

DIGNITY
JUSTICE
RESPECT
FREEDOM
EQUALITY
DIVERSITY
DEMOCRACY

CONSTITUTIONHILL



ANNUAL FINANCIAL STATEMENTS 2024/25

A young girl with dark hair in a bun, wearing a red corduroy jacket with a white fur collar, is smiling and making a peace sign with her right hand. She is standing in front of a colorful wall with large, stylized letters. The wall has a pink and purple geometric pattern. The text 'BASHA HURII' is written in large, bold, black letters with colorful accents. The word 'BASHA' is on the top line and 'HURII' is on the bottom line. The letters have various colored squares and rectangles inside them. The background is slightly out of focus, showing a building with a grid pattern on the right.

BASHA
HURII

These Annual Financial Statements were prepared under the supervision of:

Siyabonga Hlongwane (CA) SA

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Constitution Hill Development Company SOC Limited

(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Heritage site, education and tourism
Directors	Ms P Mbanjwa (Chairperson) Ms J Phiri (Deputy Chairperson) Ms P Maphanga Mr M Tampe Mr K Sukdev Ms L Mvelase
Registered office	The Bus Factory 3 President Street Newtown Johannesburg 2001
Business address	The Constitution Hill 11 Kotze Street Braamfontein Johannesburg 2001
Postal address	P.O. Box 61877 Marshalltown Johannesburg 2017
Controlling entity	Gauteng Growth and Development Agency SOC Limited incorporated in South Africa
Bankers	First National Bank - a division of First Rand Bank Limited
External auditors	Auditor-General of South Africa
Company Secretary	Ms Jacky van Loggerenberg (Acting)
Company registration number	2001/005330/30
Website	www.constitutionhill.org.za
Company full registered name	Constitution Hill Development Company SOC Limited
Company short name (known as)	ConHill

Constitution Hill Development Company SOC Limited

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(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

Directors' Responsibilities and Approval

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 in accordance with the Public Finance Management Act of 1999 as prescribed by National Treasury and the Companies Act 71 of 2008.

The Annual Financial Statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

Based on the information given by management, the directors are of the opinion 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, not absolute, assurance against material misstatement or deficit.

The directors have reviewed the company's ability to continue as a going concern for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future. However, given the global COVID-19 pandemic, there is increased pressure for government to re-prioritise projects and relook the agency operational structures. The company is dependent on the receipt of grant funding from the Gauteng Provincial Government of R26.2 million for continued financing of operations for the 2025/2026 financial year. This funding has been approved as per the Medium Term Expenditure Framework of the Gauteng Provincial Government.

The company's Annual Financial Statements as presented, were prepared on a going concern basis. The directors have reviewed current and future plans of the company's and are satisfied with the appropriateness of the basis.

The external auditors are responsible for independently reviewing and reporting on the Company 's Annual Financial Statements. The external auditors have examined the Annual Financial Statements and their report is presented on pages 8 to 12.

Approval of Annual Financial Statements

The Annual Financial Statements of Constitution Hill Development Company SOC Limited, set out on pages 13 to 65, were approved by the board of directors on 24 July 2025 and were signed on its behalf by:



Ms P Mbanjwa (Chairperson)

Constitution Hill Development Company SOC Limited

(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

Audit and Risk Committee Report

1. Legislative requirements

The audit and risk committee herewith presents its report for the financial year ended 31 March 2025, as required by section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999) (PFMA) read with Treasury Regulation 27.1.10. The audit and risk committee was established in accordance with sections 51(1)(a)(ii)] and 77 of the PFMA.

2. Audit and risk committee responsibility

During the period under review, the Committee fulfilled its statutory duties as required by the PFMA (section 51(1)(a)(ii)) and Treasury Regulations (regulation 27.1.8), as well as various additional responsibilities assigned to it by the Board. The Committee's activities are also guided by its Terms of Reference which are approved by the Board.

3. Audit and risk committee members and attendance

The committee consists of Independent Non-Executive members and is chaired by Mr Krishen Sukdev. The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Internal and External Auditors have a standing invitation to all meetings of the Committee. A brief profile of each of the Committee members, as well as their qualifications can be viewed in the Governance section of the Group Annual report, under directors of the Board. The term of five (5) committee members came to an end in January 2025, whilst three (3) new members were appointed.

The Chairperson of the Audit and Risk Committee reports to the Board quarterly on the Committee's deliberations, decisions and recommendations.

In terms of section 77(b) of the PFMA, the Audit and Risk Committee must meet at least twice a year. During the financial year ended 31 March 2025, the Audit and Risk Committee met on twenty-two (22) occasions of which five (5) meetings were scheduled. The other seventeen (17) meetings were special meetings to review tenders and for a risk workshop that was held.

The Audit and Risk Committee is a shared resource across the company subsidiaries. The table below shows the attendance of these meetings:

3.1 Audit and risk committee members and meeting attendance

Audit and risk committee meetings: Name of member	Total meetings	Meetings attended
New composition		
Mr K Sukdev (Chairperson)	22	22
Ms P Mbanjwa	3	3
Ms F Serutha	3	3
Mr M Tampe	3	3
Ms M Van Eck	22	22
Outgoing		
Mr T Ditshwane	19	19
Ms P Mangoma	19	17
Mr K Matabane	19	16
Ms N Thanjekwayo	19	19
Dr L Konar	19	17

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Audit and Risk Committee Report

4. Risk management and internal audit function

The Audit and Risk Committee was responsible for overseeing of the risk management function. The Board has had oversight for the risk management process that was carried out by GGDA company management during the period under review. The Governance section of the GGDA company annual report discusses an overview of risks managed for the 2024/25 financial year.

The Audit and Risk Committee has reviewed the risk register and the reports from management and is generally satisfied with the maturity of the risk management process.

The Audit and Risk Committee was responsible for ensuring that the company's internal audit function is independent and has the necessary resources, skills, standing and authority within the organisation to effectively discharge its responsibilities. The Internal Auditors have unrestricted access to the Audit and Risk Committee.

The Internal Audit Unit was responsible for reviewing and providing assurance on the adequacy and effectiveness of the internal control environment across all of the significant areas of the company's operations. The internal audit function is currently capacitated through a co-sourced model.

During the reporting period the Committee conducted the following activities

Reviewed and/or approved the following matters:

- Three-year Strategic Rolling Internal Audit Plan for year ending 31 March 2026 (Approved);
- Annual Internal Audit Plan for the year ending 31 March 2025 (Approved)
- Capacity within the Internal Audit Unit;
- Internal Audit's quarterly reports in line with the approved Internal Audit Plan
- Whistle-blowing reports
- Reviewed and Approved the Internal Audit Charter

The Audit and Risk Committee formed an opinion that adequate, objective internal audit policies and procedures exist within the company and that the company's Internal Audit Unit had complied with the internal audit standards, the required legal, regulatory and other responsibilities as stipulated in its charter during the period under review.

The Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the company.

5. Effectiveness of the internal control and risk management

Section 51(1) (a) (i) of the PFMA states that the Board must ensure that a public company has and maintains effective, efficient and transparent systems of financial, risk management and internal control.

The Audit and Risk Committee was responsible for overseeing risk management and reviewing the internal controls. The internal audit function conducted independent reviews on the effectiveness of the internal controls covering areas of financial, operational, compliance and risk management.

Based on the results of Internal Audit reviews for the 2024/2025 financial year, the overall control environment across the GGDA company is considered to be "satisfactorily effective" in providing reasonable assurance that the inherent risks are appropriately managed and that the business objectives will be attained. It remained effective throughout the 2025/2026 financial year.

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Annual Financial Statements for the year ended 31 March 2025

Audit and Risk Committee Report

6. Evaluation of the company's Annual Financial Statements

During the reporting period, the Audit and Risk Committee reviewed the Annual Financial Statements and is satisfied that the Annual Financial Statements have been prepared in terms of GRAP and the PFMA. The Annual Financial Statements were reviewed with the following focus:

- Significant financial reporting judgments and estimates contained in the Annual Financial Statements;
- Clarity and completeness of disclosure and whether disclosures made have been set properly in context including matters relating to any unauthorised, irregular, fruitless and wasteful expenditure;
- Changes in Accounting Policies and Practices;
- Significant adjustments resulting from the Audit;
- Compliance with accounting standards and legal requirements;
- Explanation for the accounting treatment adopted;
- Reasons for year-on-year fluctuations;
- Asset valuations. and
- The basis for the going concern assumption.

7. Programme performance information management

The Audit and Risk Committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. During the period under review, quarterly reports were presented by management to enable the audit and risk committee to:

- Review and comment on compliance with statutory requirements and programme performance information best practices and standards.
- Review and comment on the alignment of the annual performance plan, budget, strategic plan, corporate plan and annual performance plans.
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the public company.
- Review of reported non-compliance with legislation
- Review of compliance with the year reporting requirements
- Assess internal audit reports on reviews carried out on quarterly performance reports

The Committee reviewed the quarterly and annual reports on the company and company's performance against predetermined objectives.

The Committee is satisfied that the performance report has been prepared in accordance with the PFMA, the Treasury Regulations and any other related regulatory requirements for reporting programme performance information.

8. The quality of monthly and quarterly reports submitted in terms of the PFMA

The Committee concurs with and accepts external auditors conclusion and audit opinion on the Annual Financial Statements. The Audit and Risk Committee recommends that the audited Annual Financial Statements be accepted and read together with the external auditors' report. The Committee confirms that it has been actively involved throughout the audit process and has been thoroughly appraised of the issues giving rise to the audit opinion.

The Auditor-General performed the external audit function and is independent of the company and company. The Committee has met with the external auditors to ensure that there are no unresolved issues.

- Monitor the integrity, accuracy and reliability of the financial position of the company and company;
- Review the management accounts of the company and provide the Accounting Authority with an authoritative and credible view of the financial position of the company;
- Review the company's internal financial and operational controls, as well as the risk management systems,
- Review the disclosure in the financial reports of the company and the context in which statements on the financial health of the company are made including matters relating to any unauthorised, irregular, fruitless and wasteful expenditure; and
- Review all material information presented together with the management accounts including, the monitoring of compliance with applicable laws and regulations.

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Audit and Risk Committee Report

9. External auditor and audit risk committee report

The Audit and Risk Committee concurs with and accepts the external auditors' conclusion on the Annual Financial Statements. The Audit and Risk Committee is of the view that the audited Annual Financial Statements should be accepted and read together with the external auditors' report. The Committee confirms that it has been actively involved throughout the audit process and has been thoroughly appraised of the issues giving rise to the audit opinion.

The external audit function, performed by the Auditor General, is independent of the company and company. The Committee has met with the external auditors to ensure that there are no unresolved issues.

10. Conclusion

The Audit and Risk Committee has executed its roles and responsibilities in terms of its Board-approved charter.

 Digitally signed
by Krishen
Sukdev

Mr K Sukdev

Chairperson of the Audit and Risk Committee

Date: 31 July 2025

Constitution Hill Development Company SOC Limited

(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

Report of the Auditor-General to the Gauteng Provincial Legislature

Report on the audit of the financial statements Opinion

1. I have audited the financial statements of the Constitution Hill Development Company SOC Limited set out on pages 13 to 65, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Constitution Hill Development Company SOC Limited as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Companies Act 71 of 2008 (Companies Act of South Africa).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Restatements of corresponding figures

7. As disclosed in note 35 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the public entity for the year ended 31 March 2025.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the Companies Act of South Africa; 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.
9. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 11, forms part of our auditor's report.

Report on the annual performance report

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

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Report of the Auditor-General to the Gauteng Provincial Legislature

13. I selected the following material performance indicators related to Constitution Hill Development Company programme presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
- Number of ticketed leisure visitors to Constitutional Hill
 - Gross economic impact of events hosted by Conhill
 - Number of tourism enterprises incubated through Tourism Centre of Excellence programme
 - Number of public programmes hosted
 - Number of creatives benefited from creative uprising programme
 - Sales and earned revenue generated
14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected material performance indicators.

Achievement of planned targets

18. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under- achievements.
19. The table that follows provides information on the achievement of planned targets and lists the indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report.

Constitution Hill Development Company

<i>Targets achieved: 83%</i> <i>Budget spent: 100%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Sales and earned revenue generated	R19191000	R14 787 096

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Annual Financial Statements for the year ended 31 March 2025

Report of the Auditor-General to the Gauteng Provincial Legislature

Report on compliance with legislation

20. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The account authority is responsible for the public entity's compliance with legislation.
21. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
22. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
23. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

24. The accounting authority is responsible for the other information included in the annual report which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act of South Africa. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
25. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
26. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
27. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

28. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
29. I did not identify any significant deficiencies in internal control.

Auditor-General

Johannesburg

31 July 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Constitution Hill Development Company SOC Limited

(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

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Annual Financial Statements for the year ended 31 March 2025

Annexure to the auditor's report

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 51(1)(b)(i), 51(1)(b)(ii), 51(1)(e)(iii), 52(b) Sections 53(4), 54(2)(c), 54(2)(d) Sections 55(1)(a), 55(1)(b), 55(1)(c)(i), Sections 57(b), 66(4) SCM Instruction Note 02 of 2021-22 par 3.2.1 (bids advertised on or after 1 April 2022) SCM instruction note 2 of 2021/22 par. 3.2.4 PFMA SCM instruction note 03 of 2021/22 par 4.1. PFMA instruction note no.3 of 2021/22 definition PFMA instruction note no.3 of 2021/22 par. 4.2 (b)
Treasury regulations	TR31.1.2(c), TR 16A.7.1, TR 16A.7.3, TR 16A.7.6, TR 16A.7.7, TR 31.2.1, TR 31.3.3, TR 30.1.1, TR 30.1.3(a), TR 29.1.1, TR 29.1.1(a), TR 29.1.1(c), TR 30.1.3(b), TR 30.1.3(d), TR 29.2.1, TR 29.2.2, TR 30.2.1, TR 33.1.3, TR 33.1.1, TR 16A9.1(b)(ii), TR 16A9.1(e), TR 16A9.1(f), TR 16A6.3(b), TR 16A3.2, 16A6.3(a) (i), TR8.2.1 and 8.2.2, TR16A8.4 National Treasury Instruction 4A of 2016/17 NT Instruction note 4 of 2015/16 par. 3.4 SBD 6.2 issued in 2015/16 Treasury Instruction note 11 of 2020/21 par. 3.1 Treasury Instruction note 11 of 2020/21 par. 3.4 (b) and 3.9 NT Instruction No 5 of 2020/21 par 5.3 NT Instruction No 5 of 2020/21 par 4.8 NT Instruction No 5 of 2020/21 par 4.9 NT Instruction 07 of 2017/18 par 4.3 3). NT Instruction 4A of 2016/17 par 6
Preferential Procurement Policy Framework Act 5 of 2000	PPPFA 2(1)(a); PPPFA (definition of acceptable tender) Regulation 4(4),
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
CIDB Act	Section 18(1), CIDB reg. 17; 2). CIDB reg. 25(7A)
Public Service Regulations	Regulation 18(1),(2)

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Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

On behalf of the Board of Directors, we are pleased to present the Director's Report for the Constitution Hill Development Company (ConHill) for the financial year ending 31 March 2025. This report accompanies the Annual Financial Statements and outlines the company's performance, governance, and strategic direction during the period under review.

ConHill continues to pursue its vision of establishing Constitution Hill as a premier Human Rights Precinct and a leading center for tourism, creativity, and innovation in South Africa. Our mission is rooted in catalyzing social justice, supporting the creative economy, and preserving the site's profound historical significance.

Integral to this vision is ConHill's active role in urban renewal and placemaking within Johannesburg's inner city. Constitution Hill stands as a flagship urban regeneration project, transforming a site of historical hardship into a vibrant, inclusive precinct that fosters economic and social empowerment for surrounding communities. The creative sector serves as a key avenue for this transformation, driving urban renewal and placemaking by activating public spaces, nurturing local talent, and stimulating economic growth.

Through placemaking, we aim to create a dynamic public space that encourages civic engagement, celebrates diversity, and serves as a gathering point for dialogue, reflection, and cultural exchange. By integrating heritage preservation with innovative urban development, and leveraging the creative sector as a catalyst, ConHill contributes to the revitalization of the city, supports the reclaiming of urban spaces, and provides a platform for both local reside .

1. NATURE OF OUR BUSINESS

The directors adhere to the principles outlined in the King Code of Corporate Practices and Conduct, as articulated in King IV. With the exception of disclosures provided in the corporate governance review, the directors have endeavored to comply, to the fullest extent feasible, with the principles delineated therein over the course of the reporting period. Recognizing the imperative of conducting the company with integrity and in alignment with generally accepted corporate practices, the Board and its committees have meticulously scrutinized the corporate governance policies and procedures during the current fiscal year, identifying no notable issues.

In continuation of the previous year's practices, the board of directors affirms that the Audit and Risk Committee remains vigilant in overseeing the implementation of the comprehensive internal control enhancement plan formulated subsequent to the prior year's audit qualification. ConHill's internal audit has diligently executed the internal audit plan throughout the fiscal year, furnishing the Board with assurances regarding the company's internal control framework. A comprehensive assessment of the company's internal controls is encapsulated within the Audit and Risk Committee report.

The ConHill Board assumes responsibility for delineating the company's strategic trajectory, a framework encapsulated within the Shareholder's Compact and the five-year Strategic Plan, subject to annual review to accommodate shifts in both the internal and external milieu. Business units operate within the ambit of the five-year Corporate Plan, crafting annual business plans, budgets, and initiatives to realize strategic imperatives. Day-to-day managerial oversight is entrusted to line management, facilitated by a clearly articulated organizational structure and formal delegated authority

Our robust system of internal controls is meticulously designed to safeguard corporate objectives and uphold the requisites of the PFMA. Mechanisms are in place to promptly detect and rectify instances where controls may falter. The Audit and Risk Committee has conducted a thorough evaluation of the company's annual financial statements and has advocated for their endorsement to the Board.

2. Incorporation

The company was incorporated on 09 March 2001 and obtained its certificate to commence business on the same day. The company is classified as a Schedule 3C company in terms of the Public Finance Management Act No. 1 of 1999 as amended.

While ConHill has a strong **social and cultural** mission as the custodians of the site's **heritage assets**, we also contribute to economic growth through our strong presence in the **visitor and creative economy**. The project is part of a major **inner-city regeneration** drive, which contributes to the economic, social, and cultural upliftment of people living and working in the inner city.

Constitution Hill Development Company SOC Limited

(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

3. GOVERNANCE

The directors subscribe to the principles incorporated in the King Code of Corporate Practices and Conduct as set out in King IV and, save as disclosed in the corporate governance review, have complied as far as practical with principles contained therein throughout the reporting period. The directors recognise the need to conduct the company with integrity and in accordance with Generally Accepted Corporate Practices. The Board and the Board committees have reviewed the company's corporate governance policies and procedures in the current year and no issues were identified.

Consistent with the prior year, the board of directors believe that the Audit and Risk Committee continues to monitor the implementation of the comprehensive internal control improvement plan developed following the prior year audit qualification. ConHill's internal audit has executed the internal audit plan during the year and has provided assurance to the Board as to the state of the internal controls of the company. Their assessment of the internal controls of the company is included in the Audit and Risk Committee report.

The ConHill Board is responsible for the development of the company's strategic direction, which is captured in the Shareholder's Compact and five-year Strategic Plan, reviewed on an annual basis to cater for changes both in the internal and external environment.

Our business units are therefore guided by the five-year Corporate Plan to prepare annual business plans, budgets, and programmes to meet their strategic objectives. Day-to-day management responsibility is vested in line management through a clearly defined organisational structure and formal, delegated authority.

We have a comprehensive system of internal controls designed to ensure that we meet corporate objectives and the requirements of the PFMA. Processes are in place to ensure that where controls fail, the failure is detected and corrected. The Audit and Risk Committee has evaluated the company's Annual Financial Statements and has recommended their approval to the Board.

3.1 Performance Management System

The performance measurement system at Constitution Hill is designed to ensure alignment with its mandated objectives and is reviewed annually to respond effectively to both internal and external changes. Performance targets are established at strategic, team, and individual levels, with remuneration linked to the achievement of these targets. Regular reporting to management and stakeholders facilitates timely adjustments to strategies and operations as needed.

Aligned with its vision to be a global beacon for human rights, Constitution Hill focuses on strategic objectives that include recognition as a World Heritage destination, active human rights advocacy, and the realization of its full development potential.

During the reporting period, visitor numbers increased substantially, with **81,036 visitors** coming through for leisure activities.

Gross economic impact of hosting events by ConHill

The Basha Uhuru Freedom Festival and the Human Rights Festival, held in June and March respectively, addressed a range of powerful themes that resonate deeply with Constitution Hill's mission.

The 2024 Basha Uhuru Freedom Festival hosted in June, themed "30 Years of Creative Freedom," celebrated the role of young people in creative and social movements, commemorating three decades of democracy and heritage. Key themes included youth empowerment, freedom of expression, and the ongoing struggle for social justice. The festival featured diverse artistic expressions such as music, visual arts, film, and theatre, with a focus on freedom, identity, and activism. It also highlighted the legacy of the 1976 Soweto Uprising, emphasizing youth participation in shaping South Africa's creative and social landscape.

The 2025 Human Rights Festival hosted in March explored themes central to human dignity and social justice, including migration, memory, resilience, and the remnants of displacement. It provided a platform for dialogue on human rights issues, fostering community engagement and reflection on South Africa's democratic journey.

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Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

3. GOVERNANCE (continued)

Number of tourism enterprises incubated through Tourism Centre of Excellence

Constitution Hill's impact extends beyond tourism through initiatives like the Tourism Centre of Excellence, which incubates small businesses and capacitated a **hundred and one (101)** Tourism SMMEs from townships in Gauteng with essential business development skills. This program equips entrepreneurs from these communities with marketing, sales, and customer service expertise, enabling them to grow sustainable enterprises. In addition to fostering economic growth, the initiative promotes community engagement through public programs. The Creative Uprising program further supports local talent by providing platforms for artistic expression, thereby enriching a vibrant cultural ecosystem.

Number of Public Programmes Hosted

During the period under review, Constitution Hill continued to host a diverse range of public programmes designed to engage, educate, and empower the community. These activities included public lectures to commemorate icons such as Winnie Mandela Lecture and Steve Biko, dialogues, workshops, and extensive outreach initiatives, all tailored to foster meaningful connections and promote social cohesion.

Central to these programmes is Constitution Hill's commitment to incorporating local knowledge and perspectives into its operations. Collaborations with various social justice organisations have helped create an inclusive environment conducive to engagement and trust-building resulting in an exchange programme on women and peace, and a development of a mural on site with the Embassy of Colombia in South Africa. Special emphasis was placed on amplifying the voices of learners from KwaZulu Natal, Limpopo, Northwest, Mpumalanga and the Eastern Cape provinces through targeted outreach efforts; and the hosting of the Debating Tournament which catered for 75 schools from Gauteng exposing them to Constitutional awareness and critical thinking through debating.

The public programmes also serve as vital platforms for dialogue on human rights, democracy, and social justice, reflecting Constitution Hill's role as a space for reflection and active citizenship. These initiatives contribute significantly to strengthening community relationships and nurturing a shared sense of ownership over the precinct's heritage and future. This financial year, Constitution Hill prioritized the preservation of its built heritage assets in line with its recent designation as a UNESCO World Heritage Site, known as the Nelson Mandela Legacy Sites. Through collaborative engagements with the National Heritage Council and the African World Heritage Fund, focused efforts have been made to safeguard and maintain the site's structural integrity and historical authenticity.

Number of creatives benefitted from Creative Uprising Programme

The Creative Uprising programme at Constitution Hill continues to nurture and uplift creative talent across diverse art forms, including music, film, visual arts, design, dance, theatre, and poetry. Targeting both formal and informal sectors, the programme provides a supportive ecosystem for creative entrepreneurs and small businesses, recognizing and developing their unique skills.

In the 2024/25 financial year, the programme benefitted 1,498 creatives through a variety of skill development initiatives, including access to gallery spaces, product showcases, and enterprise support. Situated within Constitution Hill's historic precinct, the Creative Hub is a dynamic center for artistic expression, cultural exchange, and community engagement in Johannesburg. It hosts creatives specializing in fashion design, visual arts, graphic design, film, music, jewellery making, photography, and footwear design.

Conclusion

The 2024/25 financial year has been a period of significant growth and achievement for Constitution Hill Development Company. Guided by our vision to establish Constitution Hill as a premier Human Rights Precinct and a catalyst for urban renewal, and social justice, we have made substantial progress in preserving the heritage assets of the site with work to repair the Ramparts underway, expanding community engagement, and supporting economic empowerment of SMMEs in the Tourism and Creative sectors.

Through initiatives such as the Tourism Centre of Excellence and the Creative Uprising programme, we have empowered hundreds of small businesses and creators, particularly from Gauteng's townships, fostering sustainable growth and vibrant cultural expression. Our diverse public programmes have strengthened social cohesion and amplified voices from across the country, reinforcing our role as a space for dialogue, education, and activism.

Moreover, our commitment to heritage preservation, particularly in light of our UNESCO World Heritage Site designation, remains unwavering, ensuring that Constitution Hill's historical legacy is safeguarded for future generations.

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

3. GOVERNANCE (continued)

As we look ahead, the Board remains confident in Constitution Hill's ability to continue its transformative journey-honoring the past, enriching the present, and shaping a more inclusive and just future for Johannesburg, South Africa, and beyond. We thank our stakeholders, partners, and communities for their ongoing support and collaboration in realizing this vision.

3.2 Financial review

The operating results for the financial year and state of affairs of the company are fully set out in the attached Annual Financial Statements.

The net asset value of the company has increased by R6 million to R350 million (2024:R 345 million)

The company's operating surplus is R6 million, which is an increase of R(6) million from the prior year surplus of R12 million after taxation.

During the current financial year, ConHill received a total grant of R69.1 million (including VAT) from the Gauteng Growth and Development Agency (GGDA).

ConHill recognised R61.5million as Revenue from non-exchange transactions in the Statement of Financial Performance, mainly Grant received in cash of R39.2 million recognised including VAT, R18.4 million spent by GGDA on behalf of ConHill and R3.9 million is in relation to the park.

4. Going concern

The Annual Financial Statements have been prepared based on 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.

The directors have reviewed the company's ability to continue as a going concern for the year to 31 March 2025 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future. The company is partially dependent on the receipt of grant funding from the Gauteng Provincial Government of R26.3 million for continued funding of operations for the 2025/2026 financial year. This funding has been approved as per the Medium Term Expenditure Framework of the Gauteng Provincial Government.

5. Post reporting date events

The board of directors are unaware of any matter or circumstance arising since the end of the financial year that would require adjustment to or disclosure in the Annual Financial Statements.

6. Directors' interest in contracts

None of the directors at the date of this report has an interest in contracts entered into by the company.

7. Accounting policies

The Annual Financial Statements have been prepared in accordance with the Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with the Public Finance Management Act of 1999 as prescribed by the National Treasury and the Companies Act 71 of 2008.

8. Share capital / contributed capital

The authorised share capital of the company is 100 000 ordinary shares of R0.01 each. At 31 March 2025, the issued share capital comprised of 10 000 ordinary shares of R0.01 each.

There were no changes in the company's authorised or issued share capital during the year under review.

9. Distributions to owners

In terms of Section 53(3) of the PFMA, the company is not allowed to retain surpluses without Treasury approval.

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

10. Borrowing limitations

In terms of the PFMA, the company is prohibited from borrowing. During the year under review, the company did not enter into any borrowing activities. The company capitalised copier rental agreements, which gave rise to a small interest-bearing debt in terms of GRAP 13.

11. Board

The Board of Directors of the company as of the date of this report are as follows:

Name	Appointed	Term of office expired
Ms P Mbanjwa (Chairperson)	01 February 2025	
Ms P Maphanga	01 February 2025	
Mr M Tampe	01 February 2025	
Mr K Sukdev	01 February 2025	
Ms L Mvelase	01 February 2025	
Mr M Sebothoma	01 January 2022	31 January 2025
Mr X Zulu	01 January 2022	31 January 2025
Ms C Maluleke	01 January 2022	31 January 2025
Mr P Nyandu	01 January 2022	31 January 2025
Ms D Tsotetsi	10 January 2024	31 January 2025
Ms R Letwaba	10 January 2024	31 January 2025
Dr S Vilakazi	10 January 2024	05 September 2024
Ms J Phiri	01 January 2022	

12. Corporate governance

General

Constitution Hill Development Company SOC Limited confirms and acknowledges its responsibility to comply with the Public Finance Management Act (PFMA), Act 1 of 1999, Treasury Regulations and where applicable and practical, with the Code of Corporate Practices and Conduct ("the Code") laid out in the King IV report on Corporate Governance for South Africa, 2016. The Board discusses the responsibilities of management in this respect at Board meetings and monitors the company's compliance with the Code on a quarterly basis.

The salient features of the company's adoption of the Code is outlined below:

Board of directors

The Board:

- retains complete control over the entity, its plans and strategy;
- acknowledges its responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the entity;
- is of a unitary structure comprising:
 - non-executive directors, all of whom are independent directors as defined in the Code; and
 - executive directors.

Chairperson and Chief Executive Officer

The Chairperson is a non-executive and independent director (as defined by the King IV Report on Corporate Governance).

The Chairperson's and Chief Executive Officer's roles are separate.

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

12. Corporate governance (continued)

Board meetings

The directors have met the requirements of the King IV Report on Corporate Governance.

During the current year 12 meetings were held. Additional three (3) directors' were appointed on the 10th January 2024 after eight (8) meetings were already held.

Board of Directors Name	Total meetings	Meetings attended
New Composition		
Ms P Mbanjwa (Chairperson)	3	3
Ms J Phiri (Deputy Chairperson)	12	12
Ms P Maphanga	3	3
Mr M Tampe	3	3
Mr K Sukdev	3	3
Ms L Mvelase	3	3
Outgoing		
Ms Dikeledi Tsotetsi	9	9
Mr M Sebothoma	9	9
Mr X Zulu	9	9
Mr P Nyandu	9	9
Ms C Maluleke	9	9
Dr S Vilakazi	6	6
Ms R Letwaba	9	9

Audit and risk committee

The Audit Committee is responsible for monitoring compliance, internal control and risk, internal and external audit functions and the Annual Financial Statements.

The committee of seven (7) Independent Non-Executive directors and is chaired by Mr K Sukdev. Three (3) new directors were appointed while five (5) directors's terms end after a few meetings were already held.

Name of member	Total meetings	Meetings attended
New composition		
Mr K Sukdev (Chairperson)	22	22
Ms P Mbanjwa	3	3
Ms F Serutha	3	3
Mr M Tampe	3	3
Ms Meloney van Eck	22	22
Outgoing		
Mr T Ditshwane	19	19
Ms P Mangoma	19	17
Mr K Matabane	19	16
Ms N Thenjekwayo	19	19
Dr L Konar	19	17

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

12. Corporate governance (continued)

Nomination, Human Resource and Remuneration Committee

The committee appointed on 10 January 2024, which included four (4) Independent Non-Executive Members and was chaired by Ms Letwaba, concluded its term during the year under review.

The committee appointed on the 1st February 2025, consists of Independent Non-Executive directors and is chaired by Ms Adv K Maja. The committee me to review matters necessary to fulfil its role in accordance with the requirements of the King IV Report of Corporate Governance.

Name of member	Total meetings	Meetings attended
New composition		
Adv K Maja (Chairperson)	8	8
Ms P Monama	-	-
Ms PM Maphanga	-	-
Ms L Mvelase	-	-
Mr L Stuurman		
Outgoing		
Ms R Letwaba	8	8
Mr B Gantile	8	8
Ms J Phiri	8	8

Social and Ethics committee

During the year under review the committee's term ended on 31 January 2025 , and Adv L Mokgatle chaired it.

The committee was appointed on 1st Hebruary 2025 and is chaired by Ms J Mosebi-Koka. It met to review matters necessary to fulfil its role in accordance with the requirements of the King IV Report on Corporate Governance.

Name of member	Total meetings	Meetings attended
New composition		
Ms J Moseb-Koka (Chairperson)	-	-
Mr R Letwaba	-	-
Ms L Stuurman	-	-
Mr C Cornish	-	-
Outgoing		
Mr A Latchu	4	4
Dr S Vilakazi	4	4
DR N Skeepers	4	4
Ms D Tsotetsi	4	4

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Board Of Directors' Report

12. Corporate governance (continued)

Group Infrastructure, Trade and Investment Committee

During the current financial year four (4) meetings were held.

Name of member	Total meetings	Meetings attended
New composition		
Ms P Mbanjwa (Chairperson)	-	-
Dr E Ndwandwe	4	4
Mr C Cornish	-	-
Ms D Tsotetsi	-	-
Mr R Letwaba	-	-
Mr L Mbokotho	-	-
Outgoing		
Mr D Maimela	2	2
Mr T Fakude	2	2
Ms C Maluleke	4	4
Mr S Mbele	4	2
Dr B Mabizela	4	4
Ms N Mashologu	4	4

13. Secretary

Ms Jacky van Loggerenberg is the company secretary as of 31 March 2025 and up to the date of this report.

14. Internal audit

ConHill uses the GGDA internal audit Function for its internal audit functions. Gauteng Growth and Development Agency SOC Ltd has co-sourced its internal audit function and complies with the Public Finance Management Act 1, 1999 (PFMA).

15. External auditors

The Auditor-General of South Africa will continue in office in accordance with Public Audit Act No.25 of 2004 and Section 90 of the Companies Act 71 of 2008.

Constitution Hill Development Company SOC Limited

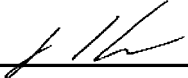
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Annual Financial Statements for the year ended 31 March 2025

Company Secretary's Certification

Declaration by the company secretary in respect of Section 88(2)(e) of the Companies Act

In terms of Section 88(2)(e) of the Companies Act 71 of 2008, as amended, I certify that the company has lodged with the Commissioner all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.



Ms Jacky van Loggerenberg (Acting)
Company Secretary

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2025

		2025	2024
	Note(s)	R '000	Restated* R '000
Assets			
Current Assets			
Cash and cash equivalents	3	2,472	19,372
Receivables from exchange transactions	4	3,016	2,889
Prepayments	5	580	345
Inventories	6	96	93
VAT receivable	7	219	323
Operating lease asset	8	5	294
		6,388	23,316
Non-Current Assets			
Investment property	9	148,856	139,109
Property, plant and equipment	10	19,748	17,387
Intangible assets	11	318	318
Heritage assets	12	188,685	188,685
Operating lease asset	8	-	4
		357,607	345,503
Total Assets		363,995	368,819
Liabilities			
Current Liabilities			
Finance lease obligation	13	552	494
Deposits received	14	364	362
Payables from exchange transactions	15	1,271	7,325
Unutilised conditional grants	16	8,784	12,718
Provisions	17	2,519	2,498
		13,490	23,397
Non-Current Liabilities			
Finance lease obligation	13	29	581
Total Liabilities		13,519	23,978
Net Assets		350,476	344,841
Share capital	18	424,980	424,980
Accumulated deficit		(74,504)	(80,139)
Total Net Assets		350,476	344,841

* See Note 35

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Performance

		2025	2024
	Note(s)	R '000	Restated* R '000
Revenue from exchange transactions	20	14,787	19,351
Revenue from non-exchange transactions	21	61,567	60,349
Other income	22	1,479	8,322
General expenditure	23	(42,249)	(38,992)
Depreciation, amortisation and impairments		(5,524)	(12,111)
Gain or loss on disposal of assets and liabilities		(75)	(33)
Repairs and maintenance		(4,852)	(4,168)
Employee costs	24	(20,032)	(21,193)
Operating surplus		5,101	11,525
Finance income	25	630	706
Finance costs	26	(96)	(140)
Surplus before taxation		5,635	12,091
Taxation	27	-	-
Surplus for the year		5,635	12,091

* See Note 35

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Net Assets

	Share capital / contributed capital R '000	Accumulated surplus / deficit R '000	Total net assets R '000
Opening balance as previously reported	424,980	(91,235)	333,745
Adjustments			
Correction of errors	-	(995)	(995)
Balance at 01 April 2023*	424,980	(92,230)	332,750
Restated Surplus for the year*	-	12,091	12,091
Total changes	-	12,091	12,091
Restated Balance at 01 April 2024*	424,980	(80,139)	344,841
Surplus for the year	-	5,635	5,635
Total changes	-	5,635	5,635
Balance at 31 March 2025	424,980	(74,504)	350,476
Note(s)	18		

* See Note 35

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Cash Flow Statement

		2025	2024
	Note(s)	R '000	Restated* R '000
Cash flows from operating activities			
Receipts			
Rendering of services		15,206	26,534
Government grants – MTEF		39,248	41,256
Finance income		630	703
Other income		823	3,708
SARS refunds - Income tax		50	-
SARS refunds - VAT		2,123	793
		58,080	72,994
Payments			
Employee costs		(20,041)	(21,503)
Payments to suppliers		(52,791)	(37,905)
Taxation	29	(492)	(1,071)
Vat paid		(362)	(2,475)
		(73,686)	(62,954)
Net cash flows from operating activities	28	(15,606)	10,040
Cash flows from investing activities			
Acquisition of property, plant and equipment	10	(646)	(643)
Acquisition of investment property	9	(58)	-
Net cash flows from investing activities		(704)	(643)
Cash flows from financing activities			
Finance lease payments		(590)	(560)
Net increase/(decrease) in cash and cash equivalents		(16,900)	8,837
Cash and cash equivalents at the beginning of the year		19,372	10,535
Cash and cash equivalents at the end of the year	3	2,472	19,372

* See Note 35

Constitution Hill Development Company SOC Limited

(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1. Presentation of Annual Financial Statements

The company's Annual Financial Statements for the year ended 31 March 2024 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 in the manner required by Public Finance Management Act No. 1 of 1999 as prescribed by National Treasury and the Companies Act No 71 of 2008.

Basis of preparation

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.

Off setting

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

Changes in accounting policies

The significant accounting policies, which have been consistently applied in the preparation of these Annual Financial Statements, are disclosed below.

Basis of measurement

These company Annual Financial Statements are presented in South African Rands which is the company's functional currency. All financial information presented has been rounded to the nearest thousand.

1.1 Going concern assumption

These Annual Financial Statements have been prepared based on the expectation that the company will continue to operate as a going concern for at least the next 12 months.

1.2 Materiality

Information is material if its omission or misstatement could influence the discharge of accountability by the company, or the decisions that users make on the basis of the Annual Financial Statements prepared for that reporting period. Materiality depends on both the nature and amount of the item judged in the particular circumstances of the company.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Annual 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 judgement, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgment 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 judgments include:

Recoverability of receivables from exchange and non-exchange, loans and/or other receivables

The company assesses its receivables for impairment at each reporting date individually. In determining whether an impairment loss should be recorded in the Statement of Financial Performance, the company makes judgments as to whether there is observable data, for example the assessment of debtor collectability indicating a measurable decrease in the estimated future cash flows from the receivables. An impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Constitution Hill Development Company SOC Limited

(Registration number 2001/005330/30)

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Useful lives and residual values of property, plant and equipment, investment property and intangible assets

The company's management determines the estimated useful lives and residual values of property, plant and equipment, intangible assets and investment property. These assessments are made when there are indicators that the useful lives may have changed from the previous period.

Useful lives

This estimate involves a matter of judgment based on the experience of the company with similar assets. The company considers all facts and circumstances in estimating the useful lives of assets, which include 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.

Residual value

The estimate for residual values involves a matter of judgment based on the general practice by government entities at the end of the useful life of similar assets. The company considers all facts and circumstances of whether there is any potential inflow of benefits during the disposal of such assets to determine the residual value.

Impairment testing of non-financial assets

Value in use of cash-generating assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each company of assets.

Expected future cash flows used to determine the value in use of assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including supply and demand, together with economic factors such as interest.

Value in use of non-cash generating assets

The company 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. The recoverable service amounts of non-cash-generating assets have been determined based on the higher of value in use calculations and fair values less costs to sell.

If there are indications that impairment may have occurred, the remaining service potential of the asset is determined for each group of assets. The company selects the most appropriate approach to determine the remaining service potential. This 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 17.

Effective interest rate

The company used the prime interest rate to discount future cash flows unless stated otherwise.

1.4 Investment property

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement. Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.4 Investment property (continued)

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life range
Property - buildings	20-50 years

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

The company separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 9).

The company discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements: the cumulative expenditure recognised in the carrying value of investment property, the carrying value of investment property that is taking a significantly longer period of time to complete than expected, and the carrying value of investment property where construction or development has been halted (see note 9).

1.5 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

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

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

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

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

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.

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

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

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

Item	Average useful life
Facilities equipment	3 – 20 years
Furniture and fixtures	3 – 25 years
Motor vehicles	5 – 15 years
Office equipment	3 – 15 years
IT equipment	3 – 15 years
Infrastructure	3 – 25 years

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1.5 Property, plant and equipment (continued)

The residual value, and the useful life and depreciation method of each asset are reviewed when at reporting date there is an indicator that a change is required. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

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

Construction work in progress is not depreciated until it is completed and in the condition and location for use as intended by management. The company discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements:

- the cumulative expenditure recognised in the carrying value of property, plant and equipment,
- the carrying value of property, plant and equipment that is taking a significantly longer period of time to complete than expected,
- and the carrying value of property, plant and equipment where construction or development has been halted (see note 10).

The company separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the Annual Financial Statements (see note 10).

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

1.6 Intangible assets

Intangible assets are initially recognised at cost.

Should an intangible asset be acquired at no or nominal cost, the cost shall be its fair value as at the date of acquisition. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

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.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

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.

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

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

Item	Average useful life
Financial management software	Indefinite

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

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1.6 Intangible assets (continued)

The company derecognise intangible assets:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

1.7 Heritage assets

Heritage assets are measured at cost.

The cost of an item of heritage assets are the purchase price and other costs attributable bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the company.

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

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

The company does not recognise in the carrying amount of heritage assets the costs of the day-to-day servicing of such assets. Rather, these costs are recognised in surplus or deficit when incurred.

Costs of day-to-day servicing are primarily the cost of inspecting the heritage assets, cost of labour and consumables, and may include the cost of parts or repairs.

The company separately discloses expenditure to repair and maintain heritage assets in the notes to the annual financial statements (see note 12).

The company assess at each reporting date whether there is an indication that a heritage asset may be impaired. If any such indication exists, the company estimates the recoverable amount or the recoverable service amount of the heritage asset.

The company derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

1.8 Financial instruments

The company 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:

Financial assets:

Cash and cash equivalents

Receivables from exchange transactions

Category

Financial asset measured at amortised cost

Financial asset measured at amortised cost

The company 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:

Financial liabilities:

Payables from exchange transactions

Deposits received

Finance lease obligation

Category

Financial liability measured at amortised cost

Financial liability measured at amortised cost

Financial liability measured at amortised cost

The company 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.

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

- Financial instruments at amortised cost.

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1.8 Financial instruments (continued)

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.

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

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced 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 (such as an improvement in the debtor's credit rating), the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

The company derecognises financial assets using trade date accounting.

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.

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

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

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

1.9 Tax

Current tax assets and liabilities

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting surplus nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting surplus nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable surplus will be available against which the unused tax losses can be utilised.

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1.9 Tax (continued)

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting surplus nor taxable surplus or deficit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable surplus will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable company and the same taxation authority.

Value added tax

The company accounts for Value Added Tax on invoice basis in accordance with section 15(2)(a) of the Value Added Tax (Act no. 89 of 1991).

1.10 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 company assesses the classification of each element separately.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease. If this is practicable to determine; if not, the company's incremental borrowing rate shall be used. Any initial direct costs of the company are added to the amount recognised as an asset.

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

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis in the Statement of Financial Performance over the lease term. The difference between the amounts recognised as revenue and the contractual receipts are recognised as an operating lease asset or liability.

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. This operating lease asset or liability is not discounted

1.11 Budget information

The company does not present a comparison of their budget and actual amounts as required by GRAP 24.12 as we are specifically excluded from the scope of GRAP 24 due to our budgets not being made publicly available.

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1.12 Commitments

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

1.13 Impairment of cash-generating assets

Designation

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

The company designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the company expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate commercial return, the company designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of Non-cash-generating assets, rather than this accounting policy.

Identification

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

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

Irrespective of whether there is any indication of impairment, the company also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable 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 a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life

When estimating the value in use of an asset, the company estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the company applies the appropriate discount rate to those future cash flows.

Basis for Estimates of Future Cash Flows

In measuring value in use the company:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts cover a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the municipality operates, or for the market in which the asset is used, unless a higher rate can be justified.

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1.13 Impairment of cash-generating assets (continued)

Composition of Estimates of Future Cash Flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the company expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount Rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable 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 cash-generating asset to which it relates, the company recognises a liability only to the extent that is a requirement in the Standard of GRAP.

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

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the company determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the company does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

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1.13 Impairment of cash-generating assets (continued)

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

1.14 Impairment of non-cash-generating assets

Designation

At initial recognition, the company designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating.

The designation is made on the basis of a company's objective of using the asset. The company designates an asset or a cash-generating unit as cash-generating when

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

Identification

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

The company 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 company estimates the recoverable amount of the asset

Irrespective of whether there is any indication of impairment, the company also 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 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

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

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

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

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 company 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.

1.15 Share capital ordinary shares

Ordinary shares are classified as net assets in the separate group annual financial statements. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from net assets, net of any tax effects.

1.16 Employee benefits

Short-term employee benefits

Short-term employee benefits include items such as:

- salaries;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example cellphones and group life cover) for current employees.

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

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

The company recognise the expected cost of bonus related payments when the company 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 company has no realistic alternative but to make the payments.

1.17 Provisions and contingencies

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.

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 company 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.

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.

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1.17 Provisions and contingencies (continued)

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

Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

1.18 Revenue from exchange transactions

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

Rental revenue

Rental income from investment property, rental of facilities and equipment is recognised in the Statement of Financial Performance on a straight-line basis over the term of the lease.

Rendering of services

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by reference to reviews of work performed.

Admission fees

Admission fees and sales have been classified as revenue from the sale of goods. Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- a) the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) the company does not retain:
 - effective control over the goods sold; or
 - continuing managerial involvement to the degree usually associated with ownership;
- c) the amount of revenue can be measured reliably; and
- d) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of goods

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

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

1.19 Revenue from non-exchange transactions

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

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1.19 Revenue from non-exchange transactions (continued)

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

Revenue from a non-exchange transaction is measured based on the agreement with or contribution or donation received from a grantor/sponsor to the extent that the conditions have been met.

Government grants, sponsorships and donations

The company recognises grants, sponsorships and donations as revenue from non-exchange transactions.

1.20 Finance income

Finance income comprises interest income on funds invested, receivables from exchange transactions and interest earned from SARS. Interest income is recognised as it accrues in the Statement of Financial Performance.

1.21 Finance costs

The finance costs relates to interest on finance lease and interest on late payment for SARS. The finance charge on finance lease is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability. SARS interest is recognised as it accrues in the Statement of Financial Performance.

1.22 Comparative figures

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

1.23 Irregular, fruitless and wasteful expenditure

Any irregular, fruitless and wasteful expenditure is recognised in the period in which it is incurred and details thereof disclosed in the note.

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

1.24 Related parties

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

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

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

The company 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 company to have adopted if dealing with that individual company or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting company's legal mandate.

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

1.25 Events after reporting date

The company will adjust the amount recognised in the Annual Financial Statements to reflect adjusting events after the reporting date once the event occurred.

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Accounting Policies

1.25 Events after reporting date (continued)

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

1.26 Accumulated surplus (deficit)

The accumulated surplus/(deficit) represents the net difference between the total assets and the total liabilities of the company. Any surpluses and deficits realised during a specific reporting period are credited/debited against accumulated surplus/ (deficit). Prior year adjustments, relating to income and expenditure, are credited/debited against accumulated surplus/(deficit) when retrospective adjustments are made.

1.27 Inventories

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

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

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

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

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

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

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

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, there are no new standards and interpretations that are effective for the current financial year and that are relevant to its operations:

2.2 Standards and interpretations issued, but not yet effective

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> GRAP 104 (as revised): Financial Instruments 	01 April 2025	Unlikely there will be a material impact

2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the company's accounting periods beginning on or after 01 April 2024 or later periods.

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> Grap 103 (as revised) Heritage Assets GRAP: Improvements to the standards of GRAP 2023 GRAP 1 (amended): Presentation of Financial Statements GRAP 25 (as revised): Employee Benefits and related IGRAP 7 on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. IGRAP 22: Foreign Currency Transactions and Advance Consideration 	No effective date No effective date No effective date No effective date No effective date	No material impact No material impact No material impact No material impact No material impact

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	9	12
Current accounts	440	49
Call accounts	2,023	19,311
	2,472	19,372

The company does not have any restriction on the realisation or usability of cash balances and the company does not have access to any overdraft facility. Cash and cash equivalents earn interest at variable rates based on daily bank deposits and is stated at fair value.

4. Receivables from exchange transactions

Trade receivables	5,937	4,100
Property trust account	13	170
Current tax and other receivables	1,572	1,120
Less: Impairment of trade and other receivables	(4,506)	(2,501)
	3,016	2,889

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Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
4. Receivables from exchange transactions (continued)		
Security and collateral		
The company keeps collateral for its credit risk exposure from financial assets in the form of tenant deposits and bank guarantees.		
Ageing of trade receivables		
The ageing of amounts are as follows:		
Current	1,082	1,302
31–60 days	273	223
61–90 days	358	74
Older than 90 days	4,224	2,501
	5,937	4,100
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	(2,501)	(10,255)
Provision for impairment	(4,506)	(2,501)
Unused amounts reversed	2,501	469
Recovered amounts reversed	-	9,786
	(4,506)	(2,501)
5. Prepayments		
Prepayments	580	345
Insurance	580	322
Licences and Subscriptions	-	23
	580	345
6. Inventories		
Inventories	96	93
Inventory per category		
Inventory held for sale	96	93
Inventory Reconciliation		
Opening balance	93	184
Adjustment to opening balance	-	-
Adjusted opening balance	93	184
Purchases	36	73
Sold during the year	(33)	(164)
	96	93

The inventory consists of stock items kept for the purpose of selling to the public and the selling price less cost to sell (Net Realisable Value) is anticipated to exceed the carrying value. ConHill has not pledged any of its inventory at hand as security or guarantee on any debts at year end.

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	2025 R '000	2024 R '000
7. VAT receivable		
South African Revenue services	219	323
8. Operating lease asset		
Non-current assets	-	4
Current assets	5	294
	5	298
The above operating lease asset resulted from accounting for lease straight-lining out of the expected total lease payments receivable from tenants.		
The company leases out its properties to tenants and enters into contractual agreements at market related rates with an escalation clause.		
Minimum lease payments due - as lessor:		
– within one year	97	3,477
– in second to fifth year	-	97
	97	3,574

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Notes to the Annual Financial Statements

Figures in Rand thousand

9. Investment property

	2025			2024		
	Cost	Accumulated depreciation and impairment	Carrying value	Cost	Accumulated depreciation and impairment	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Investment property	341,044	(192,188)	148,856	327,769	(188,660)	139,109

Reconciliation of investment property - 2025

Investment property	Opening balance	Additions	Depreciation	Total
	139,109	13,274	(3,527)	148,856

Reconciliation of investment property - 2024

Investment property	Opening balance	Additions	Impairments	Depreciation	Total
	130,538	17,132	(5,025)	(3,536)	139,109

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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9. Investment property (continued)

Investment property in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of Investment property

Opening balance	66,177	49,045
Additions	13,274	17,132
	79,451	66,177

The investment property consist of:

The super basement comprises of three superstructures that form part of the remaining extents of Portion 69, 135 and 136 of the farm Braamfontein 53 IR, City of Johannesburg, Gauteng Province.

The super basement structure consists of 1725 parking bays, that could be rented out individually or to a management company, as well as 15 825m² storage facilities. The land attributable to the basement structure is approximately 29 000m². None of the above investment properties have been pledged as security.

The company subsequently accounts for investment property on a cost model. The carrying amount of the investment property is the cost less the accumulated depreciation and any impairment losses.

Carrying value of Investment property that is taking a significantly longer period of time to complete than expected

Visitor Centre Building – ConHill	79,451	66,177
	79,451	66,177

Construction of the Visitors' Centre Building commenced in April 2022 and project was planned to be completed in August 2023. Unfortunately the appointed contractor did not perform as required per construction contract, which left the company with no choice but to terminate the contract. All management interventions governed by construction contract management were unsuccessful. Further delays caused by legal litigations by the service provider prevented the company to start the new procurement process to replace this service provider and resume the construction. The PRT team had been appointed in March 2025. The contractor is anticipated to be appointed in June 2025. It is anticipated that the construction of Visitors' Centre Building will be completed by July 2026.

A register containing the information required by the Public Finance Management Act is available for inspection at the registered office of the company.

Amounts recognised in surplus or deficit

Rental revenue from Investment property	693	564
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From Investment property that generated rental revenue

Direct operating expenses (excluding repairs and maintenance)	(637)	(624)
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Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand thousand

10. Property, plant and equipment

	2025				2024			
	2025		2024		2025		2024	
	Cost	Accumulated depreciation and impairment	Carrying value	Cost	Accumulated depreciation and impairment	Carrying value	Cost	Accumulated depreciation and impairment
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Furniture and fixtures	6,017	(3,497)	2,520	6,032	(3,159)	2,873		
Motor vehicles	359	(162)	197	359	(101)	258		
Office equipment	8,995	(7,777)	1,218	8,951	(7,431)	1,520		
IT equipment	5,236	(3,369)	1,867	5,149	(2,614)	2,535		
Infrastructure	15,064	(1,518)	13,546	11,197	(1,518)	9,679		
Facilities equipment	2,560	(2,160)	400	2,551	(2,029)	522		
Total	38,231	(18,483)	19,748	34,239	(16,852)	17,387		

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
	R '000	R '000	R '000	R '000	R '000
Furniture and fixtures	2,873	163	(41)	(475)	2,520
Motor vehicles	258	-	-	(61)	197
Office equipment	1,520	77	(3)	(376)	1,218
IT equipment	2,535	312	(30)	(950)	1,867
Infrastructure	9,679	3,867	-	-	13,546
Facilities equipment	522	13	-	(135)	400
Total	17,387	4,432	(74)	(1,997)	19,748

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Figures in Rand thousand

10. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance R '000	Additions R '000	Disposals R '000	Depreciation R '000	Impairment loss R '000	Total R '000
Furniture and fixtures	3,374	-	(29)	(472)	-	2,873
Motor vehicles	319	-	-	(61)	-	258
Office equipment	1,954	-	(3)	(431)	-	1,520
IT equipment	1,319	2,139	-	(923)	-	2,535
Infrastructure	11,197	-	-	-	(1,518)	9,679
Facilities equipment	668	-	(1)	(145)	-	522
	18,831	2,139	(33)	(2,032)	(1,518)	17,387

Assets subject to finance lease (Net carrying amount)

IT equipment	522	1,020
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Change in estimate

In terms of the requirements of GRAP 17 the useful lives of all asset items were reviewed by management at year end. The remaining useful lives expectations of some asset items increased from previous estimates. This resulted in a revision of some of the previous estimates which was accounted for as a change in accounting estimate. The effect of this revision is a decrease in the depreciation charges for the current and a corresponding increase in the future period of R163,091.79

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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10. Property, plant and equipment (continued)

Reconciliation of Work-in-Progress - 2025

	Included within Infrastructure R '000	Total R '000
Opening balance	11,073	11,073
Additions/capital expenditure	3,867	3,867
	14,940	14,940

Reconciliation of Work-in-Progress - 2024

	Included within Infrastructure R '000	Total R '000
Opening balance	11,073	11,073
Additions/capital expenditure	-	-

Carrying value of Property, plant and equipment that is taking a significantly longer period of time to complete than expected

We are the People Park – ConHill	14,940	11,073
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Construction of the Peoples' Park commenced in March 2022 and project was planned to be completed in September 2022. The appointed contractor failed to perform the contracted construction works per contract and failed to pay sub-contractors, which resulted to a termination of contract. During 2023/2024 Financial Year, the company appointed a new Professional Resource Team (PRT) and during 2024/2025 the company appointed a contractor and resumed construction in December 2024. It is anticipated that the construction of Peoples' Park will be completed by June 2025.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Motor vehicles	115	32
Office equipment	263	575
Other property, plant and equipment	-	39
	378	646

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Figures in Rand thousand

Reconciliation of intangible assets - 2025

Reconciliation of intangible assets - 2024

The company does not have any restrictions or commitments on intangible assets.

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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11. Intangible assets (continued)

Intangible assets with indefinite useful lives

The following classes of intangible assets are not amortised as they are regarded as having indefinite useful lives:

Cost and carrying value of software:

Financial management system	318	318
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The financial management system is expected to be available for use over an indefinite period. The company expects to derive economic benefits from the system beyond the current reporting period. The useful lives of the intangible assets remain unchanged from the previous year.

12. Heritage assets

	2025			2024		
	Cost	Accumulated impairment losses	Carrying value	Cost	Accumulated impairment losses	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Art Collections, antiquities and exhibits	11,098	-	11,098	11,098	-	11,098
Historical buildings	177,587	-	177,587	177,587	-	177,587
Total	188,685	-	188,685	188,685	-	188,685

Reconciliation of heritage assets 2025

	Opening balance	Total
Art Collections, antiquities and exhibits	11,098	11,098
Historical buildings	177,587	177,587
	188,685	188,685

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Notes to the Annual Financial Statements

	2025	2024
	R '000	R '000

12. Heritage assets (continued)

Reconciliation of heritage assets 2024

	Opening balance	Total
	R '000	R '000
Art Collections, antiquities and exhibits	11,098	11,098
Historical buildings	177,587	177,587
	188,685	188,685

Ancillary use of Heritage Asset

The Annual Financial Statements shall disclose information about the alternative use and value of heritage assets that are used by the company for more than one purpose

Rental of facilities and equipment	3,527	6,398
Rental income	3,923	6,772
Admission fees	4,472	4,247
Other	2,172	3,745

Heritage assets in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of Heritage assets

Opening balance	6,381	6,381
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The heritage asset wip consists of exhibition procured for new visitors centre building still under construction by the service provider. The delay in completing the manufacturing and installation of these exhibitions is due to delays on construction of Visitors Centre Building.

Expenditure incurred to repair and maintain heritage assets

Expenditure incurred to repair and maintain heritage assets included in Statement of Financial Performance

Artefacts	21	569
Historic buildings	4,184	3,466
	4,205	4,035

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Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
13. Finance lease obligation		
Minimum lease payments due		
– within one year	590	590
– in second to fifth year	29	619
	619	1,209
less: future finance charges	(38)	(134)
Present value of minimum lease payments	581	1,075
Present value of minimum lease payments due		
– within one year	552	494
– in second to fifth year	29	581
	581	1,075
Non-current liabilities	29	581
Current liabilities	552	494
	581	1,075
The terms of the security arrangement is set in the finance lease agreement on photocopier machines. The insurance of the machines is the company's responsibility.		
Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.		
The company's obligations under finance leases are secured by the lessor's charge over the lease assets. Refer to note 9.		
14. Deposits received		
Deposits received	364	362
Deposit received relates to the deposit charged on all tenants accounts' upon signature of the lease. The deposit is required as a security to cover amongst others, possible damages to rental property, non payment of rental, earlier termination of lease, etc. The deposit is refundable on expiry of the lease term and vacation of occupied space by tenant.		
15. Payables from exchange transactions		
Trade payables	74	3,618
Income received in advance	433	239
Other payables	10	57
Accrued expenses	754	3,411
	1,271	7,325
16. Unutilised conditional government grant		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Unspent conditional grant - MTEF	5,971	6,038
Unspent conditional grant - Non MTEF	2,813	6,680
	8,784	12,718

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Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
16. Unutilised conditional government grant (continued)		
Reconciliation of unutilised government grant		
Balance at the beginning of the year	12,718	10,944
Receipts – Grant	39,248	41,256
Receipts from Non MTEF	-	2,000
Operating and capital expenditures	(61,567)	(58,614)
Deemed Grant recognised from GGDA	18,385	17,132
	8,784	12,718
Current liabilities	8,784	12,718
Unutilised grants MTEF		
Balance at the beginning of the year	6,038	6,264
Received during the year	39,248	41,256
Deemed Grant recognised from GGDA*	18,385	17,132
Utilised during the year	(57,700)	(58,614)
	5,971	6,038
Unutilised grant Non-MTEF		
Balance at the beginning of the year	6,680	4,680
Receipts – Grant	-	2,000
Utilised during the year	(3,867)	-
	2,813	6,680
Total unutilised government grant	8,784	12,718

* Relates to expenditure incurred by GGDA Holdings on behalf of ConHill relating to:

Construction of Visitors Centre building R18.4mil (2024: R17.1 mil)

Construction of the We The Peoples Park R3.6mil (2024: R0)

Other operating Expense R1.5mil (2024: R0)

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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17. Provisions

Reconciliation of provisions - 2025

	Opening Balance R '000	Additions R '000	Utilised during the year R '000	Reversed during the year R '000	Total R '000
Bonus	2,085	2,054	(1,910)	(175)	2,054
Leave pay	413	465	(13)	(400)	465
	2,498	2,519	(1,923)	(575)	2,519

Reconciliation of provisions - 2024

	Opening Balance R '000	Additions R '000	Utilised during the year R '000	Reversed during the year R '000	Total R '000
Bonus	2,388	2,085	(1,945)	(443)	2,085
Leave pay	522	83	(192)	-	413
	2,910	2,168	(2,137)	(443)	2,498

The provisions raised by the Company are limited to performance bonus and leave pay provisions. For performance bonuses, the provision raised estimates on the amount of the provision based on the anticipated performance of employees, performance of the Company and affordability.

This anticipated performance is based on experience with the employees of the Company, taking into account performance trends in the prior periods. For the provision for leave pay, the amount is based on the accumulated leave days balances at the end of the financial year after taking into account the forfeited leave days.

Furthermore, the amount of the performance bonus and the provision for leave pay is determined with reference to the salary scales as at the end of the financial year.

The bonus and leave provision represent management's best estimate of the company liability.

18. Share capital / contributed capital

Authorised

100 000 Ordinary shares of R0.01 each	1	1
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Reconciliation of number of shares issued:

Reported as at 01 April 2024	-	-
Issue of shares – ordinary shares	-	-
Issue of shares to directors – ordinary shares	-	-
	-	-

Since its inception ConHill has issued 10 000 ordinary shares of R0.01 each.

Equity Loans

100 Ordinary shares issued at R1 each*	424,980	424,980
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These equity loans were received from Johannesburg Development Agency SOC Limited of R40.6 million (2024: R40.6million) and the Gauteng Provincial Government through Gauteng Growth and Development Agency of R384.3 million (2024: R384.3 million) and they are unsecured, interest free and with no fixed repayment terms

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Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
19. Deferred tax		
Reconciliation of deferred tax asset\liability		
At beginning of year	21,693	27,194
Prior year over provision	(4)	-
Temporary differences	-	(4,864)
Assessed tax loss utilised	2,458	-
Charge for the current year	2,878	(637)
Deferred tax not recognised	(27,025)	(21,693)
Balance at the end of year	-	-
Unrecognised deferred tax asset		
Deductible temporary differences not recognised as deferred tax assets	27,025	21,693
20. Revenue from exchange transactions		
Sale of goods	13	174
Rental income	4,616	7,336
Rental of facilities and equipment	3,527	6,398
Rendering of services*	2,159	1,196
Admission fees	4,472	4,247
	14,787	19,351
 *Rendering of services revenue consists of revenue from billing tenants for utilities.		
21. Revenue from non-exchange transactions		
Grants for operating expenditure	44,417	43,218
Grants for capital expenditure	17,150	17,131
	61,567	60,349
22. Other income		
Debt impairment recovered	-	7,753
Sundry income	1,479	569
	1,479	8,322

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Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
23. General expenditure		
Auditors remuneration - External audit	1,039	985
Auditors remuneration - Internal audit	285	311
Bank charges	168	158
Bad debts written off	43	949
Debt impairment	2,004	-
Cleaning	2,327	992
Consulting and professional fees	544	1,819
Stationery and Consumables	65	164
Catering and Venue hire	263	358
Insurance	798	725
Conferences and seminars	892	2,300
IT expenses	2,534	2,567
Marketing	428	529
Municipal Rates & Levies	8,525	11,470
Fuel and oil	130	32
Security	9,929	6,876
Subscriptions and membership fees	10	5
Telephones	91	54
Travel - local	84	27
Travel - International	2	-
Uniforms	100	-
Management fees	447	349
Heritage and Support	10,655	7,424
Directors Fees - Board	853	781
Other expenses	33	117
	42,249	38,992

24. Employee related costs

Basic	15,150	16,430
Bonus	1,878	1,642
UIF	71	79
SDL	172	188
Salaries - Leave Accrual	65	87
Pension	1,774	1,944
Staff travel claims	51	52
Staff welfare	365	199
Staff Recruitment	-	51
Staff training	152	79
Life Insurance	354	442
	20,032	21,193

Pension contributions are included in the total Cost To Company of employees.

An amount of 11.4% of the total package is allocated to a defined contribution plan managed by Alexander Forbes.

25. Finance income

Interest revenue

Cash and Cash equivalents	630	706
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Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
26. Finance costs		
Finance leases	96	140
Total interest expense relates to finance cost from the finance lease of printers.		
27. Taxation		
Major components of the tax expense		
Reconciliation of the tax expense		
Reconciliation between accounting surplus and tax expense.		
Accounting surplus	5,635	12,091
Tax at the applicable tax rate of 27% (2024: 27%)	1,521	3,265
Tax effect of adjustments on taxable income		
Deferred tax effect on temporary differences	-	(3,265)
Permanent differences	(1,521)	-
	-	-
28. Cash (used in) generated from operations		
Surplus	5,635	12,091
Adjustments for:		
Depreciation and amortisation	5,524	5,568
Loss on disposal of assets	75	33
Finance costs - Finance leases	96	140
Impairment expense	-	6,543
Debt impairments	2,005	-
Bad debts written off	43	949
Movements in operating lease assets	293	112
Movements in provisions	21	(412)
Deemed Grant	(17,150)	(17,131)
Changes in working capital:		
Receivables from exchange transactions	(2,024)	(4,942)
Prepayments	(235)	(1)
Payables from exchange transactions	(6,058)	6,452
VAT	104	(1,335)
Unspent conditional grants and receipts	(3,934)	1,774
Deposits received	2	108
Inventories	(3)	91
	(15,606)	10,040

Constitution Hill Development Company SOC Limited

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Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
29. Tax paid		
Balance at beginning of the year	1,117	46
Refund from SARS	(50)	-
SARS interest	4	-
Balance at end of the year	(1,563)	(1,117)
	(492)	(1,071)
30. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
Investment property	911	977
Heritage assets-Art Collections, antiquities and exhibits	5,981	5,981
	6,892	6,958
Total capital commitments		
Already contracted for but not provided for	6,892	6,958
Authorised operational expenditure		
Already contracted for but not provided for		
Operational and other commitments	140	66
Contracts	26,640	4,820
	26,780	4,886
Total operational commitments		
Already contracted for but not provided for	26,780	4,886
Total commitments		
Total commitments		
Authorised capital expenditure	6,892	6,958
Authorised operational expenditure	26,780	4,886
	33,672	11,844

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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31. Related parties

Relationships

Provincial Government
Ultimate controlling entity
Shareholders

Gauteng Provincial Government
Gauteng Department of Economic Development
Gauteng Growth and Development Agency SOC Limited
Johannesburg Development Agency SOC limited
The Innovation Hub Management Company SOC limited
Supplier Park Development Company SOC limited
Gauteng Industrial development Zone
Gauteng Tourism Authority
Cradle of Humankind Dinokeng
Gauteng Enterprise Propeller
Gauteng Gambling Board
Gauteng Liquor Board
Refer to note 32

Fellow subsidiaries

Gauteng Department of Economic Development Agencies

Executive management and non-executive directors

Related party balances

Amounts included in Payables from exchange transactions regarding related parties

Gauteng Growth and Development Agency SOC Limited	(185)	(3,616)
Supplier Park Development Company SOC Limited	(24)	-
The Innovation Hub Management Company SOC Limited	-	(2)

Amounts included in receivables from exchange transactions regarding related parties

Gauteng Growth and Development Agency SOC Limited	-	65
The Innovation Hub Management Company SOC Limited	53	49

Related party transactions

Grants received/returned from related parties

Gauteng Growth and Development Agency - Opex *	(39,248)	(41,256)
Gauteng Growth and Development Agency - Capex	(18,385)	(17,131)

*The related party transactions relates to the service-in-kind in terms of Grap 23 for the infrastructure projects for the visitors centre carried out by GGDA Holdings on our behalf of ConHill. In addition GGDA paid for the operating license for the accounting system and board sub-committees' fees.

City of Johannesburg (CoJ) has given ConHill through JDA as equity contribution the free use of Land and Buildings of ConHill Precinct

Rent and other expenses paid to related parties

Supplier Park Development Company SOC Limited	181	52
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Rendering of services from related parties

Gauteng Growth and Development Agency SOC Limited	136	147
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*Included in the related party transactions for these entities is a transaction relating to services-in-kind in terms of GRAP 23 for infrastructure projects carried out on their behalf. This is not significant in relation to the entities operations and the services fail to satisfy the criteria recognition of revenue from non-exchange transactions as they cannot be measured reliably and thus no value has been attached to the transactions.

The GGDA Holdings in addition makes payments on behalf of its subsidiaries for the following expenses namely insurance, board fees, internal audit fees and ICT expenses, these costs are then invoiced to the subsidiaries to recoup the payment made on their behalf.

Constitution Hill Development Company SOC Limited

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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31. Related parties (continued)

All related parties transactions are at arm's length.

32. Executive management and directors emoluments

Executive

2025

Mr Siyabonga Hlongwane (Acting CEO)

Remuneration	Other benefits	Total
1,612	358	1,970

2024

Ms D Robertson (Former CEO)

Mr Siyabonga Hlongwane (Acting CEO)

Remuneration	Other benefits	Total
2,086	656	2,742
175	2	177
2,261	658	2,919

Non - executive

2025

Ms P Mbanjwa (Chairperson)

Ms J Phiri (Deputy Chairperson)

Ms P Maphanga

Mr M Tampe

Mr K Sukdev

Ms L Mvelase

Outgoing Board of Directors

Ms D Tsotetsi

Mr M Sebothoma

Mr X Zulu

Mr P Nyandu

Ms C Maluleke

Dr S Vilakazi

Ms R Letwaba

Fees	Total
	48
	148
	46
	26
	5
	29
	94
	79
	96
	76
	91
	50
	65
853	853

2024

Ms D Tsotetsi (Chairperson)

Ms J Phiri

Mr P Nyandu

Dr D Vilakazi

Mr R Letwaba

Adv L Mokgatle

Ms C Maluleke

Mr M Sebothoma

Mr X Zulu

Fees	Total
	45
	113
	109
	16
	16
	82
	180
	112
	109
782	782

Constitution Hill Development Company SOC Limited

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	2025 R '000	2024 R '000
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33. Financial instruments and risk management

Categories of financial instruments

Total Financial Assets

	At amortised cost 2025 R '000	Total 2025 R '000	At amortised cost 2024 R '000	Total 2024 R '000
Cash and cash equivalents	2,472	2,472	19,372	19,372
Receivables from exchange transactions	3,016	3,016	2,889	2,889
	5,488	5,488	22,261	22,261

Total Financial Liabilities

	At amortised cost 2025 R '000	Total 2025 R '000	At amortised cost 2024 R '000	Total 2024 R '000
Payables from exchange transactions	838	838	7,086	7,086
Deposits received	364	364	362	362
Finance lease obligation	581	581	1,075	1,075
	1,783	1,783	8,523	8,523

Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

The company manages its capital to ensure that the company will be able to continue as a going concern while delivering sustainable services to consumers through the optimisation of the debt and equity balance. The company's overall strategy remains unchanged from the prior year.

The capital structure of the company consists of debt, cash and cash equivalents and equity. Equity includes all Funds and Reserves of the company, presented in the Statement of Net Assets.

Financial risk management

The Board has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely trading nature of activities and the way in which they are financed, the company is exposed to various financial risks noted below. However, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the company in undertaking its activities.

The company manages the financial risks relating to the operations through internal policies and procedures. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and Quarterly by the external auditors. The company does not enter into or trade financial instruments for speculative purposes. Further quantitative disclosures are included throughout these Quarterly Annual Financial Statements.

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

	2025 R '000	2024 R '000
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33. Financial instruments and risk management (continued)

Significant risks

The company has exposure to the following risks from its operations:

- Market risk;
- Interest rate risk;
- Credit risk;
- Liquidity risk.

Risks and exposures are disclosed as follows:

Market risk

The company ensures that it reviews its cash management strategies to ensure interest income is maximised.

There has been no change to the company's exposure to market risks or the manner in which it manages and measures the risk.

Interest rate risk

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, other receivables, bank and cash balances.

In the case of deposits received and paid, no interest is accrued on such deposits, which limits the company's exposure. The net effect of deposits received and paid is insignificant to the company's operations.

Credit risk

The company has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company uses its own trading records to assess its major customers. The company's exposure of its counterparties are monitored regularly.

Potential concentrations of credit rate risk consist mainly of variable rate deposit investments, rental and lease debtors, other debtors, bank and cash balances.

Trade and Other Receivables are amounts owed by tenants and other organs of state are presented net of impairment losses. The company has a credit risk policy in place, but the exposure to credit risk is monitored on an ongoing basis. The company is compelled in terms of its constitutional mandate to collect all revenue due.

In the case of debtors whose accounts become in arrears, necessary actions are instituted against these debtors including a "restriction of services" However, as a last resort, accounts are "handed over for collection" as applicable in terms of Debt Management Policy.

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The company's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The company has no significant concentration of credit risk, with exposure spread over a large number of entities, and is not concentrated in any particular sector or geographical area.

The company establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

The maximum credit risk exposure in respect of the relevant financial instruments is as follows:

Cash and cash equivalents	2,472	19,372
Receivables from exchange transactions	3,016	2,889
Maximum credit risk exposure	5,488	22,261

Constitution Hill Development Company SOC Limited

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	2025 R '000	2024 R '000
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33. Financial instruments and risk management (continued)

The major concentrations of credit risk that arise from the company's trade and other receivables in relation to customer classification are as follows:

Exchange debtors:

– Rental	77 %	66 %
– Other services	2 %	10 %
Other debtors	21 %	24 %

Total credit risk for trade and other receivables	100 %	100 %
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Credit quality of financial assets:

The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Receivables from Exchange Transactions

Counterparties without external credit rating:

B rating	1,083	1,301
C rating	630	224
Below C rating	1,303	1,364
	3,016	2,889

Credit quality groupings:

- B rating – Good behaviour, minor risk
- C rating – Fair trade risk
- Below C rating – Poor trade risk

None of the financial assets that are fully performing have been renegotiated in the year under review. Financial assets that are neither past due nor impaired and either past due or impaired:

Financial assets neither past due nor impaired:

Exchange debtors		
– Rental	995	973
– Other services	17	403
Total Financial assets neither past due nor impaired	1,012	1,376

Financial assets past due, but not impaired:

Exchange debtors		
– Rental	419	146
– Other services	-	77
Other debtors	1,585	1,290
Total financial assets past due but not Impaired	2,004	1,513

Financial assets impaired:

Exchange debtors		
– Rental	4,397	2,457
– Other services	109	44
Total financial assets impaired	4,506	2,501

Constitution Hill Development Company SOC Limited

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	2025 R '000	2024 R '000
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33. Financial instruments and risk management (continued)

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and negotiating access to additional funding with its shareholder. The company continuously monitors forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

At 31 March 2025	Less than 1 year R '000	Between 1 and 2 years R '000	Between 2 and 5 years R '000	Over 5 years R '000
Payables from exchange transactions	838	-	-	-
Deposits received	364	-	-	-
Finance lease obligation	552	29	-	-

At 31 March 2024	Less than 1 year R '000	Between 1 and 2 years R '000	Between 2 and 5 years R '000	Over 5 years R '000
Payables from exchange transactions	7,086	-	-	-
Deposits received	362	-	-	-
Finance lease obligation	494	581	-	-

The company has access to funding to be provided by the Gauteng Provincial Government for the 2025/2026 financial year in the amount of R26.2 million. The company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets. The company expects to maintain current debt to equity ratio.

34. Segment information

Management considered the geographical areas of operation in terms of internal reporting and operational effectiveness and concluded that the company is managed in one single geographic area, as disclosed on page 1.

All financial information for the company is disclosed in the primary Annual Financial Statements and relates to the single segment from pages 16 to 68.

35. Prior-year adjustments

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

Statement of financial position

2023

	Note	As previously reported	Correction of error	Restated
Accumulated deficit		91,235	995	92,230

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Notes to the Annual Financial Statements

35. Prior-year adjustments (continued)

2024

	Note	As previously reported	Correction of error	Restated
Receivables from exchange transactions		6,605	(3,716)	2,889
Vat		(183)	505	322
Investment property		136,109	3,000	139,109
Accumulated surplus		9,091	3,000	12,091

Statement of financial performance

2024

	Note	As previously reported	Correction of error	Re-classification	Restated
Revenue from exchange transactions		21,726	(2,375)	-	19,351
Administrative expenses		3,268	-	-	-
Operating expenses		52,035	-	-	-
General expenditure	23	-	-	38,992	38,992
Depreciation, amortisation and impairments		-	-	12,110	12,110
Gain or loss on disposal of assets and liabilities		-	-	33	33
Repairs and maintenance		-	-	4,168	4,168
Income tax		(159)	159	-	-
Revenue from non-exchange		57,349	3,000	-	60,349

Cash flow statement

2024

	Note	As previously reported	Re-classification	Restated
Cash flow from operating activities				
Payments to suppliers		(39,377)	1,472	(37,905)
SARS income tax		(159)	(912)	(1,071)
		(39,536)	560	(38,976)
Cash flow from financing activities				
Finance lease payments		-	(560)	(560)

Errors

The following prior period error adjustments occurred:

Restatement of Revenue from exchange transactions

The restatement of Revenue and Accumulated surplus as contained in the statement of financial position, statement of financial performance due to the recalculation of Rendering of services concluded after completion of Annual Financial Statement for the year ended 31 March 2024.

The impact of restatement was as follows:

Decrease in Receivables from exchange transactions by R3.9 mil.

Decrease in Revenue from exchange transactions by R2.7 mil prior period errors occurred during the year under review.

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	2025 R '000	2024 R '000
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35. Prior-year adjustments (continued)

Restatement of Income tax expense

Restatement of Income tax expense as contained in statement of financial performance due to error in tax computation.

The impact of restatement was as follows:

Decrease in income tax expense by R159K

Increase in Receivables from exchange transactions by R159K prior period errors occurred during the year under review.

Restatement of Revenue from non-exchange

The restatement of Revenue from non-exchange as contained in the statement of financial performance due to the correction of deemed grant receipts.

The impact of restatement was as follows:

Increase Investment Property by R3mil.

Increase in Accumulated Surplus by R3mil.

Increase in Revenue from non-exchange transactions by R3mil prior period errors occurred during the year under review.

Reclassifications

The following reclassification adjustment occurred:

Reclassification of expenses in terms of GRAP 1

Expenses were previously classified by function instead of the nature of the expense.

The impact of reclassification was as follow:

Decrease in administration by R3.3m.

Decrease in operating expenses by R5,2m.

Increase in general expenses by R39m.

Increase in depreciation, amortisation and impairments by R12.1m

Increase in gain or loss on disposal of assets and liabilities by R33 thousand

Increase in repairs and maintenance by R4.2m

Reclassification of Cashflow Statement

Reinstatement of finance lease payments that were included in the payments to suppliers balance in the prior year

The impact of reclassification was as follows:

Increase in Finance lease payments by R560K

Decrease in Payments to suppliers by R560K

CONSTITUTIONHILL

DIGNITY
JUSTICE
RESPECT
FREEDOM
EQUALITY
DIVERSITY
DEMOCRACY