.

Measurement

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

When, as a result of a non-exchange transaction, the NCC recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability.

Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

SIGNIFICANT ACCOUNTING POLICIES

Government Grants

The NCC recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

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

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the NCC and the fair value of the assets can be measured reliably. Employee benefits Identification Employee benefits

1.13 Employee benefits

Identification

Employee benefits

Employee benefits are all forms of consideration given by an NCC in exchange for service rendered by employees or for the termination of employment.

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

Short-term employee benefits

Recognition and measurement

All short-term employee benefits

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

- a. As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the NCC recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
- b. As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Short-term paid absences

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

Bonus, incentive and performance related payments

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

SIGNIFICANT ACCOUNTING POLICIES

Employees other than those in management receive a service bonus after completion of a period of twelve months within the NCC. This expenditure is recognised in the statement of financial performance when it is incurred.

This does not apply to members of management who have elected to receive a service bonus as a saving from total cost to company on a monthly basis. The savings deducted from the employees are recognised as a liability on a monthly basis.

1.14 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred and classified in accordance with the nature of the expense. Upon investigation, if a person was found to be liable in law for the fruitless and wasteful expenditure that occurred, a receivable is recognised for the recovery of the monies, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.15 Budget information

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

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

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

1.16 Related parties

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

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.

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

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

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

SIGNIFICANT ACCOUNTING POLICIES

1.17 Events after reporting date

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

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

The NCC adjusts the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

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

1.18 Presentation currency

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

1.19 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Public Finance Management Act and other applicable legislation or is in contravention of the economic entity's supply chain management policy.

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. NEW STANDARDS AND INTERPRETATIONS

Figures in Rand	2025	2024
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2.1 Standards and interpretations issued, but not yet effective

The NCC has not applied the following relevant standards and interpretations, which have been published and are mandatory for the NCC's accounting periods beginning on or after 01 April 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Improvements to the Standards of GRAP-2023	01 April 2025	Impact is currently being assessed
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	01 April 2025	Impact is currently being assessed
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Impact is currently being assessed

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Accrued interest income	17,463	11,435
Accrued income	97,174	-
Third party receivables	97,438	142,570
Other debtors	10,101	10,101
Provision for impairment	(10,101)	(10,101)
	212,075	154,005

Receivables from exchange transactions

Other debtors is as a result of the amount receivable from one of the former service providers upon termination of the contract for insurance brokerage services. Payment took place through debit order. The incorrect amount was deducted from the NCC's bank account by the service provider. Based on this breach, the contract was terminated and the NCC was refunded however an amount of R 10 101 remained outstanding and has been impaired.

Accrued income relates to discount granted by SABC on previous invoices which were communicated through statements that were received after the payments were processed by NCC based on the invoices from SABC.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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4. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Staff debtors	31,094	49,628
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Receivables from non-exchange transactions

This relates to advances granted to employees to assist with expenditure arising from business travel as well as amounts being recovered from active staff members for salary overpayments that were processed in the prior years.

5. PREPAYMENTS

Prepayments- Current	869,986	2,080,167
Prepayments- Non-current	43,095	454,286
	913,081	2,534,453

Prepayments, 2025 (R913,081); 2024 (R2,534,453) mainly relate to ICT support services acquired by the entity to ensure the functioning of the ICT Infrastructure and other services. Some of these services were for a period greater than one year and therefore expensed on a monthly basis as the services were received. The decrease is because some of the services have already been terminated and will not be renewed due to NCC's decision to migrate the systems to cloud.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	5,563	9,910
Bank balances	3,534,740	2,133,313
Short-term deposits	13,171,373	18,266,848
	16,711,676	20,410,071

Cash and cash equivalents comprise cash, a current account and a short-term, highly liquid investment held with the Corporation for Public Deposits (CPD), with maturity of one month or less subject to insignificant interest rate risk. Cash and cash equivalents are measured at amortised cost.

Credit quality of cash at bank and short term deposits, excluding cash on hand.

Management considers that all the above cash and cash equivalent categories are of good credit quality. The maximum exposure to credit risk at the reporting date is the fair value of each class of cash and cash equivalents mentioned above. During the year cash and cash equivalents were kept in an investment and current account. The cash and cash equivalents were not pledged as security for any financial liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7. PROPERTY, PLANT AND EQUIPMENT

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	2,765,354	(1,372,702)	1,392,652	2,547,854	(1,224,458)	1,323,396
Office equipment	453,324	(356,180)	97,144	453,324	(335,979)	117,345
Computer equipment	14,610,824	(6,676,101)	7,934,723	14,299,327	(5,034,798)	9,264,529
Total	17,829,502	(8,404,983)	9,424,519	17,300,505	(6,595,235)	10,705,270

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	1,323,396	217,500	(148,244)	1,392,652
Office equipment	117,345	-	(20,201)	97,144
Computer equipment	9,264,529	311,498	(1,641,304)	7,934,723
	10,705,270	528,998	(1,809,749)	9,424,519

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	1,403,697	78,890	(23,950)	(135,241)	1,323,396
Office equipment	77,556	57,207	(1,144)	(16,274)	117,345
Computer equipment	9,258,365	1,459,415	(52,901)	(1,400,350)	9,264,529
	10,739,618	1,595,512	(77,995)	(1,551,865)	10,705,270

Pledged as security

There are no items of Property, Plant and Equipment that have been pledged as security.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

8. INTANGIBLE ASSETS

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Intangible assets under development	6,828,652	-	6,828,652	6,828,652	-	6,828,652
Computer software	212,345	(103,334)	109,011	100,000	(80,555)	19,445
Finance ERP system software	-	-	-	112,345	-	112,345
	7,040,997	(103,334)	6,937,663	7,040,997	(80,555)	6,960,442

Reconciliation of intangible assets - 2025

	Opening balance	Transfers	Amortisation	Total
Intangible assets under development	6,828,652	-	-	6,828,652
Computer software	19,445	112,345	(22,779)	109,011
Finance ERP system software	112,345	(112,345)	-	-
	6,960,442	-	(22,779)	6,937,663

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Intangible assets under development	5,235,021	1,593,631	-	6,828,652
Computer software	24,323	-	(4,878)	19,445
Finance ERP system software	-	112,345	-	112,345
	5,259,344	1,705,976	(4,878)	6,960,442

Pledged as security

There are no intangible assets pledged as security.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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8. INTANGIBLE ASSETS (CONTINUED)

Additional information

In terms of the Consumer Protection Act No. 68 of 2008, the Commission may establish, or recognise as authoritative, a registry in which any person may register a pre-emptive block, either generally or for specific purposes, against any communication that is primarily for the purpose of direct marketing. The NCC has developed the opt-out registry in order to implement this provision of the CPA.

An amount of R6 828 652 relate to the development costs of the opt-out registry. Management does not consider this amount to be impaired even though the system is not yet fully available for use by the general public. The NCC is awaiting the approval of the regulations to govern the use of the system. The regulations have not been approved by the Minister of dtic yet but they were gazetted for public comments, a process which ran up to the 12th of December 2024. After assessment of public comments the Regulations will be promulgated by the Minister of dtic. It is for the above reasons that the system has not been capitalised and amortised because it is not available for use or it is not in the condition necessary for it to be capable of operating in the manner intended by management. as the approval process of the Regulations is underway.

9. OPERATING LEASE LIABILITY

Current liabilities	816,242	535,662
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The NCC entered into a 5 year lease agreement with the SABS for the occupation of premises, storage and parking space for officials. The escalation of the rental is between 4.45% and 4.48% linked to the MTEF rates as annually pronounced by National Treasury. In terms of GRAP, 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. The amount of R816,242 represents the difference between the actual amount paid and the amount calculated on a straight line basis.

10. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables	1,407,369	263,463
Accrued expense	2,824,858	4,408,833
Salary control account	107,570	413,770
Medical aid control account	4,385	10,001
Third party payments	15,171	17,935
Service bonus for management	418,436	394,248
	4,777,789	5,508,250

Invoices are due and payable within 30 days of receipt. The carrying value of trade and other payables reflects the approximate fair values at the end of the financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

11. PROVISIONS

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised during the year	Total
Provision for leave pay	2,148,043	4,364,634	(4,111,171)	2,401,506
Provision for Workmen's compensation	51,957	44,194	(53,362)	42,789
	2,200,000	4,408,828	(4,164,533)	2,444,295

Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Total
Provision for leave pay	1,947,587	4,252,883	(4,052,427)	2,148,043
Provision for Workmen's Compensation	48,115	51,866	(48,024)	51,957
	1,995,702	4,304,749	(4,100,451)	2,200,000

The provision for leave pay represents management's best estimate of the NCC's liability for accrued leave pay based on the termination rate and outstanding leave days of the employees employed at year-end. The NCC's leave policy states that all employees are required to take accumulated annual leave days within the first 6 month period of the next leave cycle, failing which those leave days will be forfeited.

The provision for Workmen's Compensation is based on the assessment rate of the annual salary of the employees employed at year-end.

Figures in Rand	2025	2024
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12. INTEREST RECEIVED- BANK

Interest revenue

Bank accounts and short term deposits	2,729,631	4,594,266
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The interest received was earned from available cash resources from NCC's short term deposit account with the Corporation for Public Deposits and the current bank account.

13. GOVERNMENT GRANTS & SUBSIDIES

Operating grants

Department of Trade, Industry and Competition	71,220,000	73,566,000
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Operating grant

The National Consumer Commission receives its annual allocation from the National Treasury through the Department of Trade, Industry and Competition. This is the main source of revenue for the NCC. The total amount allocated for the financial year ending 31 March 2025 is R 71 220 000.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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14. REVENUE

Sundry income	128,114	52,221
Services in kind	422,592	-
Interest received - bank accounts	2,729,631	4,594,266
Government grants & subsidies	71,220,000	73,566,000
	74,500,337	78,212,487
The amount included in revenue arising from exchanges of goods or services are as follows:		
Sundry Income	128,114	52,221
Services in kind	422,592	-
Interest received- bank accounts	2,729,631	4,594,266
	3,280,337	4,646,487

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

Transfer revenue		
Government grants & subsidies	71,220,000	73,566,000

Included in an amount of R128 114 is R30 939 reflected as sundry income which consists mainly of recoveries from staff of costs relating to excessive use of telephone and settlement of fruitless and wasteful expenditure matters where employees were found to be directly responsible for the wastage. Additionally an amount of R97 174 reflected as accrued income for discount granted by the SABC on previous invoices which was not utilised because it was not reflected on the invoices presented for payment

An amount of R422,592 is an estimate of the cost saved by the NCC by the free use of two vehicles granted by Toyota South Africa Motors to support the NCC in conducting inspections across the country. The right of use was granted on 2nd December 2024.

The NCC also invests funds not immediately required in the Corporation for Public Deposits. Interest to the value of R2 729 631 was earned during the financial year.

The NCC's major source of revenue is the grant from National Treasury disbursed to the NCC through **the dtic**. An amount of R71 220 000 was received for the financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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15. EMPLOYEE RELATED COSTS

Salaries	40,520,206	40,909,434
Service bonus (all employees and management)	2,219,586	2,054,154
Medical aid contributions	321,190	341,428
UIF contributions	150,109	158,235
SDL contributions	165,056	-
Leave pay provision charge	253,463	200,456
Leave payout	405,148	357,605
Overtime payments	109,622	129,479
Employer pension contributions	4,148,726	4,278,538
Workmen's compensation contributions	44,194	51,866
Special allowances	928,115	-
Settlement lumpsum	22,363	340,215
	49,287,778	48,821,410

Special allowances refer to lumpsums paid to employees due to agreements reached from salary negotiations. This was to ensure sound cash management as this was once-off payments and was an alternative to higher percentage increase initially sought by the employees.

Settlement lumpsums refer to payments made to honour CCMA agreements with former employees.

16. DEPRECIATION AND AMORTISATION

Property, plant and equipment	1,809,749	1,551,865
Intangible assets	22,778	4,878
	1,832,527	1,556,743

17. REPAIRS AND MAINTENANCE

Contact centre system	14,171	147,453
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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18. DEBT IMPAIRMENT

Contributions to debt impairment provision	-	10,101
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The provision for debt impairment indicates the possibility of non-collectibility of the debt.

The amount of R 10 101 is receivable from one of the former service provider upon termination of the contract for insurance brokerage services. Payment took place through debit order. The incorrect amount was deducted from the NCC's bank account by the service provider. Based on this breach, the contract was terminated and the NCC was refunded however an amount of R 10 101 remained outstanding and has been impaired.

19. GENERAL EXPENSES

Advertising	589,594	646,968
Auditors remuneration	1,868,355	1,748,119
Bank charges	35,420	35,396
Cleaning	110,291	103,089
Computer expenses	3,490,390	4,198,008
Consulting and professional fees	4,198,347	2,003,600
Consumables and promotional materials	482,298	415,009
Postage & courier services	14,563	37,922
Office rental	6,707,668	6,688,929
Communication costs	183,771	700,227
Insurance	183,911	154,844
Printing and stationery	186,158	339,690
Audit committee fees	360,631	372,817
Software expenses	4,340,233	2,902,318
Research costs	-	916,320
Security services	163,665	152,958
Subscriptions and membership fees	161,527	60,680
Training	26,600	356,465
Travel - local	4,469,790	2,608,886
Travel - overseas	460,862	50,427
Publications	19,495	88,378
Water and electricity	1,334,791	1,364,151
Rental: printers and photocopiers	253,713	250,615
Venue and facilities	-	912
Minor Assets	101,961	-
	29,744,034	26,196,728

Consulting and professional fees are mainly made up legal costs and ICT support costs.

Minor assets are made up of computer peripherals procured as a result of the upgrade to the organisation's telephone management system (organisation wide and contact centre).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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20. AUDITORS' REMUNERATION

External audit fees	1,118,392	1,045,226
Internal audit fees	749,963	702,893
	1,868,355	1,748,119

21. CASH (USED IN) GENERATED FROM OPERATIONS

(Deficit) surplus	(6,378,173)	1,402,058
Adjustments for:		
Depreciation and amortisation	1,832,527	1,556,743
Loss on sale of assets and liabilities	-	77,994
Debt impairment	-	10,101
Movements in operating lease receivables and accruals	280,580	535,662
Movements in provisions	244,295	204,298
Changes in working capital:		
Receivables from exchange transactions	(58,070)	(90,060)
Provision for impairment and debts written off	-	(10,101)
Other receivables from non-exchange transactions	18,534	456,987
Prepayments	1,621,372	(588,243)
Payables from exchange transactions	(730,461)	3,303,624
Adjustment for accrued capital expenditure in the current year	-	(387,300)
Adjustment for accrued capital expenditure in prior year settled in the current year	376,790	343,008
	(2,792,606)	6,814,771

22. FINANCIAL INSTRUMENTS

Categories of financial instruments

2025

Financial assets

	At amortised cost	Total
Cash and cash equivalents	16,711,676	16,711,676
Accrued interest	17,463	17,463
Trade and other receivables from exchange transactions	10,101	10,101
Debt impairment	(10,101)	(10,101)
Third party receivables	97,438	97,438
Staff debtors	31,094	31,094
	16,857,671	16,857,671

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	4,777,789	4,777,789
2024		
Financial assets		
	At amortised cost	Total
Cash and cash equivalents	20,410,071	20,410,071
Accrued Interest	11,435	11,435
Trade and other receivables from exchange transactions	10,101	10,101
Debt impairment	(10,101)	(10,101)
Third party receivables	99,654	99,654
Staff debtors	49,628	49,628
	20,570,788	20,570,788
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	5,508,250	5,508,250

Third party receivables being medical aid contributions paid on behalf of employees and later recovered from salaries as well as staff debts were not included in the disclosure in the prior year. The financial statements have been adjusted retrospectively as both are recoverable in cash.

23. COMMITMENTS

Authorised capital expenditure

Already contracted for but not provided for		
• Property, plant and equipment	-	551,997
Total capital commitments		
• Already contracted for but not provided for	-	551,997
Authorised general expenditure		
Already contracted for but not provided for		
• General Expenditure	20,272,813	15,093,200
Total operational commitments		
Already contracted for but not provided for	20,272,813	15,093,200

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
Total commitments		
Total commitments		
Authorised capital expenditure	-	551,997
Authorised operational expenditure	20,272,813	15,093,200
	20,272,813	15,645,197

The increase is due to the contract entered into for cloud migration hosting support and connectivity for a period of three years at a value of R12,551,005. This committed expenditure relates to general expenditure and will be financed by retained surpluses and the future allocation from **the dtic**.

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	92,727	253,082
- in second to fifth year inclusive	-	92,727
	92,727	345,809

Operating lease payments represent rentals payable by the NCC for some of its office equipment and for office space, storage and parking. There was an additional amount of R29 457 adjusted in the prior year.

Rental expenses relating to operating leases

within one year	6,255,494	5,987,264
in second to fifth year inclusive	13,364,281	19,619,775
	19,619,775	25,607,039

Operating lease payments represent rentals payable by the NCC for office space, storage and parking. The entity entered into a 5 year lease agreement for rental of office space on 1 April 2023.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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24. RELATED PARTY

Relationships	
Members of key management	Members of Executive Management
Department of Trade, Industry and Competition	Member of dtic group
Companies Tribunal	Member of dtic group
Companies and Intellectual Property Commission	Member of dtic group
National Consumer Tribunal	Member of dtic group
National Creditor Regulator	Member of dtic group
National Gambling Board	Member of dtic group
National Lotteries Commission	Member of dtic group
National Metrology Institute of South Africa	Member of dtic group
Competition Tribunal	Member of dtic group
International Trade and Administration Commission	Member of dtic group
National Regulator for Compulsory Specifications	Member of dtic group
National Empowerment Fund	Member of dtic group
BBBEE Commission	Member of dtic group
South African National Accreditation System	Member of dtic group
Industrial Development Corporation	Member of dtic group
Competition Commission	Member of dtic group
Export Credit Insurance Corporation of South Africa	Member of dtic group
South African Bureau of Standards	Member of dtic group

The NCC is presumed to be related to all other government entities within the national sphere by virtue of classification as a national public entity. However, only relationships, balances and transactions carried out within the ambit of **the dtic** group entities are disclosed to an extent that they are not at arm's length.

Related party balances

The NCC entered into a lease agreement with SABS for the rental of property and related services.

Amounts payable to related parties included in trade payables		
South African Bureau of Standards	(1,556,185)	(1,966,560)

The NCC through the rental agreement occupies the premises belonging to the South African Bureau of Standards. The NCC also receives some of the ICT related services and utilises the telephone systems belonging to the SABS for a fee in return.

Related party transactions

Transfer payment received		
Department of Trade, Industry and Competition	71,220,000	73,566,000

The NCC is funded by government grants received through the Department of Trade, Industry and Competition. The transfer payments are received within normal operating terms. The amount is included in revenue in the statement of financial performance.

NATIONAL CONSUMER COMMISSION

Annual Financial Statements for the year ended 31 March 2025

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Remuneration of management

Audit and Risk Committee members

2025

Name	Number of meetings attended	Committee fees	Travel and other claims	Total
Ms N Matomela (Ex-Officio Member)	3	-	-	-
Mr N Marota	5	113,916	-	113,916
Adv L Mbana	5	111,327	2,000	113,327
Mr F Docrat (Chairperson)	5	147,696	4,439	152,136
	-	372,939	6,439	379,379

2024

Name	Number of meetings attended	Committee fees	Other	Travel and other claims	Total
Ms N Matomela (Ex-Officio Member)	6	-	-	-	-
Mr N Marota	7	113,269	-	2,100	115,376
Adv L Mbana	7	112,624	-	2,561	115,185
Mr F Docrat (Chairperson)	7	134,617	12,308	2,405	149,486
	-	360,510	12,308	7,066	380,047

Accounting Authority and Executive Management

2025

Name	Basic salary	Pension Contribution	Other payments received	Total
H Ratshisusu-Acting Commissioner*	-	-	24,671	24,671
T Mabuza-Deputy Commissioner	1,536,800	178,550	408,750	2,124,100
J Selolo-Company Secretary	1,008,976	130,678	366,415	1,506,069
P Moshidi -Chief Financial Officer and Divisional Head for Corporate Services **	88,667	11,527	133,943	234,137
P Moilwa - Divisional Head for Enforcement and Investigations	1,005,549	120,666	462,730	1,588,945
P Kweyama-Divisional Head for Advocacy, Education & Awareness	1,020,140	131,658	354,029	1,505,827
J Mbeje- Divisional Head for Legal	1,089,322	130,678	269,018	1,489,018
L Nhlapo- Acting Chief Financial Officer & Divisional Head for Corporate Services***	1,105,887	110,731	219,892	1,436,510
	6,855,341	814,488	2,239,448	9,909,277

* Acting from 1 May 2024. He is remunerated by the Competition Commission, the NCC compensates the Acting Commissioner for travel related expenditure only.

** Resigned on 30 April 2024

*** Acting from 1 May 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2024

Name	Basic salary	Pension	Settlement	Other received payments	Total
T Mabuza-Acting Commissioner	1,703,293	170,302	-	333,076	2,206,671
J Selolo- Company Secretary	964,404	124,812	-	347,267	1,436,483
P Moshidi -Chief Financial Officer & Divisional Head for Corporate Services	1,068,671	138,320	-	333,435	1,540,426
P Moilwa - Divisional Head for Enforcement & Investigations	965,341	115,128	-	421,341	1,501,810
P Mlungu-Divisional Head for Advocacy, Education & Awareness*	523,634	67,158	340,215	427,459	1,358,466
R Tshigemane-Acting Divisional Head for Advocacy, Education & Awareness**	739,521	93,448	-	232,229	1,065,198
P Kweyama-Divisional Head for Advocacy, Education & Awareness***	162,381	21,109	-	51,836	235,326
J Mbeje- Divisional Head for Legal	1,043,209	124,812	-	230,675	1,398,696
	7,170,454	855,089	340,215	2,377,318	10,743,076

* Employment terminated on 31 October 2023

** Acting from 20 November 2023 to 31 January 2024

***Appointed on 1 February 2024

25. PRIOR-YEAR ADJUSTMENTS

Presented below are those items contained in the statement of financial position and statement of financial performance that have been affected by prior-year adjustments:

Statement of financial position

2023

	Note	As previously reported	Correction of error	Restated
Receivables from exchange transactions		21,029	42,917	63,946
Payables from exchange transactions		(2,144,647)	(67,597)	(2,212,242)
		(2,123,618)	(24,680)	(2,148,296)

2025

	Note	As previously reported	Correction of error	Restated
Payables from exchange transactions		(5,029,877)	(478,373)	(5,508,350)
Receivables from exchange transactions		111,089	42,916	154,005
		(4,918,788)	(435,457)	(5,354,345)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Statement of financial performance

2025

	Note	As previously reported	Correction of error	Restated
General expenses		(25,778,333)	(418,395)	(26,196,728)

Cash flow statement

2025

	Note	As previously reported	Correction of error	Restated
Cash flow from operating activities				
Surplus for the year		1,820,453	(418,395)	1,402,058
Payables from exchange transactions		2,885,230	418,395	3,303,624
		4,705,683	-	4,705,682

Errors

Statement of financial position

Payables from exchange transactions

Accruals amounting to R478 373, along with the corresponding expenditure, primarily related to legal costs, were increased. This adjustment was made after the NCC received invoices from service providers during the current year for expenses that were incurred in the 2024 financial year or earlier.

Receivables from exchange transactions

NCC's account with South African Revenue Services reflected a recoverable amount of R 42,916 relating to overpayment of salaries. The excess tax previously paid to SARS reflected in the statement was recognised as a receivable and has been offset against declared amount in 2024/25 financial year.

Impact on Accumulated Surplus as at 1 April 2023

The effect of prior period adjustments on the opening balance of Accumulated Surplus for the 2023/2024 is a decrease in previously recognised balance by an amount of R17 062.

Statement of financial performance

General Expenses

Contributing to the adjustment is expenditure for legal costs received in the current year for work done in the previous financial year.

Cash flow Statement

Overall, the above changes did not have an impact on the cash flow statement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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26. RISK MANAGEMENT

Financial risk management

The NCC's activities expose it to a variety of financial risks being liquidity, credit and interest rate risks. The NCC's policies and procedures are used to manage its risk and the approach is consistent with prior years.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The NCC assessed its liquidity risk as low, taking into consideration the current funding structures and availability of cash resources. The entity manages liquidity risk through an ongoing review of future commitments and monitoring of sufficient cash resources.

The table below reflects the NCC's exposure to liquidity risk from financial liabilities:

At 31 March 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	4,777,789	-	-	-
At 31 March 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	5,508,250	-	-	-

Credit risk

Receivables are monitored on an ongoing basis resulting in exposure to bad debts being insignificant. A provision is made for doubtful debts. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position

Financial assets exposed to credit risk as at 31 March 2025 period end were as follows:

Financial instrument	2025	2024
Receivables from exchange transactions	17,463	11,435
Cash and cash equivalents	16,711,676	20,410,071
Third party receivables	97,438	142,570

Interest rate risk

The exposure to interest risk is managed by investing funds on a short term basis, in the Corporation for Public Deposits (CPD), to ensure maximum interest on surplus funds. The risk arises when there are downward interest rate changes, as this will reduce the interest income on invested funds.

As at 31 March 2025, the NCC had the following balance of cash and cash equivalents:

Cash and cash equivalents	16,711,676	20,410,071
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024
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27. FRUITLESS AND WASTEFUL EXPENDITURE

Add: Fruitless and wasteful expenditure identified - current	-	46,380
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Fruitless and wasteful expenditure has been disclosed in line with the provisions of National Treasury Instruction Note 4 of 2022/23.

All incidents of fruitless and wasteful expenditure were investigated or are under investigation and consequence management or corrective action is taken as per recommendations by investigative and loss control committee reports.

28. IRREGULAR EXPENDITURE

Irregular Expenditure - current year	202,500	-
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The above expenditure relate to procurement of goods and services without following the SCM processes. Investigation is underway.

29. BUDGET DIFFERENCES

Material differences between budget and actual amounts

29.1 Government Grants and Subsidies

During the financial year, the dtic granted the NCC an additional amount of R2,100,000 to carry out market monitoring inspections in various provinces. This was in response to the crisis of foodborne illnesses accross the country.

29.2 Accumulated Surpluses

During the financial year 2023/24, National Treasury granted the NCC permission to retain surplus cash generated during the 2023/24 financial year. This surplus has been used to supplement the budget for the 2024/25 financial year. The retained surpluses are used to offset the losses on the financial statements.

29.3 Employee Related Costs

Compensation of employees indicates an underspending of R1,566,528. This is attributable to savings generated by vacant positions.

29.4 Depreciation and amortisation

Depreciation is a non-cash item.

29.5 General Expenses

Even though the variance on goods and services is positive, it does not translate to availability of excess funds. This is attributable to the timing difference between the finalisation of procurement processes and the rendering of services. Some projects are underway while others are due to commence in the 2025/26 financial year. The NCC also relied on accumulated surplus to supplement the current year budget

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

30. CONTINGENCIES

Contingent Liabilities

Claims against the NCC

The NCC is either a litigant or a defendant in the matters as indicated below. The outcomes of all these matters cannot be determined:

Lambons (PTY) Ltd Trading as Lambons GWM Kimberly

The matter is about failure to comply with compliance notice. It was heard on the 13 April 2023 and judgement was granted in favour of the NCC. Respondent was ordered to pay an administrative fine in the sum of R200 000. The respondent has lodged a review application against the judgement. The NCC filed a notice to oppose and appointed Attorneys to represent the NCC. The respondent is claiming legal costs estimated at the value of R450 000 should the matter be decided against the NCC.

Wingfield Motors

The matter is about a supply of defective motor vehicle to the consumer. It is an appeal application by the respondent against the NCT's judgement on the point in limine. Applicant has filed the replying affidavit and pleadings are closed. The applicant is claiming an amount of R400 000 should the matter be decided against the NCC.

Sandown Motors/ Mercedes Benz Braynston

The matter relates to supply of defective motor vehicle to the consumer. It is a review application by the respondent against the NCT's judgement on the point in limine. NCC is waiting for the appellant to apply for the set down of their condonation application. The applicant is claiming an estimated amount of R500 000 as legal costs, should the matter be decided against the NCC.

J. Phehlela

The matter is at the High Court. It is an application to compel the complaint in 90 days. Applicant lodged an application to compel the NCC to finalise the investigation within 90 days. The NCC has filed the answering affidavit. The applicant is claiming an amount of R150 000 should the matter be decided against the NCC.

Spares for Africa

The matter is at High Court. It is about poor service and return of property. Judgement was granted in favour of the NCC. The respondent has applied for leave to appeal. It is estimated that an amount of R200 000 in legal costs, in favour of the respondent/appellant will be incurred should the matter be decided against the NCC.

AJ Auto Investment

This is a high court matter relating to defective supply of a motor vehicle. Judgement was granted in favour of the NCC. The respondent has applied for leave to appeal. An estimated amount of R200 000 in legal costs will be paid by the NCC, should the matter be decided against the NCC.

Grandysnc Close Corporation

The matter is at High Court. The supplier has instituted claims for loss of earnings and defamation against the NCC. Applicant is claiming an amount in excess of R40 514 600 should the matter be settled against the NCC and legal costs estimated to the value of R2 000 000 to be paid by the NCC, should judgement be granted against the NCC. The NCC has recently appointed the attorneys to file answering affidavit. A notice to oppose was filed and the NCC is at the stage of drafting its plea, through its attorneys and counsel.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Car Care Clinic

This is a matter relating to supply of a defective motor vehicle. The Respondent raised a point in limine that the matter was referred to the Tribunal more than 3 years after the act or omission with is a cause of complaint arose. The Tribunal ruled in favour of the Respondent and the NCC was not satisfied with the outcome and obtained a legal opinion that the interpretation of section 116 of the CPA relating to limitation of bringing action before the Tribunal was incorrect. The NCC appealed against such judgement. Pleadings are closed and waiting for the date of hearing to be set. The applicant is claiming an estimated amount of R200 000 should the matter be decided against the NCC.

Platinum Wheels

The matter is about a supply of a defective motor vehicle to the consumer. It is an appeal application by the respondent against the NCT's judgement which was in favour of the NCC. Applicant has filed the replying affidavit and pleadings are closed. The applicant is claiming an estimated amount of R1 050 000 should the matter be decided against the NCC.

WP Motor Sales t/a WP Motors

The matter is about a supply of a defective motor vehicle to the consumer. It is an appeal application by the respondent against the NCT's judgement which was in favour of the NCC. The NCC has filed its Notice to Oppose. The applicant is claiming an estimated amount of R500 000 should the matter be decided against the NCC.

Titan Trade (PTY) Ltd

The matter is about a supply of defective motor vehicle to the consumer. It is an appeal application by the respondent against the NCT's judgement which was in favour of the NCC. The NCC has filed its Notice to Oppose. The applicant is claiming an estimated amount of R500 000 should the matter be decided against the NCC.

Avura Motors t/a Avura Executive Cars

The matter is about a supply of a defective motor vehicle to the consumer. It is an appeal application by the respondent against the NCT's judgement which was in favour of the NCC. The NCC has filed its Notice to oppose. The applicant is claiming an estimated amount of R250 000 should the matter be decided against the NCC.

P. Nkabinde

The matter is at the High Court. The NCC is being compelled to investigate a complaint. The NCC is not opposing this application but it has recently appointed the attorneys to negotiate a settlement agreement. It is estimated that an amount of R50 000 in legal costs will be incurred should the matter be decided against the NCC, through settlement agreement.

Labour matters

B. Gugwini against the NCC

Applicant is claiming unfair dismissal. The applicant lodged a review application at the labour court for the arbitration award in favour of the NCC. The applicant has filed a condonation application which is opposed by the NCC. It is estimated that an amount of R200 000 in legal costs will be incurred should the matter be decided against the NCC.

Service Bonus

Employees on salary level 1-10 (employees other than management) are only entitled to a service bonus when they have completed a period of twelve months within the NCC. Should an employee resign before the completion of the twelve months period, the service bonus is forfeited. As at 31 March 2025, the estimated amount that can possibly be paid to employees in the next twelve months is R1 064 678.75.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Surrender of surpluses

The NCC annually declares all surpluses or deficits to the National Treasury generated from the period 1 April to 31 March of each year, using its audited annual financial statements as the basis for calculation.

The NCC submits requests to the National Treasury to retain surpluses in terms of section 53(3) of the PFMA, as and when appropriate.

The NCC surrenders by depositing into the National Revenue Fund, all surpluses that were realised in a particular financial year –

- (a) which were not approved for retention by the National Treasury in terms of section 53(3) of the PFMA; or
- (b) where no application was made to the National Treasury to accumulate the surplus in terms of section 53(3) of the PFMA. The surpluses are surrendered by no later than 30 November of each year, as prescribed.

As at 31 March 2025, the NCC is exposed to a possible surrender to the value of R8 916 519. While the NCC will apply for retention of surplus funds, the surrender is dependent on the decision by National Treasury to grant such an approval.

Contingent assets

Sandton Repo cars

The matter is about a supply of a defective motor vehicle to the consumer. It is an appeal application by the respondent against the NCT's judgement on the point in limine. The applicant is claiming an estimated amount of R200 000 in legal costs should the matter be decided against the NCC. In consultation with our legal representative, there is a high possibility that the appeal will be dismissed and costs granted in favour of the NCC.

31. GOING CONCERN

We draw attention to the fact that at 31 March 2025, the entity had an accumulated surplus of R26 191 782 and that the entity's total assets exceed its liabilities by R26 191 782.

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

32. EVENTS AFTER THE REPORTING DATE

Labour Matter: N Netshitomboni against NCC

- The matter was at labour court as at 31 March 2025. This relates to a former employee who sought the court to grant reinstatement for employment. The judgement was granted in favour of the NCC on 29 May 2025 with no cost to the NCC. The initial estimated costs of R350 000 will no longer be incurred.

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CONTACT DETAILS

RP198/2025

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