2025|26 ANNUAL REPORT

interfront

Title of Publication: Interfront Annual Report 2025/26

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ACKNOWLEDGEMENTS
The managers and staff of all the departments of Interfront are thanked for their contributions.

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Design and layout: Ink Design Publishing Solutions, Cape Town, www.inkdesign.co.za

Table of Contents

A GENERAL INFORMATION 02

01 Corporate Information 3
02 Foreword by the Chairperson 5
03 Overview by the Acting Managing Director 8
04 Statement of Responsibility and Confirmation of Accuracy 10
05 Strategic Overview 11
06 Legislative and other Mandates 16
07 Organisational Structure 17

B PERFORMANCE REPORT 19

01 Auditor-General's Report: Predetermined Objectives 20
02 Overview 20
03 Operational Highlights 22
04 Operational Challenges 24
05 Operational Outlook 26
06 Information and Communications Technology (ICT) 28
07 Situational Analysis 30
08 Service Delivery Environment 31
09 Organisational Environment 32
10 Key Policy Developments and Legislative Changes 33
11 Performance Information 34

C GOVERNANCE 71

01 Introduction 72
02 Portfolio Committees 73
03 Executive Authority 73
04 Interfront Board 74
05 Board Committees 79
06 Audit and Risk Committee 80
07 Remuneration, Social and Ethics Committee 81
08 Amendments to the Companies Act 82
09 Interfront Executive Committee (EXCO) 83
10 Remuneration of Board Members 85
11 Risk Management 86
12 Internal Control Environment 87
13 Internal Audit 87
14 Ethics and Compliance 88
15 Health, Safety and Environment 89
16 Company Secretary 90
17 Broad-Based Black Economic Empowerment (B-BBEE) 91
18 Social Responsibility 92
19 Information and Communication Technology Governance 92
20 Conclusion 93
21 Audit Committee Report 94

D HUMAN CAPITAL MANAGEMENT 99

01 Introduction 100
02 Highlights 102
03 Challenges 103
04 Priorities 103
05 Outlook 104
06 Performance Management Framework 105
07 Policy Development 105
08 Employee Value Proposition (EVP) 106
09 Employment and Vacancies 110
10 Staff Turnover 110
11 Transformation and Employment Equity Growth 112

E PFMA COMPLIANCE REPORT 114

01 Irregular Expenditure 115
02 Fruitless and Wasteful Expenditure 115
03 Material Losses Through Criminal Conduct 116
04 Late or Non-Payment of Suppliers 116
05 Supply Chain Management 116
06 Contract Variations and Expansions 118

F FINANCIAL INFORMATION 119

01 Board's Responsibility and Approval of the Annual Financial Statements 120
02 Report by the Board of Directors 122
03 Financial Report 126
04 Report of the Auditor-General to Parliament on the International Frontier Technologies SOC Ltd 131
05 Annual Financial Statements 137
06 Annexure A 182

A

GENERAL INFORMATION

01 Corporate Information

02 Foreword by the Chairperson

03 Overview by the Acting Managing Director

04 Statement of Responsibility and Confirmation of Accuracy

05 Strategic Overview

06 Legislative and other Mandates

07 Organisational Structure

01 Corporate Information

International Frontier Technologies SOC Ltd
Registration Number: 2009/007987/30

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Website address: www.interfront.co.za

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The Auditor-General of South Africa
4 Daventry Street, Lynnwood Bridge Office Park,
Lynnwood Manor, Pretoria, 0081

Bankers
ABSA Bank Limited
7th Floor, ABSA Tower West,
15 Troye Street, Johannesburg

Company Secretary
Madelein Pepperell
LLB and Associate of the Chartered Governance Institute of Southern Africa



In Memorium – John Robertson

It is with deep sadness that Interfront notes the passing of John Robertson during the financial year. John was a foundational leader within the organisation and played a significant role in shaping Interfront's systems, culture, and long-term strategic direction.

John's legacy is deeply woven into the fabric of Interfront. From the organisation's early years, he made a significant contribution to building Interfront into a trusted and respected technology partner. He was widely recognised for his exceptional work ethic, unwavering commitment to excellence, and strong sense of accountability. His leadership established a culture where professionalism, integrity, and high standards were not merely encouraged, but expected.

John led with both discipline and purpose. He challenged those around him to think critically, pursue better solutions, and continuously improve. At the same time, he created an environment where individuals were trusted, supported, and empowered to grow. Through his guidance and mentorship, he helped develop many of the leaders and professionals who continue to contribute to Interfront's success today.

A defining characteristic of John's leadership was his ability to balance strategic direction with operational involvement. He remained steadfast during periods of complexity and change, providing clarity, stability, and focus when it was needed most. His focused and principled approach earned him the respect of colleagues, clients, and stakeholders alike.

Beyond his professional achievements, John will be remembered for the values he embodied. He demonstrated fairness, humility, resilience, and an unwavering commitment to doing what was right. His influence extended far beyond projects and operational delivery; it shaped the character of the organisation and the people within it.

John's impact remains evident across Interfront, in the systems he helped establish, the culture he helped cultivate, and the people he inspired and developed. His legacy continues to guide the organisation and will endure for many years to come.

Interfront extends its sincere condolences to John's family, friends, and colleagues. His contribution to the organisation will be remembered with deep gratitude and respect.

02 Foreword by the Chairperson



It is my privilege to present Interfront's Annual Report for the 2025/2026 financial year. The year under review was one of continued institutional strengthening, strategic consolidation and growth for Interfront as a wholly owned subsidiary of the South African Revenue Service (SARS) and a strategic technology partner supporting South Africa's revenue administration objectives.

The Board is pleased with the progress made during the year. Interfront continued to strengthen its organisational capability, governance environment and financial sustainability while positioning itself to respond to the evolving technology requirements of SARS. The organisation's performance reflects the commitment of the Board, management and employees to maintaining a capable, responsive and sustainable institution that can support SARS in delivering on its mandate.

> "The Board remains focused on ensuring Interfront is well positioned for the opportunities and challenges ahead."

STRATEGIC STEWARDSHIP AND INSTITUTIONAL PROGRESS

During the year, Interfront continued to advance the objectives of its 2024/2025–2028/2029 Strategic Plan. The organisation has increasingly moved beyond the establishment and integration of core capabilities towards greater operational maturity, organisational resilience and the sustainable delivery of technology-enabled solutions.

The Board remains mindful that Interfront operates in an environment characterised by rapid technological change, increasing cybersecurity risks, evolving digital expectations and the growing importance of technology in the effectiveness of revenue administration.

These developments require the organisation to remain adaptable, invest appropriately in its people and capabilities, and maintain a clear focus on long-term sustainability.

The Board is particularly encouraged by the strengthening of Interfront's financial position during the year. The improved financial performance and balance sheet position provide a stronger foundation from which the organisation can continue to invest in capability, technology and organisational resilience, while maintaining appropriate stewardship of public resources.

GOVERNANCE, ACCOUNTABILITY AND SUSTAINABILITY

Sound governance remains fundamental to the Board's oversight responsibilities. During the year, the Board and its committees continued to focus on effective risk management, internal controls, ethical leadership, compliance and the responsible stewardship of the organisation's resources.

As a public entity operating within the PFMA framework, Interfront recognises that financial sustainability and organisational performance must be accompanied by transparency, accountability and prudent governance. The Board remains committed to ensuring that Interfront continues to operate with integrity and in a manner that supports confidence in the organisation and its contribution to the broader SARS mandate.

OUR PEOPLE AND ORGANISATIONAL CAPABILITY

The Board recognises that Interfront's ability to fulfil its mandate ultimately depends on the quality, capability and commitment of its people. The organisation continued to invest in employee development, leadership capability, engagement and retention during the year.

Building and sustaining a future-fit workforce remains a strategic priority. The continued development of specialist technology capability, leadership depth and opportunities for employee growth will be important as Interfront responds to an increasingly complex and rapidly evolving technology environment.

The Board thanks the management team and all Interfront employees for their professionalism, resilience and commitment throughout the year. Their contribution remains central to the organisation's ability to deliver on its mandate.

LEADERSHIP TRANSITION AT SARS

The 2025/2026 financial year also marked the conclusion of an important chapter in the leadership of our shareholder, SARS. The Board records its sincere appreciation to Mr Edward Kieswetter for his outstanding leadership and significant contribution during his tenure as SARS Commissioner.

Mr Kieswetter's leadership was instrumental in guiding SARS through an important period of institutional renewal, strengthening and modernisation. Under his stewardship, SARS continued to rebuild public confidence and organisational capability, while advancing its strategic focus on modernising revenue administration through technology, data-driven decision-making and innovation. His commitment to restoring institutional integrity, strengthening governance and enhancing the effectiveness and efficiency of SARS has left a significant and lasting legacy.

The Board also acknowledges the important role Mr Kieswetter played in strengthening the relationship between SARS and Interfront. His recognition of the strategic importance of technology, digital transformation and innovation in supporting modern revenue administration contributed to the continued evolution of Interfront's role as a strategic technology partner to SARS.

The Board warmly welcomes Dr Ngobani Johnstone Makhubu as the new SARS Commissioner and looks forward to building on the strong relationship between SARS and Interfront under his leadership. Interfront remains committed to supporting the strategic priorities of SARS and to providing the technology capability, institutional support and innovation required to contribute meaningfully to the achievement of its mandate.

The Board wishes Dr Makhubu every success in his new role and looks forward to continued collaboration with the Commissioner and the SARS leadership team in advancing the organisation's strategic objectives, supporting the continued modernisation of revenue administration and contributing to the strengthening of South Africa's fiscal and revenue administration capability.

LOOKING AHEAD

As Interfront enters the 2026/2027 financial year, the Board remains focused on ensuring that the organisation is appropriately positioned for the opportunities and challenges ahead. This includes sustaining financial and organisational resilience, strengthening technology and innovation capability, developing our people, managing emerging risks and continuing to support the modernisation priorities of SARS.

The Board is confident that Interfront has established a sound foundation for the next phase of its development. Our focus will remain on creating sustainable value, maintaining strong governance and ensuring that Interfront continues to make a meaningful contribution to efficient, effective and modern revenue administration in South Africa.

On behalf of the Board, I extend my sincere appreciation to the SARS Commissioner and the entire SARS team for their continued partnership and confidence in Interfront. I also thank my fellow Board members, the Executive Committee, management and every employee for their contribution to the organisation's progress during the year.



MUSTAQ ENUS-BREY
Chairperson of the Board
31 July 2026



"Interfront received a clean audit opinion from the AGSA for the 2025/2026 financial year."

03 Overview by the Acting Managing Director

This overview is a financial and operational account of Interfront's performance for the year ended 31 March 2026. It should be read together with:
Part B: Performance Information, Part C: Governance, and Part F: Financial Information.

FINANCIAL REVIEW AND SPENDING TRENDS

Interfront delivered strong financial results. Revenue grew by 19.4% to R289.9 million (2025: R242.0 million), driven by an expanded SARS service mandate. Total expenditure increased by 13.9% to R269.4 million, with employee costs up 13.9% to R236.2 million, reflecting a 7.81% growth in headcount and a 4.2% inflation adjustment. A net surplus after tax of R17.9 million was recorded (2025: R6.9 million), representing a 158.9% improvement. Net assets grew by 28.9% to R79.8 million, and cash and cash equivalents strengthened to R83.7 million at year-end, supporting Interfront's objective of maintaining a three-month working capital buffer.

The five-year trend reflects Interfront's sustained financial recovery: from deficits in 2022 and 2023 to growing surpluses in 2024, 2025, and 2026, with revenue more than doubling over the period. Administrative expenses increased to R5.9 million, partly due to the opening of the Gauteng office in December 2025, which addresses the operational requirements of the 47% of staff based in this area.

CAPACITY CONSTRAINTS AND CHALLENGES

Delays in confirming and funding Customs modernisation projects constrained delivery sequencing and revenue in the first half of the year. This position improved materially in Q3 and Q4 with the approval of additional Customs work. Managing concurrent production support and development streams, combined with customer-driven schedule changes, continued to strain resource planning. Attracting and retaining specialist technology talent in a competitive market remains an ongoing focus, addressed through continued investment in remuneration, career development, and employee engagement. Staff turnover is consistently low as a result.

KEY ACTIVITIES

Interfront formally assumed responsibility for dynamic Forms development on behalf of SARS during the year, a significant expansion of scope and a new capability area for the team. Both Interfront and its customer underestimated the complexity of the project scope, resulting in two of the Forms product line, targets being partially achieved. The team responded with resilience, and the experience has meaningfully strengthened Interfront's capability in this area. New client engagements with the Department of Home Affairs and banking institutions were initiated under the Expansion strategic goal, and the Woodmead office was established to support Gauteng-based operations. No activities were discontinued.

SUPPLY CHAIN MANAGEMENT

All procurement was conducted in accordance with the PFMA and applicable Treasury Regulations. No irregular, fruitless, or wasteful expenditure was incurred, and no unsolicited bid proposals were received. Full details are disclosed in Part E: PFMA Compliance Report.

AUDIT OUTCOMES

Interfront received a clean audit opinion from the AGSA for the 2025/2026 financial year, with no material findings on the Annual Financial Statements or performance information. All internal controls and governance processes were maintained throughout the current year, and no compliance concerns were identified. The AGSA's report for 2025/2026 is presented in Part F: Financial Information.

ECONOMIC VIABILITY AND OUTLOOK

Interfront is economically viable and operates as a going concern with no external debt, an accumulated surplus of R79.8 million, and a strong liquidity position. No material events occurred after the reporting date of 31 March 2026.

The 2026/2027 year will focus on three priorities: sustaining core service delivery, supporting SARS's modernisation agenda through structured innovation capability, and integrating AI tools into the Software Development Life Cycle. Revenue projections are anchored in confirmed SARS commitments, with Expansion opportunities pursued as concluded formal agreements.

ACKNOWLEDGEMENTS

I thank the SARS Commissioner and team for their continued partnership and trust, the Board for its strategic guidance and oversight, and every member of the Interfront team for the commitment and professionalism that underpins every result in this report.



LEILANIE JANSE VAN RENSBURG
Acting Managing Director
31 July 2026

04 Statement of Responsibility and Confirmation of Accuracy

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

All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General of South Africa (AGSA).

The Annual Report is complete, accurate and free from any significant omissions. It has been prepared in accordance with the guidelines on the annual report as issued by the National Treasury.

The Annual Financial Statements, as set out in **Part F: Financial Information**, have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) applicable to Interfront.

The Board, as the accounting authority, is responsible for the preparation of the Annual Financial Statements and for the judgements made and presented in this information.

The Board is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, human capital information, and Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, this Annual Report fairly reflects the operations, performance information, human capital information, and financial affairs of Interfront for the financial year ended 31 March 2026.

Yours faithfully,



LEILANIE JANSE VAN RENSBURG
Acting Managing Director
31 July 2026



MUSTAQ ENUS-BREY
Chairperson of the Board
31 July 2026

5 Strategic Overview

ADVANCING OPERATIONAL MATURITY AND STRATEGIC DELIVERY

The 2025/2026 financial year represented a period of operational consolidation and strategic execution for Interfront, following the significant organisational transition and mandate expansion undertaken in prior reporting periods. Having completed the foundational integration of the eFiling and e@syFile environments during earlier financial years, Interfront's focus during the year under review shifted towards operational stabilisation, delivery optimisation, governance maturity, and strengthening organisational resilience.

During the year, Interfront continued to enhance its capability as a strategic technology enablement partner to SARS. Efforts were directed towards improving operational efficiencies, refining delivery practices, strengthening cross-functional collaboration, and aligning strategic execution across product lines and shared technical services.

The revised management structure introduced in the previous reporting period became fully embedded during the 2025/2026 financial year and contributed positively to organisational oversight, accountability, and coordination. Greater focus was placed on improving governance integration across operational environments, strengthening decision-making structures, and enhancing alignment between business priorities and technology delivery.

Interfront continued to operate within an increasingly complex and rapidly evolving technology landscape characterised by heightened cybersecurity risks, increasing demand for digital enablement, and growing expectations relating to service delivery, agility, and system resilience. In response, Interfront maintained a strong focus on operational continuity, security enhancement, skills retention, resource optimisation, and continuous improvement.

Interfront further prioritised the enhancement of internal operational capability through ongoing investment in modern software engineering practices, delivery methodologies, technical standardisation, and process optimisation. This included continued focus on improving scalability, operational responsiveness, and long-term sustainability across crucial systems supporting SARS.

A significant operational development during the year was Interfront's formal assumption of responsibility for the Dynamic Forms Development function on behalf of SARS. While this transition presented considerable challenges, these were effectively managed, and it marks a meaningful expansion of the services Interfront provides to its primary client.

Interfront continued to make deliberate progress in navigating rapid technological change, with a particular focus on the adoption of AI and the modernisation of the software development life cycle (SDLC). An AI Committee was established, and a series of proof-of-concept initiatives were conducted, including evaluations of AI-assisted development tools. These efforts reflect Interfront's commitment to integrating emerging technologies responsibly into its engineering practices to enhance productivity, improve delivery quality, and ensure long-term competitiveness.

Interfront remained committed to supporting SARS's broader modernisation agenda through the delivery of secure, reliable, and scalable technology solutions that support revenue collection, taxpayer compliance, digital service delivery, and trade facilitation. In pursuit of its Expansion strategic goal, Interfront also made early progress in broadening its client base, with initial engagements undertaken with the Department of Home Affairs and selected private sector entities, including AVBOB and JP Morgan. While these engagements remain immaterial relative to Interfront's core SARS mandate at this stage, they represent a meaningful first step in diversifying Interfront's service footprint.

Operating within the governance and fiscal framework applicable to state-owned entities, Interfront continued to balance innovation and operational agility with prudent financial management, regulatory compliance, and effective risk management. Interfront maintained its focus on responsible resource utilisation while continuing to support strategic delivery commitments within a constrained public sector environment.

Throughout the year, Interfront also continued to strengthen its governance, risk management, and compliance practices in support of long-term institutional sustainability and operational resilience. Particular emphasis was placed on maintaining effective oversight structures, strengthening accountability, and ensuring alignment with evolving governance expectations and regulatory requirements. The establishment of a dedicated office in Woodmead, Gauteng, further enhanced Interfront's operational presence and supported improved collaboration across a geographically distributed workforce.

As Interfront continues to evolve alongside SARS's strategic and operational priorities, Interfront remains focused on strengthening institutional capability, enhancing service delivery excellence, and positioning itself to support future digital transformation initiatives within the revenue administration environment.

This Annual Report provides an overview of Interfront's performance, governance practices, strategic progress, and operational achievements during the 2025/2026 financial year. The report reflects the continued commitment to accountability, transparency, and sustainable value creation.



OUR VISION

As your trusted partner, we unite to deliver cutting-edge software solutions. Being an Employer of Choice for our Techies, expanding to bring our unique experience to make South Africa better, one app at a time.

OUR MISSION

Our strength is our people. We enjoy what we do. With integrity and thought leadership, we design, develop, deliver, and support secure software solutions with unwavering excellence.

VALUES

T — TRUST
Being honest, reliable and trustworthy.

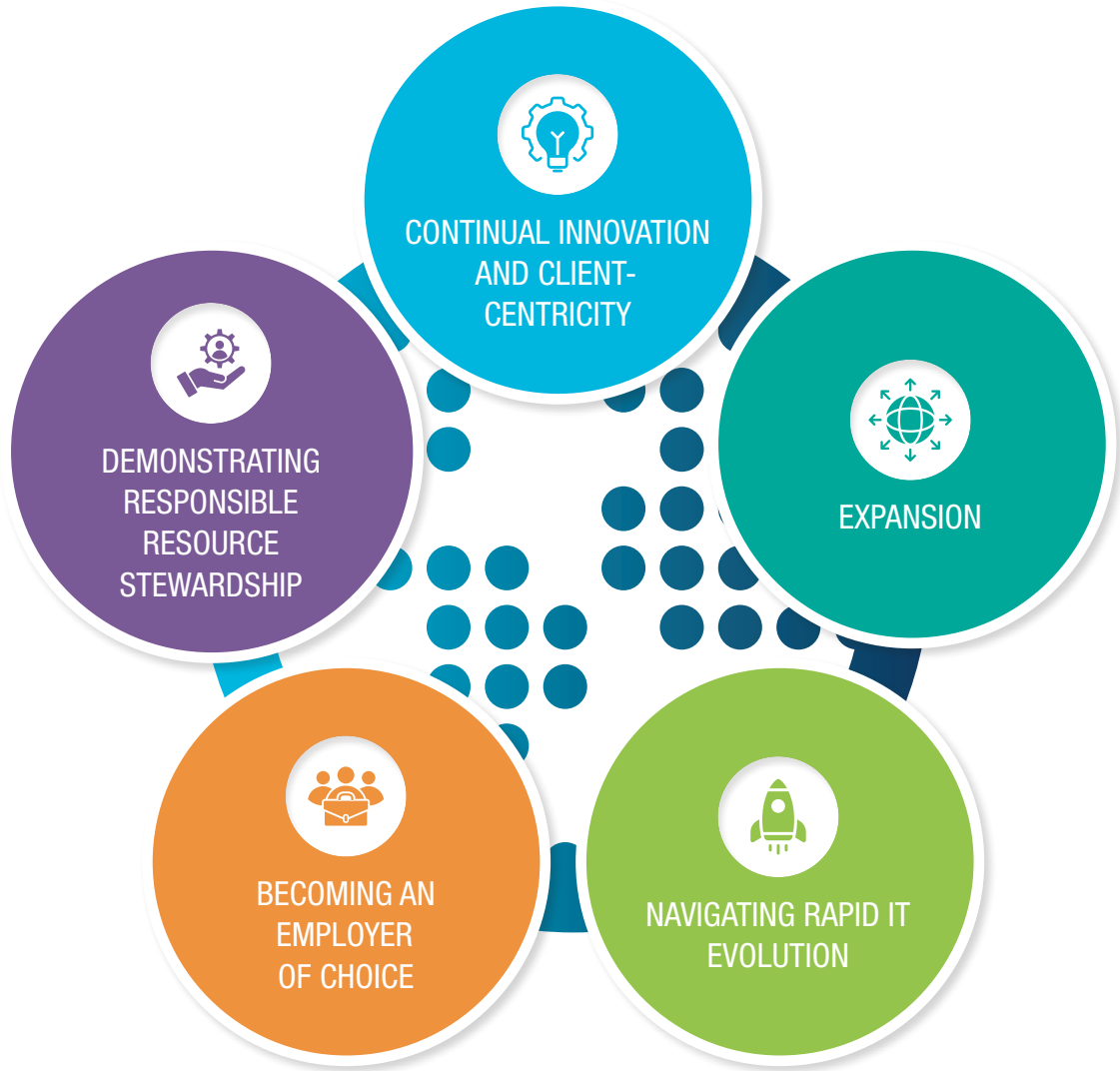
E — EXCELLENCE
Striving for continuous excellence in our organisation and products by being customer- and output-focused, innovation-conscious, and proud of our work.

C — CAMARADERIE
Being passionate about teamwork, going the extra mile, commitment to the team and organisation, and having fun. Treating one another with respect.

H — HUMILITY
An attitude of modesty that comes from understanding our role in the bigger picture. Being supportive, acting in the best interests of those you are leading and following.

I — INTEGRITY
Consistently acting in an honest, respectful, and trustworthy manner. Being transparent, sharing clear, ongoing, and effective communication.

STRATEGIC GOALS FOR THE 2024/2025–2028/2029 PERIOD





Interfront has identified five overarching strategic goals for the 2024/2025 to 2028/2029 period, which consolidate its key objectives and strategic priorities:

CONTINUAL INNOVATION AND CLIENT-CENTRICITY

This strategic objective incorporates the design, development, deployment, and maintenance of innovative and reliable software solutions for SARS and other customers. The objective involves fostering a culture of constant innovation, placing clients at the core of every decision, and consistently delivering solutions that meet and exceed client expectations.

EXPANSION

Interfront aims to increase its footprint by reaching new markets and clients while strengthening its core domains. The goal focuses on growing Interfront's presence in new markets, particularly by expanding its range of services to SARS, other government entities, and the clients of its clients. This objective includes identifying opportunities to diversify services and penetrate markets sustainably.

NAVIGATING AND EMBRACING RAPID INFORMATION TECHNOLOGY EVOLUTION

This strategic goal reflects Interfront's commitment to remaining at the forefront of a rapidly evolving IT landscape. Interfront actively identifies and embraces emerging technologies – including AI, automation, advanced analytics, and cybersecurity innovations, to enhance the robustness, relevance, and responsiveness of its products and services.

BECOMING AN EMPLOYER OF CHOICE

This goal centres on positioning Interfront as a highly sought-after employer by cultivating a work environment that inspires excellence, loyalty, and fulfilment. Central to this vision is sustained investment in employee growth, recognition, inclusive workplace culture, and career progression, ensuring Interfront attracts and retains a skilled, resilient, and future-ready workforce.

DEMONSTRATING RESPONSIBLE RESOURCE STEWARDSHIP

By continuously striving for excellence in governance and financial management, Interfront seeks to uphold the integrity, transparency, and accountability of its operations. Responsible resource stewardship encompasses the prudent, ethical, and sustainable use of financial, human, and technological resources, supported by robust internal controls and sound budgeting practices.









6 Legislative and other Mandates

Interfront operates as a public entity listed under Schedule 3A of the Public Finance Management Act No. 1 of 1999 (PFMA), and as a state-owned company incorporated in accordance with the Companies Act No. 71 of 2008. Accordingly, Interfront is governed by the PFMA, the Companies Act, applicable Treasury Regulations, National Treasury guidelines, and other relevant public sector governance prescripts.

Interfront remains a wholly owned subsidiary of SARS and continues to support SARS through the development, enhancement, maintenance, and support of strategic software solutions and related technology services.

Interfront's mandate continues to support SARS's strategic objectives relating to revenue administration, taxpayer compliance, digital transformation, and trade facilitation. Interfront's operational responsibilities include the continued support and enhancement of crucial systems and platforms across the Customs, eFiling, and e@syFile environments.

During the 2025/2026 financial year, there were no material legislative amendments or significant government policy changes that directly altered Interfront's legislative mandate or regulatory framework. Interfront, however, continued to operate within a dynamic governance, cybersecurity, compliance, and risk management environment that required ongoing refinement of internal controls, governance processes, and operational practices.

Interfront remains committed to maintaining high standards of corporate governance, ethical leadership, financial management, compliance, and accountability in line with applicable legislation, National Treasury requirements, and the principles contained in King V on Corporate Governance.

During the year under review, Interfront continued to implement and monitor compliance with the Companies Amendment Act No. 16 of 2024 and the Companies Second Amendment Act, No. 17 of 2024, both of which took effect

on 27 December 2024. These amendments introduced enhanced governance obligations for public and state-owned companies, including strengthened requirements for the composition and independence of the Social and Ethics Committee. They anticipated new remuneration disclosure requirements under Sections 30A and 30B, which are expected to come into effect once supporting regulations are finalised. Interfront has proactively reviewed its governance frameworks, committee structures, and reporting processes to ensure continued compliance as these provisions are implemented.

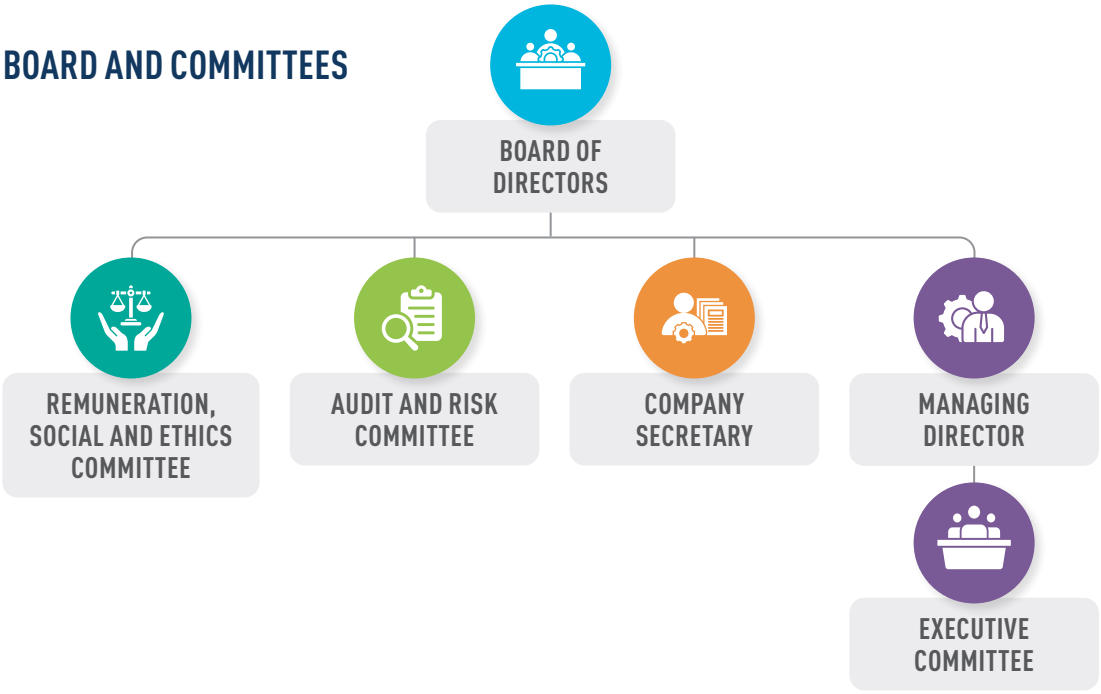
In executing its mandate, Interfront continues to support SARS through the delivery of secure, reliable, scalable, and innovative technology solutions that contribute to modern, efficient, and future-ready tax and customs administration.

Interfront further recognises the importance of maintaining an appropriate balance between innovation, operational agility, governance oversight, and fiscal discipline within the broader public sector environment. Accordingly, Interfront continues to align its governance frameworks, operational model, and strategic priorities to support sustainable delivery, institutional resilience, and long-term value creation.

7 Organisational Structure

The Interfront organisational structure reflects Interfront's governance model and operational hierarchy, providing clear lines of accountability, oversight, and strategic direction. The structure is designed to support effective delivery across all functional areas and to ensure alignment with Interfront's strategic mandate.

BOARD AND COMMITTEES



MANAGEMENT TEAM

EXECUTIVE COMMITTEE



FINANCIAL DIRECTOR
Leilanie Janse van Rensburg



MANAGER: FINANCE
Regan Randelhof



MANAGER: ORGANISATIONAL DEVELPMENT
Fahrial Amla



HEAD: HR
Nombulelo Mohoto



HEAD: LEGAL ADVISOR & COMPANY SECRETARY
Madelein Pepperell



HEAD: BUSINESS DEVELOPMENT & INNOVATION
Warren Barratt



ACTING MANAGING DIRECTOR
Leilanie Janse van Rensburg



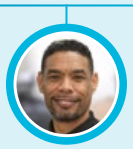
DIRECTOR
John Robertson (up to Dec 2025)



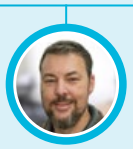
SENIOR MANAGER: SHARED SERVICES
Terence Fry



MANAGER: PMO
Dominic Hurst



MANAGER: SYSTEMS ENGINEERING
Ryan Adriaanse



MANAGER: ICT & DEVOPS
Steven Hardisty



MANAGER: BA/UX
Brendon Christmas



MANAGER: SYSTEMS SUPPORT
Louise Taljaard



HEAD: OPERATIONS & MANTENANCE
Samuel Mtsweni



OPERATIONS DIRECTOR
Daniel de Kock



SENIOR MANAGER: TAX
Linda Hunkin



MANAGER: TAX SOLUTIONS DEVELOPMENT
Christopher Young



SENIOR MANAGER: CUSTOMS
Jason Bain



MANAGER: SOFTWARE DEVELOPMENT
Francois Smit



MANAGER: QA
Queen-Ethel Mnguni

EXECUTIVE COMMITTEE

B

PERFORMANCE INFORMATION

01 Auditor-General's Report: Predetermined Objectives

02 Overview

03 Operational Highlights

04 Operational Challenges

05 Operational Outlook

06 ICT Report

07 Situational Analysis

08 Service Delivery Environment

09 Organisational Environment

10 Key Policy Developments

11 Performance Information

01 Auditor-General's Report: Predetermined Objectives

The Auditor-General of South Africa (AGSA) performs audit procedures on selected performance indicators in accordance with the AGSA findings methodology. Through the application of the findings methodology, the AGSA does not express an assurance opinion or conclusion on the selected performance indicators.

In the Report to Management, the AGSA does not provide a reasonable assurance opinion on the selected performance indicators. Any material findings identified during the audit are reported under the heading "Report on the Annual Performance Report" in the auditor's report.

Refer to page 131 for the AGSA audit report, which is included in Part F: Financial Information.

02 Overview

During the 2025/2026 financial year, Interfront continued to strengthen its position as a strategic technology partner to SARS through the delivery of secure, scalable, and modern digital solutions supporting revenue administration, customs modernisation, trade facilitation, and taxpayer service delivery. Interfront remained focused on advancing SARS's strategic modernisation objectives while maintaining operational stability, governance excellence, organisational sustainability, and continuous capability development across the business.



Interfront successfully achieved the majority of its planned annual performance targets during the reporting period across its strategic programmes.

Significant progress was achieved within the Customs, eFiling, MobiApp, and e@syFile environments through the successful delivery of Filing Season 2025 initiatives, continued expansion of the Single Window Platform (SWP), implementation of legislative and compliance enhancements, deployment of the Single Customer Interactive Portal (SCIP), and further advancement of biometric verification capabilities and fraud prevention measures.

Interfront continued to maintain high levels of operational performance and service reliability throughout the year, consistently meeting contractual service level commitments across all major operational environments. This operational performance contributed to uninterrupted service delivery, strengthened digital service capability, and improved taxpayer and trader engagement with SARS's digital platforms.

In support of its strategic expansion objectives, Interfront further strengthened engagements with SARS's leadership structures and continued exploring opportunities with other government agencies (OGAs) and strategic partners. Engagements with entities such as the Department of Home Affairs (DHA), the South African Reserve Bank (SARB), JP Morgan, PayInc, and other stakeholders contributed to positioning Interfront for future participation in broader digital government and financial ecosystem initiatives.

Interfront also continued to advance its innovation and modernisation agenda through initiatives focused on cloud readiness, AI, digital identity, DevSecOps, cybersecurity enhancement, and infrastructure modernisation. Progress was made in the implementation of cloud migration planning, application security enhancement, CI/CD pipeline modernisation, disaster recovery improvements, and digital capability expansion aligned to future strategic requirements.

From an organisational and people development perspective, Interfront continued investing in leadership development, competency management, skills development, employee engagement, and organisational culture initiatives to support its Employer of Choice objectives and strengthen organisational capability.

Interfront further maintained strong governance, compliance, and financial management disciplines throughout the reporting period, supporting its continued commitment to clean administration, sound corporate governance, regulatory compliance, and responsible financial management within the public sector environment. Interfront continued to align its governance and operational frameworks with applicable legislative requirements, National Treasury guidelines, and governance best practices applicable to Schedule 3A public entities.

Despite continued pressures relating to resource constraints, evolving project priorities, increasing delivery complexity, and broader fiscal limitations within the public sector environment, Interfront remained resilient and agile in responding to operational demands while sustaining service excellence and strategic delivery capability.

03 Operational Highlights

SERVICE LEVEL PERFORMANCE: Interfront consistently met all contractual service level agreements (SLAs) across core platforms throughout the financial year, including Customs, eFiling and MobiApp, e@syFile, and Consultancy services, ensuring uninterrupted and dependable service delivery to SARS and the taxpayers and traders it serves.

FILING SEASON 2025: Interfront played a central role in supporting a record Filing Season, with the eFiling platform experiencing a substantial year-on-year surge in transaction volumes and peak daily logins. This helped SARS achieve a new record high in tax revenue collection for this financial year. This reflects the commitment and effort of both Interfront's Technical and Support teams and the collaborative contribution of the SARS team.

SINGLE WINDOW PLATFORM (SWP) PROGRESSION: Significant milestones were achieved on the SWP initiative during the year. Phases 3 and 4 were successfully deployed to production, and Phase 5 received approval and entered the initiation phase, with delivery planned for 2026. The platform continues to receive positive feedback from trade stakeholders for its contribution to enhanced customs processing and more efficient trade facilitation.

GLOBAL MINIMUM TAX (GLOBE): Phase 1 of the Global Anti-Base Erosion (GLoBE) initiative, part of the OECD's global minimum tax framework and one of SARS's flagship legislative programmes, was successfully deployed to production during the financial year. Three further phases are planned for delivery during 2026, with Interfront committed to supporting SARS through each stage of this significant implementation.

SINGLE CUSTOMER VIEW: The Single Customer Interactive Portal (SCIP) Phase 1 was successfully deployed to production during the year, providing taxpayers with a consolidated, personalised view of their tax obligations and enhancing the overall experience on the eFiling platform, one of SARS's key modernisation priorities.

BIOMETRIC VERIFICATION EXPANSION: Building on the prior year's implementation, Phase 2 of the biometric verification programme extended facial recognition capabilities to VAT, PAYE, and Contact Details verification, further strengthening taxpayer account security and fraud prevention across SARS's digital channels.

SUCCESSFUL PROJECT DELIVERY:

In addition to the highlights above, a broad range of additional initiatives were completed across the Customs, Tax, and e@syFile product portfolios during the year, reflecting the depth and consistency of Interfront's delivery contribution. Key initiatives included:

- Re-platforming of inter-system messaging within the Customs platform from SI Bus to MQ
- RLA enhancements supporting SACU registration and the auto-processing of additional client types
- Automation of Deceased Estates Phase 2, streamlining estate-related tax processing on the eFiling platform
- SA Traveller Management System Online Payments, extending digital payment capabilities
- AI Assistant deployment on the eFiling platform
- PAYE bi-annual submission enhancements across both eFiling and e@syFile
- Air Passenger Tax and Diesel Refunds for Food Manufacturers
- Trust Filing Season and Trust Administrative Penalties enhancements.

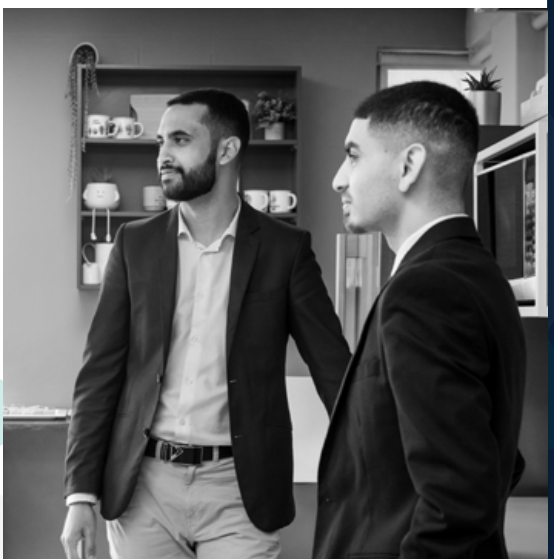
COMMISSIONER'S MARKETPLACE PARTICIPATION:

Interfront was honoured to participate in SARS's Commissioner's Marketplace sessions during the year, collaborating with SARS to evaluate a broad range of service and solution offerings. This engagement has opened meaningful opportunities for expanded collaboration and reinforced the depth of the SARS–Interfront partnership.









04 Operational Challenges

Despite a successful year overall, several operational challenges emerged that required proactive management and will continue to demand attention in the period ahead:

FORMS DELIVERY: The Forms programme presented Interfront's most significant delivery challenge of the year. As a team newly established in dynamic forms development, the complexity and scope of the initial form developed was underestimated by both Interfront and the customer from the outset. The steep learning curve inherent in working within a new domain, combined with this expanding complexity, resulted in delays to a number of committed delivery timelines. The team responded by scaling resources, onboarding additional expertise, and working in close daily collaboration with SARS testers to stabilise and deliver across the June, September, December, and February release windows. All planned releases were ultimately delivered, requiring considerable additional effort and hours to achieve. Alongside these commitments, the team completed development of a new PDF Generator Service (PGS) and successfully deployed it to the production environment. The conversion of associated templates is currently in client testing. Once fully deployed, the PDF Generator Service will eliminate existing third-party licensing and maintenance costs, a meaningful long-term saving for SARS.

RESOURCE AND CAPACITY MANAGEMENT: Managing the concurrent demands of production support alongside an expanding project delivery portfolio remained a central challenge throughout the year. The need to scale teams in response to new project approvals, while simultaneously maintaining the quality and continuity of existing support commitments, placed sustained pressure on operational planning and resource allocation. Interfront continues to refine its medium-term planning processes to address this dynamic more effectively.

PLANNING AND APPROVAL TIMELINES: As a delivery organisation closely aligned to the planning and approval cycles of its primary client, Interfront is directly affected by the pace at which new initiatives are confirmed and funded. During certain phases of the year, uncertainty around the confirmation of new project scope created resourcing and planning complexity, limiting Interfront's ability to structure delivery optimally and scale capacity in anticipation of demand.

UNPREDICTABLE DELIVERY SCHEDULES: The nature of large-scale programme delivery inevitably brings scheduling adjustments and, at points during the year, the emergence of evolving priorities across certain projects and platforms. Where these adjustments materialise, the cumulative effect requires continuous replanning and careful reprioritisation within an already constrained resource environment.

COMPLEX TECHNICAL SUPPORT ENVIRONMENT: The breadth and technical diversity of Interfront's support obligations across multiple SARS environments present a continuous and demanding operational challenge. Support requirements extend from frontline incident management and resolution through to deep technical analysis and remediation, requiring specialist expertise at every level.

BUDGETARY CONSTRAINTS: The broader national fiscal environment continues to shape the context in which both SARS and Interfront operate. Navigating these constraints requires careful prioritisation of initiatives, efficient utilisation of available resources, and ongoing collaboration with SARS to ensure that delivery efforts remain focused on the highest-value outcomes.

Interfront remains committed to addressing these challenges through strategic planning, agile resource management, and strong collaboration with SARS, ensuring continued delivery of value-added services within an evolving operating environment.



05 Operational Outlook

Looking ahead, Interfront is well-positioned to deepen its role as a trusted strategic delivery partner to SARS, underpinned by a strong foundation of domain expertise, proven delivery capability, and an expanding portfolio of innovation initiatives aligned to SARS's Modernisation 3.0 programme. The following key focus areas will shape Interfront's operational direction in the year ahead:

STRATEGIC PARTNERSHIP AND DELIVERY AT SCALE

Interfront is evolving from its established role as a software development supplier into a broader strategic partner, capable of orchestrating enterprise-scale digital solutions across the Customs, Tax, and adjacent domains. Drawing on deep domain expertise, a mature and disciplined delivery model, and a growing range of complementary capabilities, Interfront is committed to expanding its contribution to SARS's modernisation agenda, bringing not only technical delivery capability, but institutional knowledge and delivery governance.

INTERFRONT INNOVATION HUB

A landmark development for the year ahead is the formal establishment of a prioritised innovation portfolio, to be delivered through the Interfront Innovation Hub in close collaboration with the SARS Innovation Unit. Confirmed by SARS in April 2026, this portfolio of jointly governed Proofs of Concept is directly aligned to SARS's Modernisation 3.0 strategic priorities, spanning VAT Modernisation, Customs and Excise Modernisation, Digital Identity, and the responsible application of AI. This represents a meaningful evolution in the SARS–Interfront partnership, from a partnership focused on delivery and support to a partnership that actively co-creates the next generation of revenue service solutions.



VAT MODERNISATION

Interfront will play a meaningful role in supporting SARS's VAT Modernisation ambitions, including the exploration of e-invoicing architectures and interoperability frameworks designed to reduce compliance barriers and modernise VAT administration.

CUSTOMS INNOVATION

Phase 5 of the Single Window Platform is approved and in initiation, continuing the progression of one of the customs modernisation initiatives. SARS's emerging smart border concept presents further opportunities for Interfront's Customs capabilities in the period ahead.

DIGITAL IDENTITY AND ARTIFICIAL INTELLIGENCE

Interfront will continue to advance its biometric and digital identity capabilities, building on the delivery progress made during the year. In parallel, Interfront will explore the responsible and practical application of AI to enhance decision-making and improve taxpayer and trader experiences across SARS's digital platforms.

CONTINUED COMMITMENT TO OPERATIONAL EXCELLENCE

Across all platforms and programmes, Interfront remains committed to the operational disciplines that have underpinned its performance throughout the year, meeting SLA commitments, maintaining system stability, and ensuring its teams are equipped, capable, and aligned to the evolving needs of its client. As the pipeline of Tax, Customs, e@syFile, and innovation-led projects continues to grow, this foundation of delivery reliability and client-centricity will remain central to Interfront's value as a long-term strategic partner to SARS.









06 Information and Communications Technology (ICT)

Information and communications technology (ICT) remains a strategic enabler at Interfront, playing a vital role in ensuring operational continuity and resilience. With the majority of staff continuing to work remotely, ICT has delivered seamless support through stable infrastructure, secure systems, and responsive technical services. These capabilities have empowered employees to maintain high levels of productivity and service excellence in a distributed work environment.

SECURITY

Interfront enhanced its infrastructure and security practices throughout the year, focusing on maintaining safe, efficient, and reliable operations. These improvements have contributed to stronger business continuity, better service delivery, and a robust foundation for future growth.

APPLICATION SECURITY

SHIFT-LEFT APPLICATION SECURITY PROGRAMME: To reduce application security risk and address vulnerabilities earlier in the software development lifecycle, Interfront adopted a shift-left security approach, embedding security controls across the software development lifecycle. Following a structured evaluation and procurement process conducted during the year, implementation of the selected platform commenced, with the programme set to continue and mature into the year ahead.



CI/CD PIPELINE CENTRALISATION: Interfront invested significantly in centralising its CI/CD pipeline, incorporating integrated security analysis, code quality testing, and AI-assisted code development capabilities. Implementation and migration of existing systems have commenced and will be completed over the next two years.

DISASTER RECOVERY (DR)

QUARTERLY DR TESTING: All scheduled disaster recovery and backup restoration tests were completed during the financial year, consistently meeting Recovery Time Objectives. Quarterly testing confirmed the effectiveness and reliability of Interfront's business continuity capabilities throughout the reporting period.

DR SITE MIGRATION: Interfront successfully migrated its DR site to Gauteng, expanding its regional disaster recovery capability. This move delivers improved geographic separation from the primary production environment and consolidates infrastructure costs, strengthening Interfront's overall business continuity readiness.

NETWORK AND SERVER INFRASTRUCTURE

NETWORK AND SERVER UPGRADES: A significant programme of work to modernise Interfront's internal network infrastructure was completed during the year. Interfront upgraded both its core network and SAN switches, doubling throughput and redundancy within planned maintenance windows with minimal operational disruption.

SD-WAN CONNECTIVITY: Connectivity was expanded through the adoption of SD-WAN technology, improving the reliability and performance of access to both SARS environments and cloud services.

ICT GOVERNANCE, RISK AND COMPLIANCE

INFORMATION SYSTEMS MANAGEMENT COMMITTEE (ISMC): The ISMC convenes quarterly to provide oversight of ICT governance, manage risk, and ensure alignment with regulatory requirements and industry best practices.

SECURITY CONTROLS: During the financial year, Interfront successfully implemented Centre for Internet Security (CIS) Critical Security Controls, with the remaining control under active review. This reflects Interfront's ongoing commitment to maintaining a robust and internationally recognised security control framework.

Interfront's ICT function continues to drive digital enablement, secure operations, and technical excellence, positioning Interfront to meet the demands of a modern, agile, and digitally connected public sector partner.

07 Situational Analysis

Interfront continued to operate within a rapidly evolving public sector technology environment characterised by increasing digital transformation demands, heightened cybersecurity risks, accelerating legislative change, and growing expectations for integrated and citizen-centric digital services. As a wholly owned subsidiary of SARS, Interfront remains strategically positioned within SARS's broader modernisation agenda, requiring Interfront to continuously adapt its delivery capability, technology landscape, and operational readiness to support increasingly complex business and regulatory requirements.

The operating environment during the 2025/2026 financial year remained heavily influenced by SARS's Modernisation 3.0 initiatives, including Customs Modernisation, VAT Modernisation, Digital Identity, Single Customer View, and broader digital service transformation objectives. These strategic programmes continue to create significant opportunities for Interfront to expand its contribution beyond traditional software development and support services toward broader innovation enablement, digital platform modernisation, and strategic technology partnership.

At the same time, Interfront continued to operate within a constrained fiscal environment impacting both public sector funding availability and long-term project planning certainty. Delays in the approval and finalisation of certain business cases and modernisation initiatives impacted delivery sequencing, resource planning, and the timing of expansion opportunities during the reporting period.

The increasing complexity of the digital environment also continued to place pressure on technology capability, cybersecurity resilience, and specialised technical skills. The growing sophistication of digital fraud risks, increasing dependence on digital taxpayer engagement platforms, and expansion of cloud, biometric, and AI-enabled technologies required Interfront to strengthen both technical capability and governance oversight across its operational environment.

The rapid pace of technological advancement further continues to reshape the digital government landscape. Emerging technologies such as AI, automation, digital identity solutions, cloud computing, advanced analytics, and interoperable digital ecosystems are increasingly influencing both taxpayer expectations and government service delivery models. Interfront therefore continued investing in innovation capability, cloud readiness, DevSecOps capability, and skills development to position Interfront for long-term sustainability and relevance.

The broader government interoperability agenda also continued to create strategic opportunities for collaboration with OGAs and external stakeholders. Initiatives relating to the Single Window Platform, e-Invoicing, digital identity, payment modernisation, and integrated digital service delivery continue to support the long-term potential for expanded intergovernmental collaboration and service integration.

Internally, Interfront continued focusing on organisational sustainability through employee development, leadership capability strengthening, competency management, and employee engagement initiatives aimed at maintaining institutional knowledge, maintaining low retention, and supporting Interfront's Employer of Choice objectives within a highly competitive skills market.

08 Service Delivery Environment

Interfront operates within a highly specialised and continuously evolving digital service delivery environment driven by the strategic and operational requirements of SARS. Interfront's core responsibility remains the development, enhancement, support, and maintenance of business-critical digital platforms that enable customs administration, taxpayer engagement, revenue collection, and legislative compliance.

The service delivery environment continues to be shaped by:

- Increasing demand for digital government services
- Rapid legislative and regulatory changes
- Growing transaction volumes across digital platforms
- Heightened cybersecurity and fraud prevention requirements
- Ongoing customs and tax modernisation initiatives
- Increasing stakeholder expectations for integrated, user-centric digital services.

During the reporting period, Interfront successfully maintained stable operational performance across the Customs, eFiling, MobiApp, and e@syFile environments while simultaneously delivering multiple strategic enhancement initiatives and legislative releases.

The Filing Season 2025 period represented one of the most significant operational delivery periods during the year, with substantial growth in transaction volumes and peak daily user activity successfully managed through close collaboration between Interfront and SARS teams.

Interfront further continued supporting SARS's Customs Modernisation objectives through the successful deployment of additional Single Window Platform phases and related customs enhancement initiatives aimed at improving trade facilitation and operational efficiency.



> Interfront remained focused on strengthening operational resilience, technical capability, innovation capacity, and organisational agility to support both current delivery obligations and future strategic initiatives."

09 Organisational Environment

Interfront's organisational environment continued to evolve in response to increasing operational complexity, changing technology trends, and the expanding scope of SARS's digital modernisation programme. Interfront remained focused on strengthening operational resilience, technical capability, innovation capacity, and organisational agility to support both current delivery obligations and future strategic initiatives. Key organisational focus areas during the reporting period included:

- Enhancing digital delivery capability
- Strengthening cloud readiness and infrastructure modernisation
- Improving cybersecurity and application security practices
- Investing in skills development and leadership capability
- Advancing innovation and emerging technology initiatives.

Interfront continued to invest in employee development through competency development initiatives, leadership programmes, technical training, AI awareness initiatives, and skills enhancement programmes aligned to organisational and strategic requirements.

Interfront also continued strengthening its internal ICT environment through infrastructure modernisation, disaster recovery improvements, network upgrades, and enhanced security controls to support operational continuity and secure digital service delivery.

10 Key Policy Developments and Legislative Changes

No significant amendments to Interfront's founding mandate or applicable legislation occurred during the reporting period. However, ongoing developments within SARS's modernisation programme, digital transformation agenda, and broader government technology landscape continued to influence Interfront's strategic and operational priorities.

Key policy and regulatory considerations impacting Interfront during the reporting period included:

- Continued alignment with the Public Finance Management Act (PFMA), National Treasury Regulations, and governance requirements applicable to Schedule 3A public entities
- Ongoing alignment with King V principles and broader corporate governance best practices
- Increasing focus on cybersecurity, information security governance, data protection, and digital risk management
- Evolving digital government priorities relating to digital identity, interoperability, cloud adoption, automation, and digital service modernisation
- Continued alignment with SARS modernisation initiatives impacting customs administration, taxpayer digital services, and integrated platform delivery
- Ongoing consideration of emerging technologies, including AI, cloud technologies, DevSecOps, and digital identity frameworks.

Interfront further continued strengthening its internal governance, ICT governance, disaster recovery, cybersecurity, and operational management frameworks to support compliance, operational resilience, and secure digital service delivery.

DEVELOP, ENHANCE AND EXPAND **iCBS CHANNELS** TO SUPPORT THE SARS CUSTOMS MODERNISATION PROGRAMME (CMP)

DEVELOP, ENHANCE AND EXPAND THE **EFILING AND MOBIAPP** PLATFORMS TO MEET SARS BUSINESS AND LEGISLATIVE REQUIREMENTS

DEVELOP, ENHANCE AND EXPAND THE **E@SYFILE PLATFORM** AND SYSTEMS TO MEET SARS BUSINESS AND LEGISLATIVE REQUIREMENTS PROVIDE TRAINING AND SUPPORT SERVICES TO EMPLOYERS AND PAYROLL ADMINISTRATORS

PROVIDE **EFFECTIVE SUPPORT SERVICES TO SARS** ON: CUSTOMS, eFILING, MOBIAPP AND e@SYFILE

PROVIDE **EFFECTIVE SUPPORT SERVICES TO OTHER CUSTOMERS** BASED ON CONTRACTUAL AGREEMENTS WITH THEM

11 Performance Information

The Interfront Board approved the publication of Interfront performance results as set out below on 31 July 2026.

PROGRAMME 1

CONTINUAL INNOVATION AND CLIENT-CENTRICITY

This goal centres on fostering a culture of continuous innovation and placing Interfront's clients at the centre of its operations. It focuses on leveraging emerging technologies, modern methodologies, and innovative approaches to enhance Interfront's products and services, while remaining responsive to the evolving needs and expectations of its clients. By combining innovation with a strong client-centric focus, Interfront aims to deliver solutions that consistently create value, strengthen client relationships, and exceed client expectations.

As a wholly owned subsidiary of SARS, SARS will remain Interfront's primary focus for the five-year period and Interfront's relentless dedication to client-centricity will remain the guiding principle in its interactions and engagements.



INDICATOR 1.1

DEVELOP, ENHANCE AND EXPAND iCBS CHANNELS TO SUPPORT SARS CUSTOMS MODERNISATION PROGRAMME (CMP)

Interfront plays a pivotal role as a key development partner to SARS. Interfront's ongoing collaboration involves the expansion, modernisation, and adaptation of the current Customs Border Solution (iCBS) product suite in use at SARS. This transformation is aimed at aligning with the objectives outlined in the approved SARS Customs Modernisation Programme (CMP) Business Plan, which aims to fulfil the government's requirements for customs compliance.

Interfront is committed to advancing its iCBS to enhance SARS' capacity in implementing the CMP, ensuring greater efficiency, compliance, and security in South Africa's customs operations.

ALIGNS WITH SARS STRATEGIC OUTCOMES	SUPPORTS SARS STRATEGIC MODERNISATION OBJECTIVES
Facilitating compliance for taxpayers and traders Enhancing the use of data within a robust knowledge management framework Modernising systems to deliver digital and streamlined online services	Unique digital identity – strengthening the integrity of registers and financial transactions Accelerating the modernisation of Customs and Excise administration by advancing physical and technology infrastructure at ports of entry in collaboration with OGAs

Since the 2017/2018 financial year, the Annual Performance Target has been achieved on eight occasions and partially achieved once.



OUTCOME	Develop, enhance, and expand the iCBS product to support SARS in their objective of the CMP
OUTPUT	Sprints/Software delivered on time, to specifications, and within budget as set out and agreed to in the Work Order (WO)
OUTPUT INDICATOR	Completion Certificates per WO Milestone or signed WO.
REASONS FOR REVISIONS TO THE OUTPUTS/ INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO177 RLA v6.12.0 uploaded to SARS on 7 Sept. 2023 (Q2). v6.12.10 deployed to SARS production on 8 Dec. 2023 (Q3). **WO269 DPS** Upgrade Phase 2 DPS 7.4.18 delivered to SARS on 29 Feb. 2024 (Q4). **WO124/CVO124D DPS** v7.3.0 uploaded to SARS on 25 May 2023 (Q1). **WO236 VAT Number Validation (Q1)** **CVO234A RLA Bucket List** RLA v6.11.0 deployed to SARS production on 6 Oct. 2023 (Q3). **WO248 RLA SOQS Efficiency Changes Phase 1** Functional Spec (FRS) delivered to SARS on 3 Nov. 2023 (Q3). **WO 272 RLA SOQS Efficiency Changes Phase 2** (FRS delivered to SARS on 17 Nov. 2023 (Q3). **TMS Upgrade** TMS v7.4.3 deployed to SARS production on 6 Oct. 2023 (Q3). **WO257 – Link between DPS and CPS** v5.4.58 delivered to SARS on 8 Feb. 2024 (Q4).	ACHIEVED	**CVO213a Automation of Bonds** Integration Release 6.15.0 – uploaded to SARS on 16 May 2024 (Q1). Functional Release 6.15.2 – uploaded to SARS on 30 May 2024 (Q1). **CVO213** Deployed to production 26 Jul. 2024 (Q2). **Single Window Platform CVO238a FR1** Link to SARS Publications – uploaded to SARS on 5 Feb. 2025 (Q4). **FR2 & FR3:** User Management, Monitor and Declarations, and RLA Clickthrough – uploaded to SARS on 7 Mar. 2024 (Q4) **FR 4:** Manage P&R List – uploaded to SARS on 23 May 2024 (Q1). **CVO238a SWP Phase1 FR4:** deployed to production on 26 Jul. 2024 (Q2). **WO330 SWP Phase 2** Sprint 1 software release uploaded to SARS on 8 Nov. 2024 (Q3). Sprint 2 software release uploaded to SARS on 8 Nov. 2024 (Q3).	ACHIEVED	Single Window Platform (SWP)	**CVO340** (SWP Phase 3) Go Live Achieved – 11 Apr. 2025 (Q1). **WO356** (SWP Phase 4) completed Sprint 10 18 Apr. 2025 (Q1). **Completed Sprint 11** 23 May 2025 (Q1). **Completed Sprint 12** 13 Jun. 2025 (Q1). **WO356/CVO356-1** SWP Uploads to SARS V4.0.0 on 24 Jul. 2025 (Q2). V4.0.1 on 25 Jul. 2025 (Q2) V4.0.2 on 2 Sept. 2025 (Q2) V4.0.4 on 30 Sept. 2025 (Q2) **WO356/CVO356** -1 Go-Live Achieved 14 Nov. 2025 (Q3). **WO359** (SWP Ph5) FRS & Design Phase delivered to SARS on 12 Mar. 2026 (Q4). **WO470** SWP SATMS FRS and SDD delivered to SARS on 17 Mar. 2026 (Q4).	ACHIEVED

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO248 - SOQS Part 1 RLA v6.13.0 Integration release delivered to SARS on 15 Feb. 2024 (Q4). RLA v6.13.5 Functional release delivered to SARS on 29 Feb. 2024 (Q4). **WO213 Automation of Bonds** FRS delivered to SARS on 26 Mar. 2024 (Q4). **WO303 Submission of Large Declarations** System Design (SDD) delivered to SARS.	ACHIEVED	Sprint 3 software release uploaded to SARS on 8 Nov. 2024 (Q3). Sprint 4 and 5 uploaded into SARS QA and Pre-Production, and Go-Live achieved on 6 Dec. 2024 (Q3). **WO340 SWP Phase 2** Completed the phase 2 testing support for QA ad Pre-prod on 17 Jan. 2025 (Q4) **SWP Phase 3 (WO340)** Sprint 6 software release uploaded to SARS on 17 Jan. 2025 (Q4). Sprint 7 software release uploaded to SARS on 17 Jan. 2025 (Q4). **WO 303 Large Declarations** Deployed into SARS Production on 14 Jun. 2024 (Q1). **CV0259b Docker Swarm migration:** Deployed to production on 26 Jul. 2024 (Q2).	ACHIEVED	Dynamic Forms	**APT Phase 2c** • APR201 HTML • APT 201 RO • APT RAV01 HTML • APT RAV01 RO • SYSGENOUTLET APT RO Go-Live achieved 20 Jun. 2025 (Q1).	ACHIEVED
					WO356/CV0356-1 PAYE Bi-Annual Process 2025 • EMP201 • EMP201 RO • EMP501 Go-Live achieved 19 Sept. 2025 (Q2).	ACHIEVED
					Trust 2025 Legal Changes • ITR12T HTML • ITR12 RO • ITA34 Go-Live achieved 19 Sept. 2025 (Q2).	PARTIALLY ACHIEVED
					WO376/CV0376-1 Trust 2025 Legal Changes Go-Live achieved Oct. 2025 (Q3) Diesel Refund Registration Phase 1a • RAVDSL HTML • RAVDSL RO • WRAV01 HTML TEI Digitisation • RAVTEI HTML • RAVTEI RO Go-Live Achieved Oct. 2025 (Q3)	

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
				Dynamic Forms (continue)	SATMS • TD01 Transfer Duty • TDC01 • TDC01 RO Go-Live achieved 6 Dec. 2025 (Q3) **Globe Phase 1** • RAVGMT HTML • GMTNotification HTML • RAVGMT RO • RAVGMTNot RO Go-Live 28 Feb. 2026 (Q4). **CIT Legal Changes** • ITR14 HTML • ITA34C HTML • IT14C HTML • ITR14 RO • ITA34C RO • IT14C RO Go-Live 28 Feb. 2026 (Q4).	ACHIEVED
				Replace SI Bus with MQ	**CVO255-1** Completed Development 9 May 2025 (Q1). **CVO 255-1** Go-Live Achieved 8 Aug. 2025 (Q2). Completed Post-Production Support 8 Sept. 2025 (Q2).	

DEVIATIONS 2025/2026 – DEVELOP, ENHANCE, AND EXPAND THE ICBS PRODUCT TO SUPPORT SARS IN THEIR OBJECTIVE OF THE CMP			
DEVIATION	WO/CO NUMBER	REASON	DATE DELIVERED TO SARS
RLA Changes for SACU	WO329/ CVO 329-1	Additional work requested by SARS	FRS delivered Jun. 2025 (Q1). Development completed Sept. 2025 (Q2). Go-Live 3 Oct. 2025 (Q3).
RLA Auto-processing of Additional Client Types	WO341/ CVO341-1		FRS submitted Jun. 2025 (Q1). Development completed 19 Sept. 2025 (Q2). Go-Live 3 Oct. 2025 (Q3).
DPS Notification Table	WO357		Go-Live May 2025 (Q1). Post-Production Support completed Jun. 2025 (Q1).
Allow for bond discount for AEO traders on fixed bond application	ECP989		Development completed and uploaded to SARS 19 Sept. 2025 (Q2). Go-Live 3 Oct. 2025 (Q3).
DPS changes for DALRRD OGA inspection triggering	ECP1009		Development completed and uploaded to SARS 19 Sept. 2025 (Q2). Go-Live 3 Oct. 2025 (Q3).
RLA Risk Based Approach	WO401		Construction phase completed 12 Jan. 2026 (Q4).
Applicant vs Agent Validation for CERD Claims	ECP1020		Delivered to SARS 23 Jan. 2026 (Q4).
Business case: Enhance customs intelligence via data analytics	N/A		Draft business case submitted to SARS 4 May 2026 for review. SARS feedback expected by 15 May 2026. **Reason:** The proposal development process took longer than initially anticipated due to the need to conduct detailed analysis of data across various databases to better understand the relationships between data elements and identify the intelligence that could potentially be derived from the data. As a result, the proposal could only be submitted to SARS at a later stage.

INDICATOR 1.2

DEVELOP, ENHANCE AND EXPAND THE eFILING AND MOBIAPP PLATFORMS TO MEET SARS BUSINESS AND LEGISLATIVE REQUIREMENTS

The SARS eFiling and MobiApp Platforms, including the API service for tax software providers, serve as the fundamental infrastructure for engaging with taxpayers and traders electronically. This platform's evolution is an ongoing process, involving various projects, upgrades, and improvements to cater to the changing needs of taxpayers and traders. Given the crucial role these systems play, their long-term sustainability demands continuous investments in development, modernisation, and enhancements, both in terms of application systems and the underlying technology platforms. To keep pace with the ever-evolving tax legislative requirements, it is imperative to ensure swift and adaptable updates and developments. The demand for updates, enhancements, and even new iterations of system functions and capabilities is driven by the government's requirements and the pursuit of realising the SARS Vision, all of which contribute to enhancing the experiences of taxpayers and traders.

ALIGNS WITH SARS STRATEGIC OUTCOMES	SUPPORTS SARS STRATEGIC MODERNISATION OBJECTIVES
Facilitating compliance for taxpayers and traders Enhancing the use of data within a robust knowledge management framework Modernising systems to deliver digital and streamlined online services	Strengthening the integrity of registers and financial transactions through a unique digital identity Creating a comprehensive Single Customer View to enable a better balance between service and enforcement

Since the 2022/2023 financial year, the Annual Performance Target has been achieved on all four occasions.



OUTCOME	Develop, enhance, and expand the eFiling and MobiApp Platforms to meet SARS business and legislative requirements.
OUTPUT	Sprints/Software delivered on time, to specifications and within budget as set out and agreed to in the Work Order (WO).
OUTPUT INDICATOR	Completion Certificates per WO Milestone or signed WO.
REASONS FOR REVISIONS TO THE OUTPUTS/ INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO196 2023 Filing Season Functionality deployed to production on 23 Jun. 2023 (Q1).	ACHIEVED	**WO279 Mandatory Disclosure Rules** Delivered to SARS in Apr. 2024 (Q1).	ACHIEVED	**PIT Filing Season 2025**	**CVO354-2** Development completed 25 Apr. 2025 (Q1). Go-Live achieved 27 Jun.2025 (Q1). Post-Production Support completed 1 Aug. 2025 (Q2). **WO454** Design completed 27 Feb. 2026 (Q4).	ACHIEVED
WO187 CIT Filing Season Deployed to SARS production on 23 Jun. 2023 (Q1).		**WO278 Disputes for Trust** Delivered to SARS in Apr. 2024 (Q1).		**PAYE Enhancements**	**WO352** Design completed 30 Jun. 2025 (Q1) Development completed Jul. 2025 (Q2). Go-Live achieved Sept. 2025 (Q2) Post-Production Support completed 31 Oct. 2025 (Q3).	
WO131 / WO131-1 / WO189 PAYE Upgrades Functionality deployed to production on 21 Apr. 2023 and 23 Jun. 2023 (Q1)		**CVO278-2** Additional scope requested by SARS, Go-Live delivered in Oct. 2024 (Q3).		**CIT Legal Enhancements**	**CVO363-1** Design completed Aug. 2025 (Q2). **CVO363-3** Development completed 6 Dec. 2025 (Q3). Go-Live achieved 27 Feb. 2026 (Q4). Post-Production support completed 31 Mar. 2026 (Q4).	
WO131-1 PAYE Filing Season 2023 Deployed to SARS production on 15 Sept. 2023 (Q2).		**CVO278-2 Suspension of Payments** Delivered in Feb. 2025 (Q4).		**Biometrics**	**CVO366-2** Development completed Apr. 2025 (Q1). **CVO366-3** Go-Live achieved Aug. 2025 (Q2). Post-Production Support completed Sept. 2025 (Q2).	

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO243 PAYE Dec. enhancements delivery of the functional specification (Q2) deployed to SARS production on 8 Dec. 2023 (Q3).	ACHIEVED	**CVO246-1 Cybercrime (Anti-Fraud Registration)** Delivered in May 2024 (Q1).	ACHIEVED	**Single Customer View**	**WO372** Design completed Jul. 2025 (Q2). Development completed Aug. 2025 (Q2). Go-Live achieved 17 Oct. 2025 (Q3). Post-Production Support completed 30 Nov. 2025 (Q3). **WO475 Single Customer Interactive Portal (SCIP) Phase 1B** Design completed 13 Feb. 2026 (Q4). Development completed 31 Mar. 2026 (Q4).	ACHIEVED
WO201 Trust Filing Season Deployed to SARS production 23 Jun. 2023 (Q1).		**WO287 APT Phase 2** Delivered in April 2024 (Q1).		**Trust Filing Season**	**WO350** Design completed 6 Jun. 2025 (Q1). **CVO350-1** Development completed Jul. 2025 (Q2). Go-Live achieved Sept. 2025 (Q2). **WO350** Post-Production Support completed 17 Oct. 2025 (Q3).	
WO135 Refunds and Drawbacks Deployed to QA testing in Jun. 2023 (Q1). Deployed to SARS production on 15 Sept. 2023 (Q2).		**WO355 APT Phase 2c** FRS delivered, ongoing project, Go-Live moved to Jun. 2025 due to SARS reprioritisation delivered in Feb.2025 (Q4) (FRS Portion completed).		**Upgrade eFiling MobiApp**	**WO271** Development completed Aug. 2025 (Q2). **CVO271-1** Go-Live achieved 6 Dec. 2025 (Q3). Post-Production Support completed 5 Jan. 2026 (Q4).	
WO261 PIT Verification Enhancements Delivery of the functional specification (Q2). Deployed to SARS production on 8 Dec. 2023 (Q3).		PIT Filing Season 2024 **CVO284-1** Delivered in Apr. 2024 (Q1). **CVO284-2** CR from SARS for additional changes – changes to requirement and budget delivered in Jun. 2024 (Q1).		**eFiling Cloud Readiness – Deliver business case to SARS**	Business Case Submitted 31 Mar. 2026 (Q4).	
WO284 PIT Filing Delivery of the functional specification on 28 Feb. 2024 (Q4).		**WO285 Trusts Filing Season 2024** FRS delivered in May 2024 (Q1) and in Sept. 2024 (Q2).				

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO263 TCS Enhancements CR Deployed to SARS production on 27 Oct. 2023 (Q3).	ACHIEVED	**Tax Directives 2 POT System** **CVO281-1** delivered in May 2024 (Q1). **CVO281-3** delivered in Sept. 2024 (Q2). **CVO347-1** Tax Directives Legal Changes – delivered in Feb. 2025 (Q4).	ACHIEVED			
WO197 RLA AEO Clickthrough deployed to SARS production on 8 Dec. 2023 (Q3).		**Trusts Admin Penalties** **CVO277-1** FRS delivered in Nov. 2024 (Q3). **CVO277-1** Development delivered for testing in Feb. 2025 (Q4).				
WO150 MPRR Client Accounting – Return processing deployed to SARS production on 15 Sept. 2023 (Q2).		**CIT Legal Changes 2024** **CVO290-1** delivered in May 2024 (Q1). **CVO290-1** delivered in Sept. 2024 (Q2). **CVO290-1** Second Phase in Development for Additional Work requested by SARS, delivered in Dec. 2024 (Q3). **CVO290-2** Reportable Arrangements Feb. 2025 (Q4).				
WO138 Air Passenger Tax Specification sign-off (Q1). Deployed to SARS production on 15 Sept. 2023 (Q2).		**WO315 PAYE – Bi-annual process updates** Delivered in Apr. 2024 (Q1) and Sept. 2024 (Q2).				
WO142 Third Party Data – Donations Deployed to SARS production on 15 Sept. 2023 (Q2).		**WO312 MPRR Letters** Delivered April 2024 (Q1).				
WO143 Third Party Data – Trusts Deployed to SARS production on 15 Sept. 2023 (Q2).		**WO286 Biometric Verification** Delivered in Oct. 2024 (Q3).				
WO229 VAT Verifications Delivery of the functional specification (Q2). Deployed to SARS production on 8 Dec. 2023 (Q3).		**ECP969 SARS BQMS Mobile App** Development delivered in Jun. 2024 (Q1).				

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO262 SA Traveller MobiApp Delivery of the functional specification (Q2). Deployed to SARS production on 8 Dec. 2023 (Q3).	ACHIEVED	**WO298 Trust Verification** Delivered in Sept. 2024 (Q2).	ACHIEVED			
		WO311 Third Party Data – Medical Aid Delivered in Oct. 2024 (Q3).				
WO154 TCS Enhancements Functionality deployed to production 21 Apr. 2023 (Q1).		**WO286 Biometric Verification** Delivered in Oct. 2024 (Q3).				
WO267 Debt Modernisation Completed the commitment to testing support when the project went live on 27 Oct. 2023 (Q3).		**ECP976 MobiApp AI Assistant** (Q3).				
ECP963 eFiling New Landing Page Deployed to SARS production on 27 Oct. 2023 (Q3).		**WO297 SARS Unicode** Testing delivered in Sept. 2024 (Q2).				
ECP961 Deployed to SARS production on 27 Oct. 2023 (Q3).		**WO322 MDR** Extended Support delivered in Oct. 2024 (Q3).				
WO268 ACE (ESB) v12 Upgrade completed the commitment to testing support when the project went live on 16 Feb. 2024 (Q4).		**ECP978 Enabled Two-Factor Authentication** Delivered in production Nov. 2024 (Q3).				
WO279 Mandatory Disclosure Rules Delivery of the functional specification on 22 Nov. 2023. Deployed to SARS testing environment on 5 Feb. 2024 (Q4).		**ECP981 Password Strength** Delivered in production Nov. 2024 (Q3).				
WO278 Trusts for Disputes Delivery of the functional specification on 17 Jan. 2024 (Q4). Deployed to SARS testing environment on 5 Feb. 2024 (Q4).		**ECP984 Addition of "New SOQS icons for MobiApp** Delivered in Nov. 2024 (Q3).				

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO246 Cybercrime (Anti-Fraud Registrations) Delivery of the functional specification on 22 Jan. 2024 (Q4). Deployed to SARS testing environment on 12 Feb. 2024 (Q4).	ACHIEVED	**ECP988 Transfer Duty (ISV)** Field limit of Total Fair Value enhancement delivered in production Nov. 2024 (Q3).	ACHIEVED			
WO287 APT Phase 2 Delivery of the functional specification on 25 Jan. 2024 (Q4). Deployed to SARS testing environment on 23 Feb. 2024 (Q4).		**CVO266-3 ISV Enhancements Sprint 3** Delivered in Feb. 2025 (Q4).				
WO286 Biometrics (FS) Delivery of the draft functional specification on 28 Mar.2024 for SARS review (Q4).		**ECP990 ITR12 OTP Bank Details Change** Delivered for testing (Q4).				
WO213 Automation of Bonds Delivery of the functional specification on 26 Mar. 2024 (Q4).		**ECP1001 Decommission of Help-You-eFile** Phase 1 delivered (Q4).				

DEVIATIONS 2025/2026 – DEVELOP, ENHANCE, AND EXPAND THE EFILING AND MOBIAPP PLATFORMS TO MEET SARS BUSINESS AND LEGISLATIVE REQUIREMENTS

DEVIATION	WO/CO NUMBER	REASON	DATE DELIVERED TO SARS
Air Passenger Tax Phase 2C	WO355	Additional work requested by SARS	Development completed 18 Apr. 2025 (Q1). Go-Live 27 Jun. 2025 (Q1). Post-Production Support completed 18 Jul. 2025 (Q2).
Improve Quality of Addresses Phase 1	WO336/ WO336-2		Development completed 12 May 2025 (Q1). Go-Live 27 Jun. 2025 (Q1). Post-Production Support completed 11 Jul. 2025 (Q2).
Diesel Refunds for Food Manufacturers	WO326-1		Go-Live 27 Jun. 2025 (Q1). Post-Production Support completed 18 Jul. 2025 (Q2).
VAT Rate Increase	WO398		Milestone 1 completed 4 Apr. 2025 (Q1). Milestone 2 completed 1 May 2025 (Q1).
Trust Admin Penalties Imposition	CVO277-1		Go-Live 11 Apr. 2025 (Q1). Post-Production Support completed 9 May 2025 (Q1).
Tax Directives 2025	CVO347-1		Go-Live 11 Apr. 2025 (Q1). Post-Production Support completed 9 May 2025 (Q1).
Diesel Refunds Registration (2025 and 2026 releases)	CVO324-1/ CVO324-3		Design phase completed 18 Apr. 2025 (Q1). Go-Live achieved 20 Jul. 2025 (Q2). Go-Live pilot group 6 Dec. 2025 (Q3). Development completed 23 Jan. 2026 (Q4). Post-Production Support completed 23 Jan. 2026 (Q4).

DEVIATIONS 2025/2026 – DEVELOP, ENHANCE, AND EXPAND THE EFILING AND MOBIAPP PLATFORMS TO MEET SARS BUSINESS AND LEGISLATIVE REQUIREMENTS			
DEVIATION	WO/CO NUMBER	REASON	DATE DELIVERED TO SARS
Estate Automation (Automation of Deceased Estates)	CVO237-1	Additional work requested by SARS.	Go-Live 19 Sept. 2025 (Q2). Post-Production Support completed 7 Oct. 2025 (Q3).
Global Minimum Tax (GMT) Phase 1	WO412/ CVO412-1		Design completed 7 Aug. 2025 (Q2). Development completed 4 Dec. 2025 (Q3). Go-Live 27 Feb. 2026 (Q4). Post-Production Support completed 26 Mar. 2026 (Q4).
South African Traveller Management System (Phase 2) Online Payments	CVO339-2/ WO421		Design completed 15 Aug. 2025 (Q2). Go-Live 6 Dec. 2025 (Q3). Development completed 13 Oct. 2025 (Q3). Go-Live achieved 6 Dec. 2025 (Q3). Post-Production Support completed 2 Jan. 2026 (Q4).
AI Assistant Changes	WO442		Design completed 31 Oct. 2025 (Q3). Development completed 31 Oct. 2025 (Q3). Go-Live 6 Dec. 2025 (Q3). Post-Production Support completed 2 Jan. 2026 (Q4).
Global Minimum Tax (GMT) Phase 2A	CVO460		Design completed 24 Feb. 2026 (Q4). Development completed 17 Mar 2026 (Q4).
Air Passenger Tax Phase 2D	WO427		Design completed 27 Feb. 2026 (Q4).
ISV Sprints 2025/2026	WO425		Sprint 1 completed 10 Oct. 2025 (Q3). Sprint 2 completed 6 Dec. 2025 (Q3). Sprint 3 completed 27 Feb. 2026 (Q4).
VAT Penalty Notice	WO446		Design and development completed Feb. 2026 (Q4). Development completed 13 Feb. 2026 (Q4).
Directive Legislative Changes and Enhancements	WO445/ CVO445-1		Design completed 28 Nov. 2025 (Q3). Development completed 6 Feb. 2026 (Q4).
Trust Admin Penalty for Disputes	CVO294-1/ CVO294-2		Design completed 30 May 2025 (Q1). Development completed 18 Jul. 2025 (Q2). Go-Live achieved 3 Oct. 2025 (Q3).
CIT Current Plus 1	ECP1003		Development completed 31 Jul. 2025 Go-Live achieved 15 Aug. 2025 (Q2).

DEVIATIONS 2025/2026 – DEVELOP, ENHANCE, AND EXPAND THE EFILING AND MOBIAPP PLATFORMS TO MEET SARS BUSINESS AND LEGISLATIVE REQUIREMENTS			
DEVIATION	WO/CO NUMBER	REASON	DATE DELIVERED TO SARS
CERD CR (Status on eFiling)	ECP1008	Additional work requested by SARS.	Go-Live achieved 15 Aug. 2025 (Q2).
BIO for SCD – CRQ000000295383	ECP1011		Go-Live achieved 5 Sept. 2025 (Q3).
Tax Exempt Institute (TEI)	CVO349-2/ CVO349-3		Design completed 15 Aug. 2025 (Q2). Development completed 3 Oct. 2025 (Q3). Go-Live to pilot group 6 Dec. 2025 (Q3). Post-Production Support completed 30 Jan. 2026 (Q4).
Trust Admin Penalty for Debt Management	CO282-2/ CVO282-3		Design completed 15 Aug. 2025 (Q2). Development completed 3 Oct. 2025 (Q3). Go-Live achieved 6 Dec. 2025 (Q3).
IT3BO Partnership Beneficial Ownership	CVO405-1		Design completed 21 Nov. 2025 (Q3). Development completed 13 Feb. 2026 (Q4).
Tax Practitioner Modernisation – TP Compliance	WO368		Design completed 1 Dec. 2025 (Q3). Development completed 9 Feb. 2026 (Q4).
CR645 Deactive TCS & TCSV	ECP1015		Go-Live achieved 14 Nov. 2025 (Q3).
CR131 MPRR Subscription Fraud Prevention	ECP1004		Go-Live achieved 6 Dec. 2025 (Q3).
3rd Party RCT PRCT Enhancements Phase 3	WO479		Development completed 16 Feb. 2026 (Q4).
SATMS 2026 4A VAT Refund Process	CVO468-1		Design completed 30 Mar. 2026 (Q4).
SATMS 2026 4B Enhancement	CVO468-1		Design completed 30 Mar. 2026 (Q4).

INDICATOR 1.3

DEVELOP, ENHANCE AND EXPAND THE E@SYFILE PLATFORM AND SYSTEMS TO MEET SARS BUSINESS AND LEGISLATIVE REQUIREMENTS AND PROVIDE TRAINING AND SUPPORT SERVICES TO EMPLOYERS AND PAYROLL ADMINISTRATORS

The e@syFile platform is the backbone for Employers and Payroll Administrators to engage with SARS electronically. This platform undergoes continuous evolution through regular upgrades and enhancements to align with the changing requirements of Employers and Payroll Administrators, as well as any legislative changes. This evolution demands a robust technical skillset and experience, as the sustainability of these crucial systems hinges on investments in both the development, modernisation and enhancement of the application system and the underlying technology platforms. In addition, Interfront provides training services to Employers and Payroll Administrators. This holistic approach aims to meet the ever-evolving needs of stakeholders and maintain the proficiency necessary to support the platform effectively.

Aligns with SARS Strategic Outcomes	Supports SARS Strategic Modernisation Objectives
Make it easy for taxpayers and traders to comply with their obligations. Increase and expand the use of data within a comprehensive knowledge management framework. Modernise systems to provide digital and streamlined online services.	Provide training and support services to Employers and Payroll Administrators. Continuous development and enhancement of the e@syFile platform to meet SARS business and legislative requirements.

Develop, enhance, and expand the e@syFile platform and systems to meet SARS business and legislative requirements: The Annual Performance Target, introduced in the 2023/2024 financial year, has been consistently achieved since its implementation.

Provide training and support services to Employers and Payroll Administrators:
The Annual Performance Target, introduced in the 2024/2025 financial year, was successfully achieved in both the 2024/2025 and 2025/2026 financial years.

OUTCOME	Develop, enhance, and expand the e@syFile platform and systems to meet SARS business and legislative requirements.
OUTPUT	Sprints/Software delivered on time, to specifications and within budget as set out and agreed to in the Work Order (WO).
OUTPUT INDICATOR	Completion Certificates per WO Milestone or signed WO.
REASONS FOR REVISIONS TO THE OUTPUTS/ INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
WO194 e@syFile Employer Re-platform (Phase1) 28 Jun. 2023 (Q1) uploaded v800.00.18 to SARS. 31 Jul. 2023 (Q2) uploaded e@syFile re-platform v22. 2 Aug. 2023 (Q2) uploaded e@syFile re-platform v23. 15 Aug. 2023 (Q2) uploaded e@syFile re-platform v24. 1 Sept. 2023 (Q2) uploaded e@syFile re-platform v25. 18 Sept. 2023 (Q2) uploaded e@syFile re-platform v26.	ACHIEVED	**e@syFile Re-platform** 29 software uploads during support of the QA and pre-prod phase of the project. **CVO194b** delivered between 1 Apr. and 30 Jun. 2024 (Q1). Functional Release containing Modular Update functionality uploaded to SARS 15 Jul. 2024 (Q2). Support Services for QA, Pre-Prod and Go-Live readiness for Modular Update functionality completed 8 Aug. 2024 (Q2). Support Services for QA, Pre-Prod and Go-Live readiness for e@syFile Re-platform functionality completed 2 Aug. 2024 (Q2).	ACHIEVED	PAYE enhancements	**WO348** Design phase 30 May 2025 (Q1). Construction phase 11 Jul. 2025 (Q2). QA pre-prod support phase 18 Sept. 2025 (Q2). Go-Live achieved Sept. 2025 (Q2). Post-Go-Live Support 19 Sept. to 17 Oct. 2025 (Q2 and Q3).	ACHIEVED
5 Oct. 2023 to 7 Dec. 2023 (Q3): 11 releases were uploaded to SARS. The 11 releases included bug fixes and the following functionality: EMP501Submission Full Installer Smart Seach Historical Backup Data.		e@syFile Re-platform deployed to production 16 Aug. 2024 (Q2). Post-Production Support for e@syFile Re-platform completed 2 Sept. 2024 (Q2). Support Services for QA, Pre-Prod and Go-Live readiness for e@syFile Re-platform functionality completed CVO194b on 2 Aug.2024 (Q2). Post-Production Support for e@syFile Re-platform completed. CVO194b completed on 2 Sept. 2024 (Q2).		CR819 PAYE Dashboard Failed Balancing	**WO409** Design phase 30 May 2025 (Q1). Construction phase 18 Jul. 2025 (Q2). QA Pre-Prod Support phase 18 Sept. 2025 (Q2). Go-Live achieved Sept. 2025 (Q2). Post-Go-Live Support 19 Sept. to 17 Oct. 2025 (Q2 & Q3)	

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
11 Jan. 2024 to 28 March 2024 (Q4): 6 releases were uploaded to SARS. The 6 releases included bug fixes and functionality.	ACHIEVED	**WO325 and CVO325-1** Customs Support Docs Update Design and Functional Requirement Specification submitted to SARS 10 Dec. 2024 (Q3). Full Functional Release made available to SARS for deployment and testing at SARS 22 Nov. 2024 (Q3). Client Acceptance completed and deployed to production. 6 Dec. 2024 (Q3). CRQ000000288590 – Production Fix Release 18 Feb.2025 (Q4).	ACHIEVED			
		CVO194b AA88 Third Party Functional Release uploaded to SARS on 11 Apr. 2024 (Q1). Support Services for QA, Pre-Prod and GO-Live readiness for AA88 functionality completed 2 Aug.2024 (Q2). AA88 Functionality deployed to production 16 Aug.2024 (Q2). Post-Production Support for AA88 functionality completed 2 Sept.2024 (Q2). Support Services for QA, Pre-Prod and Go-Live readiness for AA88 functionality completed CVO194b 2 Aug. 2024 (Q2). Post-Production Support for AA88 functionality completed CVO194b 2 Sept. 2024 (Q2).				

AUDITED ACTUAL PERFORMANCE 2023/2024		AUDITED ACTUAL PERFORMANCE 2024/2025		PLANNED ANNUAL TARGET 2025/2026	ACTUAL ACHIEVEMENT 2025/2026	
	ACHIEVED	**W0317 PAYE Employer Reconciliation** Functional Requirement Specification delivered to SARS on 26 Apr. 2024 (Q1). Functional Release uploaded to SARS on 20 Jun. 2024 (Q1). Demo of new Functionality to SARS to enable move to QA and sign off the Completion Certificate for the Functional Release upload on 15 Jul. 2024 (Q2). Deployed to production 13 Sept. 2024 (Q2).	ACHIEVED			
		Support Services for QA, Pre-Prod and Go-Live readiness for Modular Update functionality completed 8 Aug. 2024 (Q2).				

DEVIATIONS 2025/2026 – DEVELOP, ENHANCE AND EXPAND THE E@SYFILE PLATFORM

DEVIATION	REASON FOR DEVIATION
SUP doc upgrade	Moved to 2026/2027 as Customs Docs Rewrite. SARS did not approve the upgrade for implementation in the 2025/2026 financial year, which is a deviation from Planned Target.
Migrate backend from WAS.	Project was not approved for implementation by SARS, which is a deviation from the Planned Target.

OUTCOME	Providing Training and Support Services to Employers and Payroll Administrators.	
OUTPUT	Enhancing the ability to effectively use relevant systems, through successful training sessions, robust support resources, and improved user competency.	
OUTPUT INDICATOR	Tickets Closed/Training Attendance Sheet.	
REASONS FOR REVISIONS TO THE OUTPUTS/ INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.	
AUDITED ACTUAL PERFORMANCE 2023/2024	**New Target from the 2024/2025 financial year**	
AUDITED ACTUAL PERFORMANCE 2024/2025	36 443 tickets logged and closed	120 training sessions conducted
	ACHIEVED	
PLANNED ANNUAL TARGET 2025/2026	All tickets closed within 15 days – Support Services.	Training requests attended to
ACTUAL ACHIEVEMENT 2025/2026	46 183 tickets closed within 15 days	91 training sessions conducted
	ACHIEVED	

INDICATOR 1.4

PROVIDE EFFECTIVE SUPPORT SERVICES TO SARS

SARS Support and Maintenance: To provide continuous support and maintenance for Interfront software 24/7/365 in strict adherence to the SLA. This entails a commitment to promptly address any issues, implement updates, and proactively monitor the system to meet or exceed the SLA's performance benchmarks. Interfront's dedicated team of experts is on standby to ensure the reliability and availability of the Interfront software, minimising downtime and maximising operational efficiency to meet SARS's evolving needs.

Aligns with SARS Strategic Outcomes	Supports SARS Strategic Modernisation Objectives
Make it easy for taxpayers and traders to comply with their obligations. Increase and expand the use of data within a comprehensive knowledge management framework. Modernise systems to provide digital and streamlined online services.	Provide training and support services to Employers and Payroll Administrators. Continuous development and enhancement of the e@syFile platform to meet SARS business and legislative requirements.

CUSTOMS: The Annual Performance Target has been consistently achieved since its introduction in the 2017/2018 financial year.

EFILING & MOBIAPP: The Annual Performance Target was not achieved upon its introduction in the 2022/2023 financial year but has been successfully met over the past three financial years.

E@SYFILE: This objective has been achieved since its introduction in the 2023/2024 financial year.

OUTCOME	Provide effective support services to SARS on: Customs; eFiling, MobiApp and e@syFile.		
OUTPUT	Meeting the service levels for each month of the financial year as contained in the SLA.		
OUTPUT INDICATOR	Monthly SLA reports show that service levels are met.		
REASONS FOR REVISIONS TO THE OUTPUT/INDICATORS/ANNUAL TARGET	No revisions were made to the outputs, indicators, or annual targets.		
AUDITED ACTUAL PERFORMANCE 2023/2024	**Customs:** Meet SLA Targets.	**eFiling and MobiApp:** Meet SLA Targets.	**e@syFile:** Meet SLA Targets.
	ACHIEVED		
AUDITED ACTUAL PERFORMANCE 2024/2025	**Customs:** Meet SLA Targets.	**eFiling and MobiApp:** Meet SLA Targets.	**e@syFile:** Meet SLA Targets.
	ACHIEVED		
PLANNED ANNUAL TARGET 2025/2026	**Customs:** Meet SLA Targets.	**eFiling and MobiApp:** Meet SLA Targets.	**e@syFile:** Meet SLA Targets.
ACTUAL ACHIEVEMENT 2025/2026	**Customs:** SLA Targets met.	**eFiling and MobiApp:** SLA Targets met.	**e@syFile:** SLA Targets met.
	ACHIEVED		

INDICATOR 1.5

PROVIDE EFFECTIVE SUPPORT SERVICES TO OTHER CUSTOMERS BASED ON CONTRACTUAL AGREEMENTS WITH THEM

In line with Interfront's commitment to equitable service delivery and operational excellence, Interfront provides the same level of dedication and support to smaller clients as it does to its larger counterparts. Service level agreements are in place and rigorously upheld, ensuring consistent, high-quality support regardless of client size.

The previous renewal of the ADA agreement expired at the end of December 2024.

ADA: The Annual Performance Target has been achieved on seven occasions and partly achieved twice since the 2017/2018 financial year.

OTHER: The Annual Performance Target was introduced in the 2024/2025 financial year; however, there are currently no additional agreements in place to measure support services. These will be expanded in line with the Expansion objective.

OUTCOME	Provide effective software support services to customers based on Interfront's contractual agreements with them.
OUTPUT	Service Levels are met as contained in Contractual Agreements: ADA and others.
OUTPUT INDICATOR	Reports show that support services as per Interfront's contractual obligations are met.
REASONS FOR REVISIONS TO THE OUTPUT/ INDICATORS/ANNUAL TARGET	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	**ADA:** Meet SLA targets
	ACHIEVED
AUDITED ACTUAL PERFORMANCE 2024/2025	**ADA:** Meet SLA targets
	ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Contract ended Dec. 2024
ACTUAL ACHIEVEMENT 2025/2026	Contract ended Dec. 2024

IDENTIFY **NEW SERVICES AND MODERNISE EXISTING SYSTEMS** THAT MEET/MATCH SARS NEEDS AND PURSUE OPPORTUNITIES

EXPAND INTERFRONT'S SERVICE OFFERINGS TO OTHER GOVERNMENT AGENCIES (OGA) AND CLIENTS-OF-CLIENTS (COC)

PROGRAMME 2

EXPANSION

Interfront aims to broaden its footprint, reaching new markets and clients while strengthening its presence in its core domains. The goal is to strategically grow and expand Interfront's presence in new markets, specifically focusing on expanding its range of services to SARS, other government entities, and the clients of its clients. The goal involves identifying opportunities for service diversification and market penetration while ensuring the sustainability and profitability of such endeavours. Expansion is a key driver for Interfront's long-term risk management and involves careful planning, resource allocation, and risk management to seize promising opportunities for growth and development.



INDICATOR 2.1

IDENTIFY NEW SERVICES AND MODERNISE EXISTING SYSTEMS THAT MEET/MATCH SARS NEEDS AND PURSUE OPPORTUNITIES

Identify and implement new services while modernising existing systems to align with SARS's requirements, actively pursuing opportunities to enhance operational efficiency and drive growth. Interfront aims to become the primary IT partner to SARS by delivering reliable and secure digital platforms, leveraging data to enhance service delivery, promote compliance, ensure data security, and enable efficient tax administration. These efforts are fundamental to supporting SARS's strategic objectives and strengthening its overall capability.

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved since its introduction.

OUTCOME	Identify new services and modernise existing services that meet/match SARS's needs and pursue opportunities.		
OUTPUT	Identification of new services and the modernisation of existing ones to align with SARS's needs, while actively pursuing additional growth opportunities.		
OUTPUT INDICATOR	Quarterly Reports on opportunities identified/WOs where applicable.		
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.		
AUDITED ACTUAL PERFORMANCE 2023/2024	New measure from the 2024/2025 financial year		
AUDITED ACTUAL PERFORMANCE 2024/2025	Biometrics WO286 Work is ongoing; focus on the development milestone with technical demos to SARS.	CVO286-1 The Biometrics project Phase 1 went live in Q3 and was enabled for registration of new eFilers. A second phase commenced in Q4, with the three initiatives for Phase 2 of Biometrics.	Dynamic HTML5 Forms WO291 Month-on-month capacity provided to SARS. CVO291-1 The Interfront Forms team performs both Dynamic and Static forms requirements for SARS. WO288 Expansion of Technical Integrators CVO288-1 Extension of Technical Integrators services
	ACHIEVED		

PLANNED ANNUAL TARGET 2025/2026	Pursue opportunities in the Sales Pipeline/ Conclude WOs for agreed expansion where applicable – e-Invoicing.		Interfront continued to explore opportunities to support SARS on the e-Invoicing initiative under the VAT Modernisation programme through ongoing engagement sessions with the SARS Innovation team. During the year under review, Interfront contributed to the development of a visual demonstrator illustrating potential e-Invoicing network interactions and benefits, while also engaging with Peppol International to gain a better understanding of interoperable network and subscription models. Delays influenced progress in advancing the opportunity in the approval of the VAT Modernisation business case within SARS governance structures, including the need to further assess the impact across broader modernisation programmes. SARS also published an industry white paper on VAT Modernisation during the year, increasing stakeholder awareness of the initiative and its potential economic and compliance benefits. By year-end, the VAT Modernisation business case had been approved, with further exploration and innovation activities expected to continue in the 2026/2027 financial year.
ACTUAL ACHIEVEMENT 2024/2025	Concluded work orders with SARS for the provision of specialised technical resources to support the delivery of various strategic and operational projects.	**WO362** Senior Specialist Integration Designer (Q1–Q4) **WO387** Technical Integrators (Q1–Q4) **WO377** SARS Testers SQM (Q1–Q4) **WO417** Business Analyst for SOQS Team (Q1–Q4) **WO430** – Project Management Services (Q2 & Q3) **WO449** – Tax Specialist – Tax Directive System (Q4). **WO456** – Robotic Process Automation (Q4).	
	ACHIEVED		

DEVIATIONS	
DEVIATION	**REASON FOR DEVIATION**
WO463 Interfront Innovation Hub	Establishing the Interfront Innovation Hub was requested by SARS to benefit SARS modernisation and other government entities – engagement scheduled with SARS Innovation Team in April 2026 to compile an Innovation Project Register.
SARS Commissioner's Market Day	Interfront's participation in the SARS Commissioner's Market Day session in February 2026 provided strong positioning for Interfront in the next phase of the SARS 3.0 modernisation programme.

INDICATOR 2.2

EXPAND INTERFRONT'S SERVICE OFFERINGS TO OTHER GOVERNMENT AGENCIES (OGA) AND CLIENTS-OF-CLIENTS (COC)

This strategic goal aims to broaden Interfront's impact by extending its proven digital service offerings to additional government agencies, as well as to the clients and stakeholders of existing partners such as SARS. In doing so, Interfront seeks to unlock new opportunities, minimise duplication of effort across government entities, and contribute to the delivery of more consistent and streamlined public services. This expansion builds on the strong foundations already in place, allowing greater leverage of existing platforms and technology investments. Ultimately, this strengthens Interfront's position as a trusted digital partner in government, supporting the broader objective of delivering smart, secure, and citizen-focused services.

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved.

OUTCOME	Expanding service offerings to OGAs and CoCs.
OUTPUT	Exploring opportunities outside of SARS to increase market reach and diversify revenue streams.
OUTPUT INDICATOR	Marketing Plan and reporting against the Plan.
REASONS FOR REVISIONS TO THE OUTPUTS/ INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	New Measure from the 2024/2025 financial year
AUDITED ACTUAL PERFORMANCE 2024/2025	Preparation of Marketing plan framework. Market research criteria being determined to formulate an engagement plan for campaigns (Q1). Preparation of Marketing Plan ongoing. Engaging with SARS on opportunities with OGA. DHA engagement (Q2). Preparation of the Marketing Plan ongoing. SARS's strategic relationship with DHA and SARB will enable further opportunities for Interfront (Q3). Marketing Plan prepared (Q4).
	ACHIEVED
PLANNED ACTUAL TARGET 2025/2026	Perform actions against the Marketing Plan: focus on Single- Window Platform engagements.

ACTUAL ACHIEVEMENT 2024/2025	1	**SARS Modernisation and OGA Expansion Opportunities** Interfront strengthened its strategic engagement with SARS through ongoing collaboration across various levels of Interfront, with a focus on identifying opportunities for expanded participation in the SARS Modernisation Programme and potential future work linked to the Single Window Platform. Engagements also explored opportunities to extend services to OGAs, although progress remained dependent on the approval and funding of related modernisation business cases and system enhancements.
	2	**e-Invoicing and Innovation Initiatives** Interfront continued to explore opportunities associated with the SARS VAT Modernisation and e-Invoicing initiative through regular engagements with the SARS Innovation team. Activities included the development of a visual demonstrator showcasing potential e-Invoicing network interactions and benefits, as well as engagements with Peppol International to better understand interoperable network models. The publication of the SARS VAT Modernisation industry white paper further increased stakeholder awareness of the initiative and its potential economic and compliance benefits, with further innovation activities expected to continue in the 2026/2027 financial year.
	3	**Expansion of External Service and Support Opportunities** Expansion of External Service and Support Opportunities Interfront pursued opportunities to expand its service offering beyond its traditional operating environment through engagements relating to the Department of Home Affairs' eHomeAffairs and eVisa solutions. Discussions initially focused on potential technical support and health check services following changes in DHA's service provider landscape and later progressed into subcontracting engagements with BBD. This resulted in Interfront providing targeted support services, including assistance with solution server upgrades, while also creating potential future opportunities leveraging solutions developed for SARS
	4	**Strategic Commercial and Industry Collaboration Initiatives** Interfront continued to expand its commercial and strategic industry presence through engagements within the digital payments and digital identity environments. Direct engagements with JP Morgan relating to the extension of eFiling Payment Services resulted in a signed agreement and further opportunities to engage directly with other banking institutions regarding payment service integrations. In addition, participation in industry forums and engagements with organisations such as SARB, PayInc, and digital identity stakeholders strengthened Interfront's strategic positioning, enhancing Interfront's readiness to participate in future digital payments and digital identity initiatives.
	ACHIEVED	

PROGRAMME 3

NAVIGATING AND EMBRACING RAPID INFORMATION TECHNOLOGY EVOLUTION

This strategic goal reflects Interfront's commitment to remaining at the forefront of the rapidly evolving IT landscape. Interfront actively identifies and embraces emerging technologies, such as AI, automation, advanced analytics, and cybersecurity innovations, to enhance the robustness, relevance, and responsiveness of its products and services. By cultivating dynamic and future-focused skill sets within its workforce, Interfront ensures its teams are equipped to address evolving stakeholder needs with agility and technical excellence.

INDICATOR 3.1

MOVE TO CLOUD TECHNOLOGY INTERNALLY

Interfront aims to strategically migrate appropriate services to the Cloud to enhance scalability, reliability, security, and operational agility. Cloud adoption supports efficient and cost-effective digital service delivery, enabling improved performance, faster innovation, and greater flexibility for crucial platforms such as Customs, eFiling, and e@syFile. Interfront recognises that not all systems are suited to Cloud environments and will therefore continue to adopt a balanced hybrid approach, implementing Cloud solutions where they provide the greatest operational and strategic value.

MOVE TO CLOUD
TECHNOLOGY INTERNALLY

CONTINUOUS **RESEARCH AND DEVELOPMENT**

CONTINUOUS FOCUS ON
TRAINING AND DEVELOPMENT

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved.

OUTCOME	Internally move to Cloud Technology.
OUTPUT	Moving services to the Cloud internally to optimise IT resources, improving flexibility, and reducing cost.
OUTPUT INDICATOR	Cloud Migration Plan/Report against the plan.
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGET	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	**New measure from the 2024/2025 financial year**
AUDITED ACTUAL PERFORMANCE 2024/2025	**Developed the draft Cloud Migration Plan, incorporating current cloud utilisation, ongoing migration initiatives, future migration opportunities, and associated cost considerations (Q1). Finalised the draft Cloud Migration Plan and established Cloud migration tracking mechanisms to monitor implementation progress and alignment with planned deliverables (Q2). Continued implementation of the Cloud Migration Plan, with migration activities progressing in line with approved timelines and monitoring processes (Q3). Successfully implemented the Cloud Migration Plan, with all planned targets for the 2024/2025 financial year achieved (Q4).**
	ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Cloud Migration Plan: Perform/Action against the Plan
ACTUAL ACHIEVEMENT 2025/2026	Interfront continued to implement its three-year Cloud Technology Migration Plan during the year under review, achieving steady progress across planned migration activities and scheduled milestones. The implementation remained aligned to strategic objectives, with ongoing execution of prioritised Cloud migration initiatives aimed at enhancing scalability, reliability, security, and operational agility.
	ACHIEVED

INDICATOR 3.2

CONTINUOUS RESEARCH AND DEVELOPMENT

Interfront is committed to conducting ongoing research into emerging technologies, modern development practices, and innovative approaches within the IT and software development environment, as well as to integrating relevant advancements into both its product offerings and software development lifecycle where appropriate. Through continuous research, skills development, and innovation, Interfront strengthens its ability to remain responsive to evolving technology trends, improve operational efficiency, and deliver sustainable value to SARS and other stakeholders.

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved.

OUTCOME	R&D to investigate new technologies to integrate into various phases of the software development lifecycle.
OUTPUT	Achieving sustained innovation, competitive advantage, and long-term growth by continuously investing in research and development.
OUTPUT INDICATOR	Project Plan to establish a roadmap and action against the plan.
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	New measure from the 2024/2025 financial year
AUDITED ACTUAL PERFORMANCE 2024/2025	R&D Project Plan to be drafted, established, and execution started. ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Project plan to establish a roadmap and action against the plan.
ACTUAL ACHIEVEMENT 2025/2026	During the year under review, Interfront established its Research and Development (R&D) Plan and progressed several strategic innovation initiatives aimed at strengthening technology capability, enhancing development practices, and positioning Interfront for future opportunities. Key activities included Proofs of Concept (POCs) and assessments relating to AI-enabled software development and DevSecOps capabilities, including the use of IBM Watson X for upgrading J2EE projects, GitLab Ultimate and GitLab Duo AI, as well as comparative evaluations of Copilot, Claude AI, and Elastic Search AI capabilities. Additional assessments explored the use of AI tools to support the generation of Functional Requirement Specifications (FRS). Interfront also continued to strengthen its strategic positioning within the Digital Identity environment through the development of demonstrators and the progression of Self-Sovereign Identity (SSI) POCs. Completed Phase 1 POCs successfully demonstrated the issuing, storage, and verification of Verifiable Credentials, including e-Visa credentials and traveller verification scenarios. Building on this foundation, Phase 2 activities focus on broader credential use cases, including hotel guest and voucher credentials, as well as enhanced wallet and verification capabilities. Engagements with specialist vendors also progressed during the year to support the further advancement of these innovation initiatives. ACHIEVED



INDICATOR 3.3

CONTINUOUS FOCUS ON **TRAINING AND DEVELOPMENT**

To sustain excellence in service delivery and innovation, Interfront prioritises continuous training and development across all functional areas. Recognising that a skilled and adaptable workforce is key to executing its strategic objectives, Interfront invests in structured learning pathways, professional development opportunities, and knowledge-sharing initiatives. These efforts ensure that staff are equipped to navigate complex technological environments, support client needs effectively, and embrace new tools and methodologies introduced through ongoing research and development.

This culture of continuous learning strengthens organisational capability and aligns the workforce with Interfront's long-term vision.

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved.

OUTCOME	Advancing individual and collective competencies within the workforce.
OUTPUT	Enhance employee skills, boost productivity, and maintain a competitive edge by continuously focusing on training and development.
OUTPUT INDICATOR	Training Plan and Reports against the Training Plan.
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	**New measure from the 2024/2025 financial year**
AUDITED ACTUAL PERFORMANCE 2024/2025	**Interfront strengthened its competency and skills development framework through the completion of role-based functional and generic competency requirements, supported by the development of a company behavioural competency framework, position profiles, and a skills matrix to identify competency gaps and development priorities.** **To support continuous learning and targeted employee development, Interfront introduced expanded access to online technical and soft skills training courses, implemented quarterly training progress and skills development reporting mechanisms, and enhanced management capability to effectively capture and manage employee development needs within the system.** **ACHIEVED**
PLANNED ANNUAL TARGET 2025/2026	Establish a Training Plan/Action against the Plan.
ACTUAL ACHIEVEMENT 2025/2026	Interfront maintained an up-to-date Training Plan during the year under review through the ongoing identification and assessment of staff training and development requirements aligned to strategic objectives. A technical training provider was confirmed, enabling employees to access online technical training courses, while company-wide AI introductory training and ethics awareness initiatives were also advanced. In addition, Interfront continued the development and refinement of employee career paths, including the review of role entry requirements, skills, and competencies in consultation with line management to support the 2026/2027 Training Plan and Career Paths framework. ACHIEVED

PROGRAMME 4

BECOME AN EMPLOYER OF CHOICE

This goal centres on positioning Interfront as a highly sought-after employer by cultivating a work environment that inspires excellence, loyalty, and fulfilment. Central to this vision is sustained investment in employee growth, recognition, inclusive workplace culture, and career progression, ensuring Interfront attracts and retains a skilled, resilient, and future-ready workforce.

INDICATOR 4.1

RETENTION OF MANAGEMENT TEAM AND STAFF

The effective management and retention of Interfront's human capital remain crucial to Interfront's long-term success, continuity, and sustainability. Interfront recognises the potential loss of skilled and experienced employees as a key business risk, with workforce stability playing an important role in preserving institutional knowledge, supporting consistent service delivery, and maintaining competitiveness.

The retention rate is a key indicator of organisational stability and employee satisfaction, while also contributing to reduced turnover costs and a more engaged workforce. The metric includes permanent employees and long-term contractors, excluding retirements and dismissals.

For the 2025/2026 financial year, the annual target was revised to ≤10%. Although retention below 10% has historically been achieved only on limited occasions, the revised target demonstrates Interfront's continued commitment to workforce stability and its strategic objective of becoming an Employer of Choice.



The Annual Performance Target was set at ≤14% from 2021/2022 up to and including 2024/2025, achieved in two of those four years. For 2025/2026, the target was revised to ≤10%, which was successfully achieved.

OUTCOME	Management Team and Staff Retention Rate.
OUTPUT	Staff turnover figures at the end of the financial year equal or below target.
OUTPUT INDICATOR	Record of staff turnover as provided and verified by the Human Resources Department.
REASONS FOR REVISIONS TO THE OUTPUTS/ INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	**Staff turnover to be ≤14%** **Actual staff turnover: 2.47%**
	ACHIEVED
AUDITED ACTUAL PERFORMANCE 2024/2025	**Staff turnover to be ≤14%** **Actual staff turnover: 4.07%**
	ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Staff turnover to be ≤10%
ACTUAL ACHIEVEMENT 2025/2026	Actual staff turnover: 2.74%
	ACHIEVED
DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2025/2026	No deviations.



INDICATOR 4.2

MAINTAIN AND DEVELOP A SKILLED, DIVERSE AND ENGAGED WORKFORCE

Interfront recognises that developing a skilled, diverse, and engaged workforce is fundamental to its long-term sustainability, competitiveness, and strategic agility. By investing in talent development and fostering an inclusive and supportive work environment, Interfront aims to build a resilient workforce aligned to evolving business and client needs. Employee engagement remains a key performance indicator, reflecting employee satisfaction, motivation, and commitment, while supporting Interfront's strategic objective of becoming an Employer of Choice.

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved.

OUTCOME	Maintain and develop a skilled, diverse, and engaged workforce.
OUTPUT	Staff Engagement figure above baseline.
OUTPUT INDICATOR	Employee Engagement Surveys/Actions/Pulse Check.
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	**New target from the 2024/2025 financial year.**
AUDITED ACTUAL PERFORMANCE 2024/2025	**Interfront continued to implement employee engagement, leadership development, and organisational culture initiatives during the year under review. Activities included pulse surveys, personality and team role assessments, emotional intelligence assessments, coaching sessions, leadership development programmes, and psychometric evaluations to support recruitment and employee development.** **Employee engagement and change management initiatives were further strengthened through workshops, awareness activities, competency assessments, and organisational culture events aimed at fostering collaboration, engagement, and improved individual performance.**
	ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Employee Engagement Surveys/Actions/Pulse Check.
ACTUAL ACHIEVEMENT 2025/2026	Interfront continued to strengthen its performance management, leadership development, and team effectiveness initiatives during the year under review. The Signify performance management system and active Personal Development Plans (PDPs) were implemented to support employee development and performance improvement, while employee engagement and hybrid work surveys were conducted to inform organisational enhancement initiatives. Leadership Development Workshops for Team Leads were successfully delivered across both Cape Town and Gauteng, complemented by team development workshops for various operational teams to strengthen collaboration, capability development, and overall team effectiveness.
	ACHIEVED

INDICATOR 4.3

GROW A CENTRE OF EXCELLENCE

Interfront is committed to developing a Centre of Excellence that promotes industry-leading expertise, innovation, and best practices, while strengthening its position as a recognised leader in the IT sector. Central to this objective is the continued investment in the Bursar and Graduate Internship Programme, which supports skills development, transformation, and the cultivation of future technical and leadership talent. Through mentorship, practical exposure, and continuous learning, the programme contributes to sustainable human capital development and strengthens Interfront's long-term capability to meet evolving client and industry needs.

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved.

OUTCOME	Cultivate a pipeline of skilled, future-ready talent through a Graduate Internship Programme.
OUTPUT	The successful establishment of a Centre of Excellence, with 80% of graduates appointed and transitioned into the workplace.
OUTPUT INDICATOR	Contracts concluded.
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	**New target from the 2024/2025 financial year.**
AUDITED ACTUAL PERFORMANCE 2024/2025	**5 graduates started in Feb. 2025.** **100% of the 2023 graduates received contracts to transition to permanent roles in Apr. 2025.**
	ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Appoint and transition 80% of the graduates into the workforce.
ACTUAL ACHIEVEMENT 2025/2026	89% of 2024 graduates appointed in permanent roles April 2026.
	ACHIEVED

INDICATOR 4.4

DEVELOP AND IMPLEMENT A MULTI-DIRECTIONAL COMMUNICATION PLAN

Interfront's Multi-Directional Stakeholder Communication Plan aims to foster a transparent, inclusive, and collaborative communication environment that strengthens engagement, trust, accountability, and organisational alignment. By promoting open communication across all levels of Interfront, the plan supports informed decision-making, effective change management, employee engagement, and a high-performing organisational culture aligned to Interfront's strategic objectives.

The Annual Performance Target, introduced in the 2024/2025 financial year, has been successfully achieved.

OUTCOME	Improving communication flow to enhance collaboration and teamwork.
OUTPUT	Multi-Directional Communication Plan and execute against the plan.
OUTPUT INDICATOR	Multi-Directional Communication Plan.
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	New target from the 2024/2025 financial year.
AUDITED ACTUAL PERFORMANCE 2024/2025	Plan approved and execution started.
	ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Prepare and execute Multi-Directional Communication Plan.
ACTUAL ACHIEVEMENT 2025/2026	The Multi-Directional Communication Plan was successfully implemented and continuously refined through iterative updates as new stakeholders were identified and engagement requirements evolved. The plan remained actively executed throughout the reporting period, supporting ongoing stakeholder communication and collaboration objectives.
	ACHIEVED

CLEAN ADMINISTRATION

> Interfront seeks to enhance the integrity, transparency, and accountability of its operations.”

PROGRAMME 5

DEMONSTRATE RESPONSIBLE RESOURCE STEWARDSHIP

By continuously striving for excellence in governance and financial management, Interfront seeks to enhance the integrity, transparency, and accountability of its operations. This commitment not only increases the likelihood of consistently obtaining and maintaining a clean audit opinion but also fosters trust and confidence among key stakeholders. Responsible resource stewardship encompasses the prudent, ethical, and sustainable use of financial, human, and technological resources, supported by robust internal controls and sound budgeting practices.



INDICATOR 5.1

CLEAN ADMINISTRATION

Achieving and maintaining clean administration remains fundamental to Interfront's commitment to integrity, accountability, sound governance, and compliance with applicable legislative and regulatory requirements. Through strong governance structures, effective internal controls, ethical leadership, and continuous monitoring, Interfront aims to safeguard public resources, mitigate risks, and maintain stakeholder confidence while supporting long-term organisational sustainability.

The 2025/2026 financial year marked Interfront's 15th consecutive unqualified audit opinion on its Annual Financial Statements. Of these, Interfront achieved a clean audit outcome for nine consecutive years and 14 years in total.

OUTCOME	Clean Audit Report.
OUTPUT	Clean Audit Report.
OUTPUT INDICATOR	Report from the AGSA.
REASONS FOR REVISIONS TO THE OUTPUTS/INDICATORS/ANNUAL TARGETS	No revisions were made to the outputs, indicators, or annual targets.
AUDITED ACTUAL PERFORMANCE 2023/2024	Clean audit outcome
	ACHIEVED
AUDITED ACTUAL PERFORMANCE 2024/2025	Clean audit outcome
	ACHIEVED
PLANNED ANNUAL TARGET 2025/2026	Clean Audit Report for 2024/2025
ACTUAL ACHIEVEMENT 2025/2026	Clean audit outcome
	ACHIEVED

BUDGET VS ACTUAL EXPENDITURE BY STRATEGIC OBJECTIVE

Objective	2024/2025			2025/2026		
	Budget (R)	Actual (R)	Over/(Under)	Budget (R)	Actual (R)	Over/(Under)
Continual Innovation and Client-Centricity	177 914 693	189 164 760	(11 250 067)	220 264 864	215 510 844	4 754 020
Expansion	5 559 834	5 911 399	(351 565)	6 883 277	6 734 714	148 563
Navigating and Embracing Rapid IT Evolution	5 559 834	5 911 399	(351 565)	6 883 277	6 734 714	148 563
Become Employer of Choice	16 679 502	17 734 196	(1 054 694)	20 649 831	20 204 142	445 689
Responsible Resource Stewardship	16 679 502	17 734 196	(1 054 694)	20 649 831	20 204 142	445 689

REVENUE BUDGET VS ACTUAL BY CLIENT

		SARS	LUXEMBOURG (ADA)	OTHER
2023/2024	BUDGET REVENUE	186 602 830	16 861 575	5 297 709
	ACTUAL AMOUNT RECEIVED	192 549 415	19 360 309	3 918 407
	OVER/(UNDER)	5 946 585	2 498 734	(1 379 303)
2024/2025	BUDGET REVENUE	198 521 683	14 786 475	4 166 000
	ACTUAL AMOUNT RECEIVED	222 191 618	14 630 592	5 219 329
	OVER/(UNDER)	23 669 935	(155 883)	1 053 329
2025/2026	BUDGET REVENUE	270 263 891	0	4 893 355
	ACTUAL AMOUNT RECEIVED	284 251 980	0	5 601 347
	OVER/(UNDER)	13 988 089	0	707 992



GOVERNANCE

C

01 Introduction
02 Portfolio Committees
03 Executive Authority
04 Interfront Board
05 Board Committees
06 Audit and Risk Committee
07 Remuneration, Social and Ethics Committee
08 Amendments to the Companies Act
09 Executive Committee (EXCO)
10 Remuneration of Board Members
11 Risk Management
12 Internal Control Environment
13 Internal Audit
14 Ethics and Compliance
15 Health, Safety and Environment
16 Company Secretary
17 B-BBEE
18 Social Responsibility
19 ICT Governance
20 Conclusion
21 Audit Committee Report

01 Introduction

Interfront remains committed to maintaining high standards of corporate governance, ethical leadership, accountability, transparency, and regulatory compliance in support of its mandate as a wholly owned subsidiary of SARS.

The Board of Directors, supported by its committees and management structures, continued to provide strategic oversight and governance leadership during the 2025/2026 financial year to ensure organisational sustainability, operational effectiveness, sound financial management, effective risk oversight, and alignment with the strategic priorities of SARS.

During the reporting period, Interfront continued strengthening its governance environment through ongoing governance reviews, enhanced internal control and risk management processes, cybersecurity and technology oversight, ethics management, and continued alignment with evolving legislative and governance requirements applicable to Schedule 3A public entities.

The sections below provide an overview of Interfront's governance structures, oversight processes, compliance environment, and governance activities undertaken during the financial year.



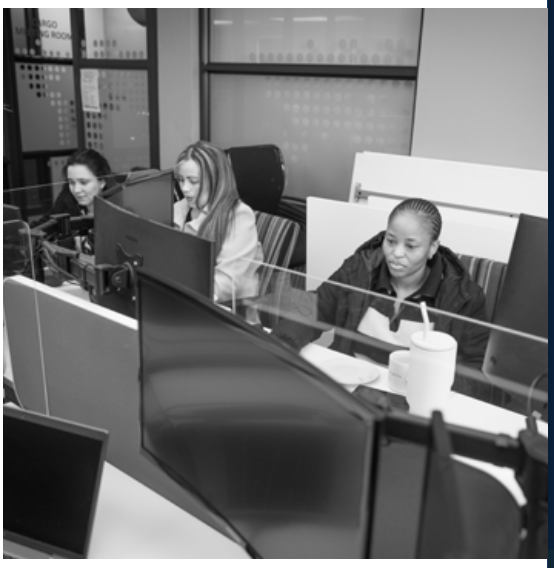
02 Portfolio Committees

As a Schedule 3A public entity and wholly owned subsidiary of SARS, Interfront forms part of the broader public sector accountability framework applicable to SARS.

Governance, financial management, accountability, and audit outcome oversight take place through the parliamentary oversight structures applicable to SARS, including the Standing Committee on Public Accounts (SCOPA).

Interfront's governance, planning, reporting, and operational activities remain aligned with SARS's broader strategic objectives relating to revenue administration, customs modernisation, digital transformation, and taxpayer service delivery.



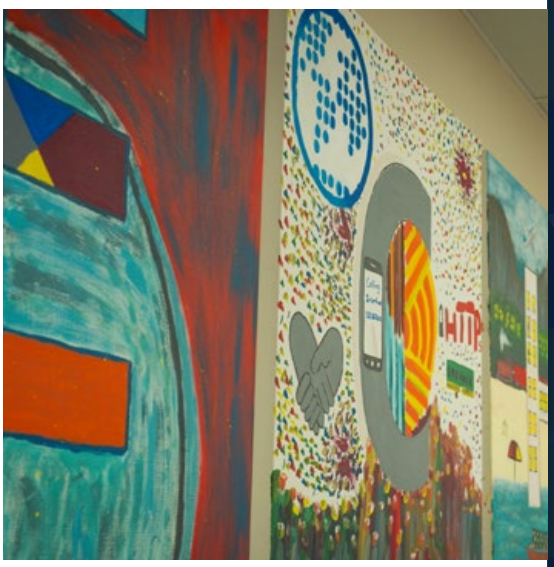


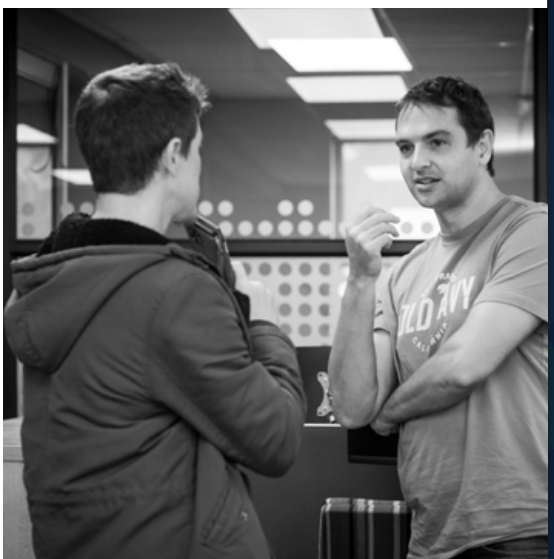
03 Executive Authority

Interfront operates within the governance framework established by the Public Finance Management Act (PFMA), the Companies Act, and Interfront's own Memorandum of Incorporation (MOI), with the Shareholder's oversight exercised through the Commissioner of SARS in the capacity of Shareholder Representative.

The appointment and renewal of Board members are undertaken in accordance with the Companies Act and the MOI to ensure an appropriate balance of governance, financial, operational, legal, and technology expertise required to support effective oversight of Interfront.

The Board continues to provide strategic direction, governance oversight, and accountability in support of Interfront's mandate and long-term sustainability.





04 Interfront Board

The Board of Directors serves as the accounting authority of Interfront and remains responsible for providing strategic oversight, governance leadership, and effective control over the affairs of Interfront.

During the 2025/2026 financial year, the Board maintained oversight of organisational performance, financial sustainability, governance, risk management, technology modernisation initiatives, operational resilience, and alignment with SARS's strategic priorities.

The Board continued to discharge its responsibilities through structured governance processes, regular engagement with management, and oversight exercised through its Board Committees.

The Board remained committed to ethical leadership, accountability, transparency, and responsible corporate governance throughout the reporting period.

4.1 ROLE OF THE BOARD

The Board's primary responsibilities include:

- Providing strategic direction and oversight
- Approving the Strategic Plan, Annual Performance Plan, and budget
- Overseeing financial management and financial reporting
- Monitoring organisational performance and accountability
- Overseeing risk management, internal controls, and governance processes
- Overseeing technology governance, cybersecurity, and operational resilience
- Monitoring compliance with applicable legislation and governance requirements
- Overseeing executive management performance and succession planning
- Promoting ethical leadership, transparency, and responsible corporate citizenship.

4.2 TERMS OF REFERENCE

The Board's Terms of Reference define the governance framework, responsibilities, authority, composition, and operational procedures.

During the 2025/2026 financial year, the Board undertook a comprehensive review of its Terms of Reference to ensure continued alignment with the Companies Act, PFMA, Treasury Regulations, King V principles, and evolving governance requirements applicable to Schedule 3A public entities. The Board approved the revised Terms of Reference in March 2026.

The review process focused on strengthening

- Governance oversight and accountability
- Technology and cybersecurity governance
- Board and Committee governance relationships
- Director independence and governance effectiveness
- Delegation and accountability arrangements
- Governance alignment with evolving operational and regulatory requirements.

The amendments strengthened governance maturity and oversight clarity without materially altering the Board's mandate or fiduciary responsibilities.

4.3 BOARD WORK PLAN

The Board approved its annual Work Plan for the 2025/2026 financial year to support structured governance oversight and coordinated reporting throughout the reporting period. Key matters considered by the Board during the year included:

- Executive Directors' performance assessments and remuneration recommendations
- Board independence and governance assessments
- Review and approval of governance policies and frameworks
- Oversight of the Annual Report and Annual Financial Statements
- Review of Internal Audit reports and Audit and Risk Committee feedback
- Review and approval of updated Board and Committee Terms of Reference.

Internal audit reports considered by the Board included:

- Work Order Management
- Business Continuity and Disaster Recovery
- Audit of Predetermined Objectives
- Endpoint Management.

4.4 BOARD COMPOSITION

The Board comprised a balanced mix of executive, non-executive, and independent Non-Executive Directors during the 2025/2026 financial year.

Following changes during the reporting period, the Board composition consisted of:

- Three independent Non-Executive Directors, including the Chairperson
- Two Non-Executive Directors
- Two Executive Directors.

The reporting period was marked by the passing of John Robertson in December 2025 following more than 14 years of dedicated service to Interfront as Operations Director. John made a significant contribution to the growth, operational development, and strategic evolution of Interfront. He remained associated with Interfront in an advisory capacity following his retirement to support knowledge retention and operational continuity.

During the reporting period, Herman Smith resigned as Non-Executive Director, with his resignation formally accepted by the Board in March 2026. The Board expresses its appreciation for his contribution and service to Interfront.

The Board continues to maintain an appropriate balance between executive, non-executive, and independent oversight to support sound governance and objective decision-making.

The roles of Chairperson and Acting Managing Director remain separate to support effective governance and accountability.

BOARD MEMBERS SERVING DURING THE 2025/2026 FINANCIAL YEAR



MUSTAQ AHMED ENUS-BREY

NON-EXECUTIVE, INDEPENDENT CHAIRPERSON

Date appointed: 18 Oct. 2011

Active

Qualifications
Chartered Accountant

Area of expertise
Finance, Governance, Management

Board directorships
See Annexure A

Other committees
Remuneration, Social and Ethics Committee

No. of meetings attended: 4/4



GUSTAV VERMAAS

NON-EXECUTIVE, INDEPENDENT DIRECTOR

Date appointed: 13 Jun. 2023

Active

Qualifications
BCom Accounts II, Computer Science III, Business Economics III

Area of expertise
Governance Management Programme Management Business Effectiveness IT

Board directorships
MTC Maris (Pty) Ltd – 100% subsidiary of MTC Mobile Telecommunications Limited

Other committees
Chairperson: Remuneration, Social and Ethics Committee

No. of meetings attended: 4/4



ANTON ROELOFSE

NON-EXECUTIVE, INDEPENDENT DIRECTOR

Date appointed: 17 Jan. 2025

Active

Qualifications
BCom Honours in Business Administration

Area of expertise
Finance Risk-Based Funding Strategic Planning Professional Networking Advanced Negotiation

Board directorships: N/A

Other committees: N/A

No. of meetings attended: 4/4



HERMAN SMITH

NON-EXECUTIVE DIRECTOR

Date appointed: 10 Oct. 2019

Date resigned: 19 Mar. 2026

Qualifications
Postgraduate Diploma in Management Practice (PG Dip) NQF Level 8

Area of expertise
Governance Management Programme Management Business Effectiveness IT

Board directorships: N/A

Other committees: N/A

No. of meetings attended: 2/4

BOARD MEMBERS SERVING DURING THE 2025/2026 FINANCIAL YEAR



VONANI NTLHABYANE

NON-EXECUTIVE DIRECTOR

Date appointed: 10 Oct. 2019

Active

Qualifications
BCom (Hons)

Area of expertise
Governance, Management, IT, Supply Chain Management

Board directorships: N/A

Other committees
Remuneration, Social and Ethics Committee

No. of meetings attended: 3/4



ERICK SMITH

NON-EXECUTIVE DIRECTOR

Date appointed: 14 Jun. 2022

Active

Qualifications
BProc LLB

Area of expertise
Legal

Board directorships: N/A

Other committees: N/A

No. of meetings attended: 4/4



LEILANIE JANSE VAN RENSBURG

ACTING MANAGING DIRECTOR AND FINANCIAL DIRECTOR

Date appointed: 1 Oct. 2011

Active

Qualifications
Chartered Accountant

Area of expertise
Governance, Finance, Management, Procurement

Board directorships
Child at Heart NGO
Harbour Island Master Homeowners Association

Other committees
Permanent invitee:
Remuneration, Social and Ethics Committee SARS / Interfront Audit and Risk Committee, Interfront EXCO – Chairperson

No. of meetings attended: 4/4



JOHN MCLAREN ROBERTSON

OPERATIONS DIRECTOR UNTIL 31 JAN. 2024 / EXECUTIVE DIRECTOR EFFECTIVE 1 APR. 2025

Date appointed: 1 Oct. 2011

Date resigned: Deceased 11 Dec. 2025

Qualifications
Advanced Business Process Management (Adv BPM)

Area of expertise
Governance, Management, IT, System Integration

Board directorships: N/A

Other committees
Permanent invitee:
Remuneration, Social and Ethics Committee
SARS / Interfront Audit and Risk Committee
Interfront EXCO

No. of meetings attended: 3/4

BOARD MEMBERS SERVING DURING THE 2025/2026 FINANCIAL YEAR



DANIE DE KOCK

OPERATIONS DIRECTOR

Date appointed:
1 Apr. 2025

Active

Qualifications
Postgraduate Diploma in Future Studies
Master of Business Leadership (MBL) BSc
Honours (Informatics) BSc (Computer Science)

Area of expertise
Governance, Finance,
IT Strategic Planning

Board directorships: N/A

Other committees
Permanent invitee:
Remuneration, Social and
Ethics Committee SARS / Interfront Audit and
Risk Committee, Interfront EXCO

No. of meetings attended:
4/4#



MADELEIN PEPPERELL

COMPANY SECRETARY

Date appointed:
13 Jul. 2017

Active

Qualifications
LLB,
Associate Member of the
Chartered Governance Institute
of Southern Africa

Area of expertise
Governance, Legal, Compliance, Risk

Board directorships: N/A

Other committees
Remuneration, Social and Ethics Committee

Permanent Invitee:
SARS / Interfront Audit and Risk Committee,
Interfront EXCO

No. of meetings attended:
4/4

 # Danie De Kock joined the Interfront Board as a permanent invitee in October 2024 as Operations Director elect and was appointed as Operations Director on 1 April 2025.

PERMANENT INVITEES TO THE BOARD

Carl Scholtz, Deputy Commissioner: Enterprise Strategy, Enablement and Modernisation at SARS, continued to serve as a permanent invitee to the Board during the reporting period. His participation strengthens strategic alignment between SARS and Interfront, particularly in relation to enterprise strategy and modernisation initiatives.

Nombulelo Mohoto, Head of Human Resources, continued to attend Board and Remuneration, Social and Ethics Committee meetings for Human Resources-related matters. In support of succession planning and capability development within the Human Resources function, Nadine Hector-Moses, Assistant Human Resources Manager, also attended relevant sections of these meetings. Attendance by Human Resources representatives at Board meetings is limited to Human Resources agenda items only.

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05 Board Committees

The Board Committees continue to support the Board in fulfilling its governance, oversight, assurance, and accountability responsibilities.

Each Committee operates in accordance with formally approved Terms of Reference that define its mandate, authority, composition, responsibilities, and reporting obligations.

During the reporting period, the Terms of Reference of Board Committees continued to be reviewed and refined to ensure alignment with evolving legislative requirements, governance developments, and organisational priorities.

“The Board Committees continue to support the Board in fulfilling its governance, oversight, assurance, and accountability responsibilities.”

06 Audit and Risk Committee

The combined Interfront/SARS Audit and Risk Committee continued to provide independent oversight of financial reporting, governance, risk management, internal control, compliance, and assurance processes during the 2025/2026 financial year.

The Committee comprises independent members with appropriate governance, financial, audit, risk management, and public sector expertise.

During the reporting period, the Committee:

- Reviewed the Annual Financial Statements prior to Board approval
- Monitored the effectiveness of internal controls and risk management processes
- Considered Internal Audit and AGSA reports and findings
- Monitored strategic and operational risks
- Oversaw combined assurance activities.

Internal Audit, performed by SARS Internal Audit, continued providing independent assurance to the Committee regarding governance, risk management, and internal control processes.

AGSA attended Committee meetings and engaged directly with the Committee on audit planning, audit findings, and governance matters arising from the audit process.

The Terms of Reference of the Committee were reviewed and updated during the reporting period to strengthen governance oversight and assurance coordination.



07 Remuneration, Social and Ethics Committee

The Remuneration, Social and Ethics Committee continued supporting the Board in overseeing remuneration governance, human capital management, ethics, organisational culture, social responsibility, and transformation matters during the 2025/2026 financial year.

7.1 REMUNERATION RESPONSIBILITIES

During the reporting period, the Committee considered:

- Executive Directors' performance assessments and performance agreements
- Annual remuneration recommendations
- Remuneration governance and reporting
- Succession planning and leadership continuity
- Human capital reporting and workforce statistics
- Skills development and talent management initiatives
- Employee well-being and labour-related matters.

The Committee also reviewed the amended Leave Policy and monitored broader labour and employment-related governance matters.

7.2 SOCIAL AND ETHICS RESPONSIBILITIES

The Committee continued overseeing:

- Ethics and whistleblowing processes
- Employment Equity compliance
- Skills development initiatives
- Health and safety matters
- Organisational culture and employee engagement
- Social and economic development initiatives.

The Committee continued receiving whistleblowing reports from the independent external whistleblowing service provider. No material reportable incidents were raised during the reporting period.

The Chairperson of the Committee, together with the Company Secretary, Acting Managing Director, and Operations Director, continued receiving monthly whistleblowing reports to support ongoing ethics oversight and governance monitoring.

The Terms of Reference of the Committee were reviewed and approved by the Board on 19 March 2026 to strengthen alignment with evolving remuneration governance and disclosure requirements arising from the Companies Amendment legislation.

REMUNERATION, SOCIAL AND ETHICS COMMITTEE COMPOSITION AND ATTENDANCE

NAME	TITLE	MEETING ATTENDANCE
Gustav Vermaas	Independent, Non-Executive Director/Chairperson	2/2
Mustaq Enus-Brey	Independent, Non-Executive Director	2/2
Vonani Ntlhabyane	Non-Executive Director	2/2
Erick Smith	Non-Executive Director	2/2
Madelein Pepperell	Company Secretary	2/2

Permanent invitees to the Committee comprise the Acting Managing Director / Financial Director, the Operations Director, and the Head: Human Resources.

08 Amendments to the Companies Act

Interfront continued monitoring developments arising from the Companies Amendment Act No. 16 of 2024 and the Companies Second Amendment Act No. 17 of 2024 during the reporting period.

As part of governance readiness initiatives, Interfront reviewed governance frameworks, Board Committee Terms of Reference, and Committee Work Plans to support alignment with evolving governance and remuneration disclosure requirements introduced by the amendments.

Interfront will continue monitoring the phased implementation of the remaining legislative provisions to ensure ongoing compliance and governance alignment.

09 Interfront Executive Committee (EXCO)

The Executive Committee continued providing strategic and operational leadership in support of Interfront's mandate and strategic objectives during the 2025/2026 financial year.

The matrix management structure introduced during the previous reporting period continued to mature and support improved operational integration, collaboration, customer-centric service delivery, and organisational agility.

The Senior Managers for Shared Services, Custom Solutions, and Tax Solutions continued serving as members of EXCO during the reporting period.

The Executive Committee remained responsible for oversight of:

- Operational performance and service delivery
- Strategic and modernisation initiatives
- Financial and resource management
- Governance, compliance, and risk management
- Cybersecurity and operational resilience
- Organisational development and human capital matters
- Innovation and continuous improvement initiatives.

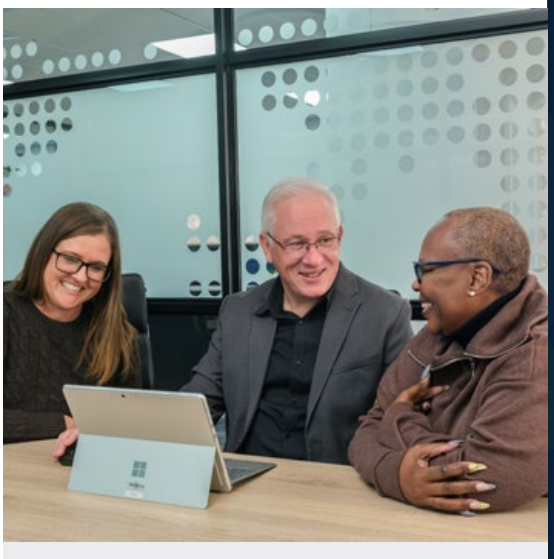
EXCO continued operating through weekly operational engagements to support effective coordination, decision-making, and organisational alignment.

Following a full year of implementation of the expanded EXCO structure, the Executive Committee Terms of Reference are currently undergoing further review to ensure continued alignment with the evolving operational environment and organisational structure.









EXCO MEETING ATTENDANCE

NAME	TITLE	MEETING ATTENDANCE
Leilanie Janse van Rensburg	Financial Director / Acting Managing Director	40/40
John Robertson	Operations Director	24/40
Samuel Mtsweni	Head: Operations & Maintenance	40/40
Nombulelo Mohoto	Head: Human Resources	40/40
Madelein Pepperell	Head: Legal Advisor & Company Secretary	39/40
Warren Barratt	Head: Business Development & Innovation	37/40
Danie de Kock	Operations Director	40/40
Linda Hunkin	Senior Manager: Tax	36/40
Jason Bain	Senior Manager: Customs	36/40
Terence Fry	Senior Manager: Shared Services	37/40



10 Remuneration of Board Members

Interfront continues to apply the remuneration framework prescribed by National Treasury for independent Non-Executive Directors serving on the Board and its Committees. In accordance with applicable public sector governance requirements, remuneration payable to independent Non-Executive Directors remains subject to approval by the Minister of Finance to ensure alignment with principles of fairness, transparency, accountability, and responsible stewardship of public resources.

During the 2025/2026 financial year, Mustaq Enus-Brey, Gustav Vermaas, and Anton Roelofse received remuneration in accordance with the approved National Treasury remuneration framework applicable to independent Non-Executive Directors.

Erick Smith also became eligible to receive remuneration during the reporting period following the cessation of his employment relationship with the Shareholder. His remuneration was applied in accordance with the approved National Treasury rates applicable to Non-Executive Directors.

Non-Executive Directors who are employees of SARS in its capacity as Shareholder do not receive remuneration from Interfront for their participation on the Board or its Committees. This approach supports good governance practices, avoids potential conflicts of interest, and reinforces the integrity and independence of Board oversight processes.

NAME	MEMBER FEES (R)	COMMITTEE FEES (R)	TOTAL (R)
Mustaq Enus-Brey	16 825	3 507	20 332
Anton Roelofse	12 024	–	12 024
Erick Smith	11 523	3 507	15 030
Gustav Vermaas	11 523	4 711	16 234

The remuneration paid to the Executive Directors is set out in Part F: Financial Information

> The Board and the combined Interfront/SARS Audit and Risk Committee continued receiving regular reports on strategic and operational risks during the reporting period."

11 Risk Management

Interfront continues to maintain an integrated enterprise risk management approach aimed at supporting organisational resilience, informed decision-making, operational continuity, and achievement of strategic objectives.

Risk oversight is coordinated through the Risk Management Forum comprising members of the Executive Committee and senior management representatives. The Forum oversees enterprise-wide risk identification, assessment, monitoring, mitigation, and reporting processes across Interfront.

Business units conduct annual operational risk assessments, which are consolidated into the organisational Risk Register and aligned with the Annual Performance Plan and strategic objectives.

The Board and the combined Interfront/SARS Audit and Risk Committee continued receiving regular reports on strategic and operational risks during the reporting period.

Particular focus during the year remained on:

- Cybersecurity and information security risks
- Operational resilience and disaster recovery
- Delivery and resource constraints
- Cloud migration and technology modernisation risks
- Knowledge retention and succession risks
- Evolving digital and operational risks.

During the reporting period, Interfront continued reviewing and refining its Risk Management Policy, Framework, and supporting governance processes to strengthen alignment with evolving governance requirements and operational maturity.

12 Internal Control Environment

Interfront maintains an integrated system of internal controls embedded throughout Interfront to support governance, accountability, operational effectiveness, compliance, and financial integrity.

The internal control environment incorporates:

- Governance oversight structures
- Delegated authority controls
- Financial and operational controls
- Risk management processes
- Project governance controls
- Information security and cybersecurity controls
- Business continuity arrangements
- Management oversight and monitoring activities.

Internal controls continued to be strengthened during the reporting period through governance reviews, cybersecurity enhancements, operational monitoring, and ongoing assurance activities.

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13 Internal Audit

Interfront continues to utilise the Internal Audit function of SARS through a shared assurance arrangement.

Internal Audit provides independent assurance regarding the adequacy and effectiveness of governance, risk management, and internal control processes.

During the reporting period, Internal Audit reviews included:

- Work Order Management
- Business Continuity and Disaster Recovery
- Audit of Predetermined Objectives
- Endpoint Management.

Internal Audit findings and recommendations continued to be monitored by management and the Audit and Risk Committee.

14 Ethics and Compliance

Interfront remains committed to maintaining high standards of ethical conduct, integrity, accountability, and regulatory compliance.

Interfront continued monitoring compliance with applicable legislation, governance requirements, policies, and regulatory obligations relevant to Schedule 3A public entities and technology service environments.

During the reporting period, governance enhancement initiatives included:

- Review and update of Board and Committee Terms of Reference
- Review of governance policies and frameworks
- Updates to the Policy on Performance Information and related procedures
- Review of the Risk Management Policy and Framework
- Review of labour and employment-related policies
- Governance alignment initiatives arising from the Companies Amendment legislation.

14.1 FRAUD AND CORRUPTION

Interfront maintains a zero-tolerance approach to fraud, corruption, unethical conduct, and maladministration.

Interfront maintains a Fraud Prevention Policy and Fraud Prevention Strategy aimed at supporting the prevention, detection, reporting, and management of fraud and corruption risks.

During the latter part of the 2025/2026 financial year, Interfront commenced a comprehensive review of its Fraud Prevention Strategy, Fraud Prevention Policy, and related governance documentation to strengthen alignment with evolving governance requirements, digital operating environments, and emerging fraud and cybersecurity risks.

Interfront continued utilising an independent external whistleblowing service provider to administer confidential whistleblowing reporting channels.

No material incidents of fraud or corruption were reported during the reporting period.

14.2 CONFLICT OF INTEREST

Interfront maintains formal governance processes for the disclosure, assessment, and management of actual, potential, and perceived conflicts of interest involving directors, employees, and service providers.

Annual declarations of interest continued to be completed and monitored during the reporting period.

Where conflicts are identified, appropriate mitigation measures are implemented to protect the integrity and objectivity of decision-making processes.

14.3 CODES OF CONDUCT

Interfront continues promoting ethical conduct, professionalism, accountability, and responsible corporate citizenship through its Code of Ethics and Conduct and related governance policies.

Interfront also maintains a Supplier Code of Conduct aimed at promoting ethical procurement practices, transparency, compliance, and responsible supplier conduct.

During the reporting period, the Supplier Code of Conduct undertaking and Gift Policy were reviewed and updated as part of broader governance enhancement initiatives.

> “Interfront continues promoting ethical conduct, professionalism, accountability, and responsible corporate citizenship through its Code of Ethics and Conduct and related governance policies.”

15 Health, Safety and Environment

Interfront remains committed to maintaining a safe, healthy, secure, and environmentally responsible working environment.

The Health and Safety Committee continued overseeing compliance with the Occupational Health and Safety Act and promoting workplace safety and well-being across Interfront.

Quarterly health and safety inspections continued during the reporting period, with reports submitted to the Head: Legal Advisor and Company Secretary in her capacity as the Section 16(2) appointee.

Interfront further continued implementing environmentally responsible operational practices, including:

- Responsible disposal and recycling of IT equipment
- Reduction of paper-based processes through digitalisation and automation
- Secure destruction and environmentally responsible disposal of confidential documentation.

16 Company Secretary

The Company Secretary continued supporting effective governance, compliance, Board administration, and governance oversight across Interfront.

Key responsibilities during the reporting period included:

- Governance advisory support to the Board and Committees
- Coordination of Board and Committee meetings
- Oversight of governance frameworks and governance documentation
- Monitoring governance compliance obligations
- Oversight of statutory and governance reporting processes
- Governance policy reviews and updates
- Support relating to ethics, conflict-of-interest, and governance monitoring processes.

The Company Secretary further supported governance enhancement initiatives undertaken during the reporting period, including updates to governance frameworks, Terms of Reference, and governance-related policies.

DECLARATION BY THE COMPANY SECRETARY

I, the undersigned, Madelein Pepperell, in my capacity as Company Secretary, certify that Interfront has lodged with the Companies and Intellectual Property Commission all such returns as are required of Interfront in terms of the Companies Act and that all such returns are, to the best of my knowledge and belief, true, correct, and up to date.



M. PEPPERELL
Head: Legal Advisor and Company Secretary
31 July 2026

17 Broad-Based Black Economic Empowerment (B-BBEE)

As a wholly owned subsidiary of SARS, Interfront continues operating under SARS's B-BBEE certification framework for procurement and compliance purposes.

Interfront remains committed to supporting transformation, inclusive economic participation, skills development, employment equity, and responsible corporate citizenship.

CRITERIA	YES/NO	DISCUSSION
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	N/A	Not relevant
Developing and implementing a preferential procurement policy?	Yes	Interfront applies a preferential procurement policy in line with SARS's B-BBEE framework.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	Not relevant
Developing criteria for entering a partnership with the private sector?	N/A	Not relevant
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad-Based Black Economic Empowerment?	N/A	Not relevant

18 Social Responsibility

Interfront continues contributing towards socio-economic development, youth empowerment, and ICT skills development through its bursary and graduate development initiatives.

The Bursary Programme continued supporting students pursuing qualifications aligned with Interfront's operational and strategic requirements within the ICT sector.

The Graduate Internship Programme continued providing workplace exposure, mentorship, technical development, and employment opportunities to graduates within a specialised software development environment.

These initiatives continue supporting:

- Youth development
- Transformation and inclusion
- ICT skills development
- Workplace readiness
- Long-term socio-economic upliftment.

19 Information and Communication Technology Governance

Interfront continued strengthening ICT governance, cybersecurity oversight, operational resilience, and technology modernisation initiatives during the reporting period.

Focus areas included:

- Cloud migration readiness
- Cybersecurity and endpoint management
- Disaster recovery and operational resilience
- DevSecOps and automation initiatives
- Technology governance enhancement
- Digital innovation and modernisation initiatives aligned to SARS's strategic priorities.

The Board and Executive Committee continued overseeing technology governance and cybersecurity matters as strategic organisational priorities.

20 Conclusion

The Board remains satisfied that Interfront maintained an effective governance, risk management, compliance, and internal control environment during the 2025/2026 financial year.

Interfront will continue strengthening governance maturity, operational resilience, ethical leadership, and organisational sustainability in support of its mandate as a trusted technology partner to SARS and the broader public sector environment.



21 Audit Committee Report

PURPOSE AND MANDATE

The Audit and Risk Committee ("the Committee") is established as an independent statutory committee in terms of section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), Treasury Regulation 27 and section 94 of the Companies Act, 2008 (Act No. 71 of 2008). The Committee serves as a shared committee of Interfront and SARS and operates in accordance with its approved Terms of Reference.

The Committee provides independent oversight of financial reporting, enterprise risk management, internal financial controls, internal audit, external audit, compliance with applicable legislation, fraud and corruption prevention, and the Combined Assurance Framework.

The Committee is satisfied that it fulfilled its statutory responsibilities and discharged its mandate during the financial year ended 31 March 2026.

The approved minutes, recommendations and resolutions of the Committee relating to Interfront were tabled at meetings of the Interfront Board for noting and consideration.

INDEPENDENCE

The Committee operated independently throughout the financial year and exercised objective judgement in performing its responsibilities.

Committee members were required to declare any actual or potential conflicts of interest at the commencement of each meeting in accordance with the Audit and Risk Committee Terms of Reference. No conflicts of interest were declared during the reporting period.

The Committee remained independent of management in carrying out its oversight responsibilities.

INTERNAL AUDIT

The Committee oversaw the activities of the Internal Audit Function and is satisfied that it remained independent, objective and effective throughout the reporting period.

During the year, the Committee:

- reviewed and approved the Internal Audit Charter;
- reviewed and approved the risk-based Internal Audit Plan;
- considered Internal Audit reports and significant findings;
- monitored management's implementation of agreed corrective actions;
- maintained regular engagement with the Head of Internal Audit; and

- monitored coordination between Internal Audit and the Auditor-General of South Africa to promote an effective assurance process.

EXTERNAL AUDIT

The Committee maintained an effective working relationship with the Auditor-General of South Africa throughout the reporting period.

The Committee:

- reviewed the external audit strategy and audit approach;
- considered the audit findings and management responses;
- monitored progress in implementing agreed corrective actions; and
- remained satisfied that the external audit process was conducted independently and objectively.

FINANCIAL REPORTING

The Committee reviewed the Annual Financial Statements and considered whether they fairly present the financial position, financial performance and cash flows of Interfront in accordance with the applicable financial reporting framework.

Based on the information presented by management, the reports of Internal Audit and the audit outcomes of the Auditor-General of South Africa, the Committee recommended the Annual Financial Statements to the Board for approval.

The Committee also reviewed the Annual Report to satisfy itself that it fairly presents the financial position and performance of Interfront before recommending it to the Board for approval.

ENTERPRISE RISK MANAGEMENT

The Committee monitored the effectiveness of Interfront's enterprise risk management framework throughout the reporting period.

The Committee considered quarterly reports on strategic and operational risks, monitored the effectiveness of risk management processes and internal controls and monitored management's implementation of risk mitigation actions.

The Committee is satisfied that enterprise risk management remained an integral component of Interfront's governance framework.

COMBINED ASSURANCE

The Committee continued to oversee the implementation of the Combined Assurance Framework to ensure a coordinated approach to assurance activities across the organisation.

The Committee received assurance from management, Internal Audit and the Auditor-General of South Africa.

The Committee is satisfied that the Combined Assurance Framework provided an appropriate level of assurance regarding governance, risk management and internal control processes.

COMPLIANCE, FRAUD AND CORRUPTION

The Committee received assurance regarding compliance with applicable legislation through the reports of Internal Audit and the Auditor-General of South Africa.

No material instances of fraud, corruption or significant non-compliance requiring consideration by the Committee were reported during the reporting period.

Where audit recommendations relating to legislative compliance were raised, the Committee monitored management's implementation of the agreed corrective actions.

REPORTS TO THE BOARD

The Committee considered matters relating to Interfront during its scheduled meetings in accordance with its approved Terms of Reference.

The approved minutes, recommendations and resolutions relating to Interfront were tabled at meetings of the Interfront Board for noting and consideration.

COMMITTEE COMPOSITION

Interfront participates in the shared Audit and Risk Committee established between SARS and Interfront.

The Committee comprises independent non-executive members appointed in accordance with the approved governance arrangements.

Members collectively possess the financial, governance, risk management, legal and audit expertise required to discharge the Committee's responsibilities effectively.

MEETING ATTENDANCE

The Committee held four (4) scheduled quarterly meetings during the financial year in accordance with its approved annual work plan. In addition, the Committee convened two (2) special meetings to consider matters requiring urgent attention outside of the scheduled meeting cycle.

Matters relating to Interfront were considered at each of these meetings in accordance with the Committee's approved Terms of Reference.

Permanent invitees, including the Acting Managing Director, Company Secretary, Operations Director and Finance Manager, attended Committee meetings in support of the Committee's oversight responsibilities. Their role was to present reports, provide additional information and respond to questions raised by the Committee. As permanent invitees, they did not have voting rights and were not counted for purposes of determining a quorum.

The attendance of Committee members at the scheduled and special meetings is reflected in the table below.

AUDIT COMMITTEE COMPOSITION AND MEETING ATTENDANCE



MR. BAREND PETERSEN

CHARTERED ACCOUNTANT (SA)

Qualifications
B Compt Honours (UNISA)
B Compt (UNISA)

Professional affiliation (e.g. SAICA, IIA, IOD (SA))
N/A

Appointment: term of office
Start date: 2021
End date: 2027

Number of meetings attended 2025/2026
Ordinary meetings 4
Special meetings 2

Has the ac member declared private and business interests in every meeting? (Yes/no)
yes

Is the ac member an employee of an organ of state? (Yes/no)
no

Number of other ARCs that the member served on during the reporting period (whether in the public sector or not).

Number of other governance structures the member served on during the reporting period, e.g. Board, Risk committee, IT committee, etc., Whether in this or any other institution (s).



MS. CARMEN CARY-ANNE MPELWANE

CHARTERED ACCOUNTANT (SA)
CFA CHARTER-HOLDER

Qualifications
Postgraduate Diploma in Accounting (UCT)
Bachelor of Business Science
(Finance Honours – UCT)

Professional affiliation (e.g. SAICA, IIA, IOD (SA))
SAICA
IODSA Member
CFA Institute

Appointment: term of office
Start date: 2022
End date: 2027

Number of meetings attended 2025/2026
Ordinary meetings 4
Special meetings 2

Has the ac member declared private and business interests in every meeting? (Yes/no)
yes

Is the ac member an employee of an organ of state? (Yes/no)
no

Number of other ARCs that the member served on during the reporting period (whether in the public sector or not).
6

Number of other governance structures the member served on during the reporting period, e.g. Board, Risk committee, IT committee, etc., Whether in this or any other institution (s).
5



MS. ALICE LE ROUX

REGISTERED AUDITOR
CHARTERED ACCOUNTANT (SA)
TAX PRACTITIONER

Qualifications
Bachelor of Accounting (Stellenbosch)
Honours B Compt (Unisa)

Professional affiliation (e.g. SAICA, IIA, IOD (SA))
IRBA, SAICA, FISA

Appointment: term of office
Start date: 2024
End date: 2027

Number of meetings attended 2025/2026
Ordinary meetings 4
Special meetings 2

Has the ac member declared private and business interests in every meeting? (Yes/no)
yes

Is the ac member an employee of an organ of state? (Yes/no)
no

Number of other ARCs that the member served on during the reporting period (whether in the public sector or not).
1 (not public sector)

Number of other governance structures the member served on during the reporting period, e.g. Board, Risk committee, IT committee, etc., Whether in this or any other institution (s).
1

RESOLUTION OF AUDIT FINDINGS

The Committee monitored management's implementation of recommendations arising from Internal Audit, the Auditor-General of South Africa and Committee resolutions.

The Committee is satisfied that management made appropriate progress in implementing agreed corrective actions and that outstanding actions continued to be monitored through the Committee's resolutions tracking process.

COMMITTEE PERFORMANCE EVALUATION

The Committee annually evaluates its effectiveness through a formal self-assessment process and undergoes an independent external performance evaluation every three years in accordance with its Terms of Reference.

The Committee is satisfied that it operated effectively and fulfilled its responsibilities during the reporting period.

COMMITTEE OPINION

The Committee has considered the Annual Financial Statements for the year ended 31 March 2026 together with the reports of Internal Audit, the Auditor-General of South Africa and management.

Based on the information presented throughout the reporting period, the Committee is satisfied that:

- the Annual Financial Statements fairly present the financial position, financial performance and cash flows of Interfront in accordance with the applicable financial reporting framework;
- enterprise risk management processes were effective;
- internal financial controls were generally effective;
- the Internal Audit Function remained independent and effective;
- the external audit process was conducted independently;
- the Combined Assurance Framework provided an appropriate level of assurance;
- management appropriately addressed audit findings and implemented corrective actions; and
- the Committee fulfilled its responsibilities in accordance with its approved Terms of Reference and applicable legislative requirements.

The Committee therefore recommends the Annual Financial Statements and the relevant sections of the Annual Report to the Board for approval and confirms that it has discharged its responsibilities for the financial year ended **31 March 2026**.

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HUMAN CAPITAL MANAGEMENT

01 Introduction

02 Highlights

03 Challenges

04 Priorities

05 Outlook

06 Performance Management Framework

07 Policy Development

08 Employee Value Proposition (EVP)

09 Employment and Vacancies

10 Staff Turnover

11 Transformation and Employment Equity Growth

01 Introduction

The Human Capital function continues to play a strategic role in ensuring Interfront is staffed with appropriately skilled talent, while strengthening retention, engagement, and workforce sustainability. For the year under review, focus areas included building a high-performance workforce, improving engagement, advancing employment equity, and strengthening capability.

A core pillar of Interfront's strategy to become an Employer of Choice is its ongoing investment in human capital, recognised as a crucial driver of long-term organisational success. This investment enables Interfront to design and deliver robust, future-fit software solutions that address the dynamic needs of its clients within the tax, customs, and related domains.

Over the past financial year, Interfront continued to prioritise people-centred initiatives that enhance leadership capability, strengthen engagement, and drive the attraction and retention of crucial talent. These initiatives were closely aligned with Interfront's strategic objectives and Human Capital agenda. Emphasis was placed on maintaining workforce stability, reinforcing a values-driven culture anchored in TECHI, and advancing the Employee Value Proposition to support organisational competitiveness.

The year under review concluded with a turnover rate of 2.74%, significantly below the 10% target. The successful onboarding of 10 new employees, 15 graduates who became permanent, and the acknowledgement of long-service milestones underscores both workforce stability and the cultivation of a culture that prioritises recognition and appreciation. Strategic realignment has further strengthened human capital governance, and the improvement of the performance management solution has enhanced the development of an agile, accountable, and performance-driven workforce.

Interfront's human capital practices continue to be anchored in robust legislative compliance, informed by established best practices, and are responsive to insights drawn from ongoing employee engagement. Looking forward, Interfront remains committed to fostering a high-performing, inclusive, and engaged culture aligned with its digital transformation agenda and overarching long-term strategic objectives.



PERSONNEL COST BY OBJECTIVE FOR THE 2025/2026 FINANCIAL YEAR

PROGRAMME, ACTIVITY, AND OBJECTIVE	TOTAL EXPENDITURE (R)	PERSONNEL EXPENDITURE (R)	PERSONNEL EXP. AS % OF TOTAL	NO. OF EMPLOYEES (AVG.)	AVG. PERSONNEL COST PER EMPLOYEE (R)
Continual Innovation and Client-Centricity	215 510 844	159 454 534	74.0%	176.60	902 914
Expansion	6 734 714	4 982 954	74.0%	5.52	902 914
Navigating and Embracing Rapid IT Evolution	6 734 714	4 982 954	74.0%	5.52	902 914
Become Employer of Choice	20 204 142	14 948 863	74.0%	16.56	902 914
Responsible Resource Stewardship	20 204 142	14 948 863	74.0%	16.56	902 914
Total	**269 388 556**	**199 318 168**		**220.76**	

In 2025/2026, Interfront's human capital priorities embodied a strategic realignment aimed at positioning Interfront for scalable growth in response to its expanded service mandate and the evolving demands of the workforce. This phase was characterised by purposeful interventions designed to enhance leadership capacity, continue to refine organisational design, and secure the sustainability of talent pipelines.

CONTINUED STRATEGIC WORKFORCE REALIGNMENT AND LEADERSHIP EXPANSION

Driven by continued organisational growth and expansion, Interfront's ongoing structural review resulted in the strengthening of the line management layer through the addition of a new line manager position. The team lead structure was also expanded through the creation of seven new positions, representing the most significant expansion at this management level in recent years. These enhancements have strengthened organisational agility, expanded leadership capacity, and positioned Interfront to respond effectively to the evolving demands of its service delivery environment.

TARGETED CHANGE ENABLEMENT

To ensure alignment and continuity amid structural changes, a dedicated change management plan was developed and implemented. Unlike in previous years, the focus extended beyond communication to include active change enablement, equipping leaders and teams with the tools to navigate transitions, minimise disruption, and embed a shared sense of purpose. This process is still ongoing.

TALENT ACQUISITION FOR STRATEGIC CAPABILITY

In 2025/2026, Interfront's recruitment efforts focused on addressing crucial skills gaps in line with its expanding product portfolio. Targeted appointments, including strategically placed contract employees, facilitated prompt project delivery.

02 Highlights

> “Three line manager positions and eight team lead positions were successfully filled during the year under review.”

- Increased Employment Equity representation from 82% to 83%.
- Recognised the loyalty and dedication of 22 employees through the Long Service Awards.
- Provided Employment Equity training to management, the Human Capital team, and the Employment Equity Consultative Forum on the amended Employment Equity Act, which is now aligned with sectoral targets. An online self-learning programme was introduced for all employees to familiarise themselves with the changes.
- The leave policy was updated to incorporate the new parental leave provisions promulgated in October 2025, and a session was conducted to communicate these changes to all employees.
- The permanent staff complement increased from 176 to 196 by year-end. There were 10 new permanent employees successfully recruited from the market, 15 graduates were promoted to permanent contracts, and one temporary employee was appointed as a general worker in the new Gauteng office.
- Terminations were limited to six employees.
- Nine graduates were appointed during this financial year, bringing the number of employees on the graduate programme to 26.
- To support Interfront’s continued expansion and leadership capacity growth, three line manager positions and eight team lead positions were successfully filled during the year under review, including key replacement appointments and the creation of several new leadership roles.
- The employee engagement survey participation rate increased significantly from 74% to 85%, while the overall engagement score improved from 77% to 82%, reflecting meaningful progress across six of the seven factors measured.
- The updated Employee Value Proposition was finalised and distributed to staff and recruitment agents, strengthening Interfront’s employer brand.

03 Challenges

GEOGRAPHICAL DISPERSION: With employees distributed across three provinces, sustained efforts are required to ensure consistent engagement and foster a strong sense of organisational cohesion. During this period, team development sessions were facilitated by the Organisational Development Manager, bringing employees together from different provinces to maximise the effectiveness of these initiatives.

CHANGE MANAGEMENT: Sustained focus on change management remains essential to drive employee buy-in and alignment with Interfront's culture and strategic direction. During this period, an engagement survey was conducted. An action plan was developed from the feedback received and is being implemented.

04 Priorities

In 2025/2026, Interfront continued to strengthen its human capital priorities to support scalable growth and respond to evolving workforce and business demands. Efforts focused on building leadership depth, refining organisational design, and strengthening the continuity of talent pipelines.

STRATEGIC WORKFORCE REALIGNMENT AND LEADERSHIP EXPANSION: Driven by continued business growth, Interfront further strengthened its organisational structure through the appointment of three line managers and eight team leads during the year under review. These appointments included both strategic replacement appointments and the expansion of leadership capacity through newly created roles. The enhanced leadership structure provides a stronger foundation for organisational agility, operational resilience, and Interfront's ability to respond effectively to the increasing complexity of its service environment.

TARGETED CHANGE ENABLEMENT: In response to continued structural changes, Interfront maintained a dedicated change management plan to support alignment and continuity across Interfront, providing leaders and teams with the necessary tools to navigate change, minimise disruption, and strengthen a shared sense of purpose. This work continues as Interfront evolves.

TALENT ACQUISITION FOR STRATEGIC CAPABILITY: As part of its growth journey in 2025/2026, Interfront aligned its recruitment efforts to address crucial skills requirements arising from an expanding product portfolio. Through targeted appointments, supported by the strategic engagement of contract employees, Interfront was able to maintain momentum and deliver projects within required timelines.

05 Outlook

POSITIONING INTERFRONT AS EMPLOYER OF CHOICE: Continue to build a workplace culture that attracts and retains top talent, fosters professional growth, and enhances the overall employee experience.

RETENTION AND RECRUITMENT: Continue retention strategies and optimise recruitment processes to support a skilled, resilient, and future-ready workforce.

ORGANISATIONAL AGILITY AND LEADERSHIP: Advance organisational effectiveness through continued targeted leadership development and ongoing change management efforts that support strategic adaptability.

EMPLOYEE ENGAGEMENT: Continue to leverage insights from Employee Engagement Surveys to implement meaningful actions to improve satisfaction, trust, and employee engagement.

POLICY REVIEW: Ensure that human capital policies, practices, and processes remain current, effective, and strategically aligned with Interfront's evolving goals.

SUCCESSION PLANNING: Finalise and implement the succession planning framework within the 2026/2027 financial year, ensuring leadership continuity and talent pipeline sustainability.

AI-READY WORKFORCE: Continue to develop Interfront's capability in AI and emerging development technologies through structured training, pilot programmes, and targeted recruitment to ensure Interfront remains competitive in a rapidly evolving technology landscape.



06 Performance Management Framework

Over the past two financial years, Interfront implemented a new performance management process and solution to streamline and modernise the performance management process. Additional modules were introduced during the 2025/2026 cycle, and employees are progressively adapting to the system.

The integration of competencies alongside key performance indicators (KPIs) within performance contracts has been completed, supported by extensive training to ensure alignment across Interfront.

With the growth of Interfront, some performance responsibilities were moved from line managers to team leads, who were trained to ensure they are fully equipped for this new responsibility, alleviating some of the workload from line managers while simultaneously supporting the leadership development of the team leads.

The framework has been further strengthened through its integration with Personal Development Plans (PDPs), supporting deliberate employee development and enhanced organisational effectiveness. This enhancement also responds to key themes identified in exit interviews, particularly around career development pathways and the quality of performance feedback.

07 Policy Development

In response to an evolving operating environment and ongoing organisational growth, Interfront continues to prioritise regular policy reviews to ensure alignment, relevance, and effectiveness. During the reporting period, the Human Capital team completed a comprehensive review of six policies, all of which received approval and were communicated across Interfront to reinforce compliance.

The year under review saw the implementation of two major policy enhancements: updated parental leave provisions in the Basic Conditions of Employment Act (BCEA), promulgated in October 2025, which required the update of the leave policy and associated provisions. Furthermore, the revisions to the Employment Equity Act required the Employment Equity Plan to be updated in line with the new sectoral targets. Structured engagement sessions and online training supported these changes to ensure organisational awareness and compliance.

In support of broader alignment, Interfront strategically aligns its policies and practices with those of its shareholder, SARS, where appropriate, promoting consistency, enhancing collaboration, and enabling more integrated operational outcomes.

08 Employee Value Proposition (EVP)

Interfront's Employee Value Proposition continues to play a key role in attracting, developing, and retaining crucial talent. For the year under review, the EVP was further strengthened through enhancements to professional development initiatives. The EVP booklet was redesigned and rolled out across Interfront and continues to form an integral part of future recruitment campaigns, supporting Interfront's positioning as an Employer of Choice and a future-fit organisation.

Compensation

As a core element of its Employee Value Proposition, Interfront maintains a competitive and well-structured remuneration framework aimed at attracting and retaining high-calibre talent. The approach ensures that employee contributions are recognised while remaining aligned to Interfront's operational and financial goals. Regular benchmarking against market trends further strengthens Interfront's ability to position its remuneration practices competitively within the industry.

The Board approved performance-based salary adjustments and bonuses. These increases were allocated individually according to Interfront's Performance Management Framework, with a positive impact on retention and turnover rates. Additionally, a 1% cost-to-company (CTC) market positioning pool was approved to ensure remuneration remains in line with market movements, ensuring continued market competitiveness.

PERSONNEL COST BY SALARY BAND

OCCUPATIONAL LEVEL	PERSONNEL EXPENDITURE (R)	% OF TOTAL PERSONNEL COST	NO. OF EMPLOYEES (AVG. PER YEAR)	AVG. PERSONNEL COST PER EMPLOYEE (R)
Executive Directors	7 602 203	3.81%	2.75	2 764 438
Senior Management	27 527 486	13.81%	16.00	1 720 468
Professional Qualified	108 650 125	54.51%	90.83	1 196 148
Skilled Technical	51 500 097	25.84%	94.67	544 015
Semi-Skilled	3 666 807	1.84%	14.33	255 824
Unskilled	371 449	0.19%	2.17	171 438
Total	**199 318 167**	**100%**	**220.75**	**902 914**

PERFORMANCE REWARDS 2025/2026 FINANCIAL YEAR

OCCUPATIONAL LEVEL	PERFORMANCE REWARDS (R)	PERSONNEL EXPENDITURE (R)	% PERFORMANCE REWARDS TO TOTAL PERSONNEL COST
Executive Directors	1 433 639	199 318 168	0.72%
Senior Management	3 642 096		1.83%
Professional Qualified	8 842 748		4.44%
Skilled Technical	3 212 513		1.61%
Semi-Skilled	24 910		0.01%
Unskilled	25 696		0.01%
Total	**17 181 603**		**8.62%**

Benefits

Interfront's benefits offering is designed to enhance the overall employee experience, reinforce the employee value proposition, and promote well-being, security, and work-life balance. These benefits go beyond legislative requirements, reflecting Interfront's commitment to supporting employees at every stage of their personal and professional lives. By offering flexible, competitive, and inclusive benefits, Interfront ensures that employees feel valued, empowered, and supported to thrive in a high-performance environment. Below are some of the benefits offered:

- Employees with less than 10 years of continuous service receive 24 working days of annual leave.
- Employees with more than 10 years of service receive 29 working days.
- Sick leave entitlement is 36 working days per three-year cycle.
- Permanent staff benefit from a flexible CTC structure, allowing pre-tax retirement savings contributions between 5% and 27.5%.
- Employees may select from multiple medical aid options provided by preferred service providers.
- Additional protections include group life cover, trauma and severe illness benefits and funeral cover.

Work Environment and Culture

Interfront's workplace culture is shaped by collaboration, support, and continuous development. In 2025/2026, the hybrid work model continued to offer employees flexibility, helping them maintain work-life balance while remaining productive and engaged.

Employees, commonly referred to as "Techies", embody the TECHI values – trust, excellence, camaraderie, humility, and integrity – which are introduced during induction and reinforced throughout the employee journey. A continued focus on open, two-way communication strengthened collaboration, engagement, and trust across Interfront. Employee feedback obtained through engagement surveys confirmed a strong sense of well-being, connection, and organisational alignment among employees.

The employee engagement survey participation rate increased significantly from 74% to 85%, while the overall engagement score improved from 77% to 82%. Particularly encouraging was the improvement in the employee growth rating, which increased from 3.3 to 3.9 out of 5, reflecting meaningful progress in an area previously identified as a concern through exit-interview feedback. The rating for individual contribution and recognition also showed a notable improvement, increasing from 3.6 to 4.1 out of 5.

Interfront's ongoing investment in Personal Development Plans, training, and study support contributed to growth, while diversity and inclusion remained central to building a workplace where everyone feels valued. As a state-owned company infused with private-sector dynamism, Interfront is committed to cultivating a vibrant and supportive culture that drives innovation, excellence, and sustained organisational success.

Employee Assistance Programme

As part of its commitment to employee well-being, Interfront provides access to an independent Employee Assistance Programme (EAP) for employees and their dependants. The EAP includes support for trauma, stress, burnout, financial, and legal challenges.

Regular, anonymised reports from the wellness service provider are reviewed by the Board and Executive Committee, enabling Interfront to proactively identify emerging wellness trends and implement appropriate support interventions to promote a healthy and resilient workforce. Current reports indicate no material wellness risks requiring intervention.

Career Development

Interfront supports ongoing career development through study assistance for qualifications aligned with Interfront's goals and targeted external and internal training based on individual PDPs.

Graduate internship and bursary programmes are key to nurturing future talent:

- Three bursary recipients are currently receiving financial support and pursuing their studies.
- In February 2026, nine new graduates joined the 2026/2027 graduate programme.
- The 15 graduates from the 2023 cohort were successfully appointed to junior permanent positions in April 2025, demonstrating Interfront's commitment to developing talent from within.
- Nine graduates who started in February 2024 were promoted to entry-level positions in April 2025.

Training and Development

Interfront recognises continuous learning and skills development as crucial enablers in building a future-ready workforce capable of delivering on its strategic objectives. Interfront's approach to training and development is designed to strengthen capability across all levels, from early-career graduates to experienced professionals, ensuring employees are equipped to evolve with Interfront and adapt to an increasingly dynamic professional environment.



Learning and development opportunities are delivered through a structured combination of external training, formal study support, and internally driven programmes. These initiatives are aligned to organisational priorities and are designed to enhance both technical expertise and behavioural competencies, including leadership capability and crucial soft skills.

Through the integration of structured development pathways, Personal Development Plans (PDPs), practical on-the-job learning, and ongoing professional support, Interfront continues to foster a culture that promotes continuous improvement, career progression, and the retention of internal talent.



During the year under review, 22 employees, representing 11.34% of permanent staff, were promoted in recognition of their contributions, performance, and professional growth. In addition, 24 graduates progressed to the next level within their respective development pathways, including the appointment of 15 graduates into permanent junior positions within Interfront.



Two types of promotions are used at Interfront:

FORMAL PROMOTIONS: Refers to higher-level positions within the Interfront hierarchy based on performance, skills, and potential (e.g. team lead to line manager). These are advertised internally to ensure transparency of the process.

IN-LINE PROMOTIONS: Progression to higher levels within a current role based on demonstrated competence and experience (e.g. junior to intermediate developer). These progressions are aligned with Interfront's skills development framework.

TRAINING COST

PROGRAMME	PERSONNEL EXPENDITURE (R000)	TRAINING EXPENDITURE (R000)	TRAINING EXP. AS % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG. TRAINING COST PER EMPLOYEE (R)
Staff training	199 318 168	1 092 982	0.55%	220*	4 968
Bursary recipients		357 244	0.18%	3	119 081
Graduates		34 500	0.02%	9	3 833
Professional membership		33 999	0.02%	6**	5 667
Staff formal study assistance		275 399	0.02%	7**	39 343
Total	**199 318 168**	**1 794 124**	**0.14%**	**223**	**8 045**

** Includes all employees who completed training on Signify.*
*** Included in the 220.*

09 Employment and Vacancies

Interfront's staffing complement reflects Interfront's capacity to deliver on its mandate. The tables below provide an overview of filled positions and vacancies across the various programmes and salary bands as of 31 March 2026. This information supports workforce planning and identifies areas that require targeted recruitment.

EMPLOYEE LEVEL	NO. OF EMPLOYEES 2024/2025	APPROVED POSTS 2024/2025	NO. OF EMPLOYEES 2025/2026	VACANCIES 2025/2026	% OF VACANCIES
Executive Directors	3	4	2	1	33.33%
Senior Management	14	17	17	0	0%
Professional Qualified	78	79	83	1	1%
Skilled	73	82	85	4	5%
Semi-Skilled	6	6	4	0	0%
Unskilled	2	2	3	0	0%
Total	**176**	**190**	**194**	**6**	**3%**

** No. of employees for 2025/2026 includes one temporary employee.*

> "Interfront places great importance on feedback from exit interviews..."

10 Staff Turnover

Interfront concluded the third consecutive year with a low staff turnover rate, marking a positive shift from the high turnover rate experienced previously and reflecting the effectiveness of the retention interventions implemented. Interfront places great importance on feedback from exit interviews; however, the reduced number of voluntary resignations during the year resulted in fewer exit interviews being conducted, which is a positive indicator of improved retention.

Retention initiatives remain a strategic priority for Interfront. In an environment where many organisations have increasingly required employees to return to office-based work, Interfront believes that its continued flexible work-from-home approach remains one of Interfront's strongest employee retention enablers.

One of the challenges facing a relatively small organisation such as Interfront is the limited availability of internal career advancement and formal promotion opportunities. As a result, one of Interfront's primary retention risks is the potential loss of employees seeking career progression opportunities externally when suitable vacancies or advancement prospects are not available internally.

While meaningful progress has been made in fostering a supportive and engaging workplace, continued focus on expanding career development opportunities, maintaining competitive benefits and strengthening communication remain essential. To support these objectives, two online learning platforms were implemented, one focused on generic skills and the second on technical capabilities. These platforms enable employees to access a broader range of courses, while also allowing the Human Capital team to track skills development more effectively.

EMPLOYMENT CHANGES

Salary Band	Employment at Beginning of Period	Appointments	Resignations / Terminations	Movement to Level (Addition)	Movement from Level (Deduction)	Employment at End of Period
Executive Directors	3	0	1	0	0	2
Senior Management	14	0	0	3	0	17
Professional Qualified	76	6	1	5	3	83
Skilled	74	18	4	2	5	85
Semi-Skilled	4	1	0	1	2	4
Unskilled	3	1	0	0	1	3
Total	**174**	**26**	**6**	**11**	**11**	**194**

** Appointments include one temporary employee.*

REASONS FOR STAFF LEAVING

Reason	Number	% of Total Staff Leaving
Death	1	9%
Resignation – Permanent	5	45%
Resignation – Graduate	2	18%
Dismissal	1	9%
Retirement	0	0%
Ill Health	0	0%
Expiry of Contract	2	18%
Total	**11**	**100%**

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	1

11 Transformation and Employment Equity Growth

For the year under review, Interfront remained committed to advancing employment equity, achieving an overall representation rate of 83% across designated groups. This level of representation reflects Interfront's continued dedication to fostering a diverse, inclusive, and representative workplace that aligns with the demographics of the broader society in which it operates.

In response to the recent promulgation of new sectoral employment equity targets by the Minister of Employment and Labour, Interfront reviewed and updated its employment equity framework. A new five-year Employment Equity Plan was developed based on sector-specific objectives. The first submission of this plan was made to the Department of Employment and Labour at the end of the 2025 calendar year in line with legislative requirements.

The formulation of this strategic plan was driven through a collaborative process involving the Employment Equity Consultative Forum and the Human Capital team. The new Employment Equity Plan will serve as a crucial roadmap, guiding targeted interventions and initiatives that promote equitable recruitment, development, and retention practices. By aligning with the updated sectoral targets, Interfront is committed to sustaining meaningful transformation and fostering an organisational culture that celebrates and values diversity.

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS – MALE

MALE

	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	1	2	0	0	1	4
Senior Management	1	1	5	4	0	0	5	6
Professional Qualified	22	18	9	9	4	4	21	18
Skilled	29	19	13	14	5	1	7	9
Semi-skilled	4	15	5	5	2	7	2	1
Unskilled	0	0	0	0	0	0	0	0
Total	56	53	32	34	11	12	36	38

** Employment Equity statistics include graduates and Works Order contractors.*

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS – FEMALE

FEMALE

	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	1	0	0	0	0	1	0
Senior Management	2	2	0	0	1	1	3	3
Professional Qualified	10	10	9	7	2	1	14	12
Skilled	29	25	9	12	1	1	2	1
Semi-skilled	7	7	1	1	0	1	0	0
Unskilled	3	2	0	0	0	0	0	0
Total	**51**	**47**	**19**	**20**	**4**	**4**	**20**	**16**

** Employment Equity statistics include graduates and Works Order contractors.*

PEOPLE WITH DISABILITIES

DISABLED STAFF

LEVELS	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	0	0	0
Skilled	0	0	1	1
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Total	**0**	**0**	**1**	**1**

Note: Employment Equity statistics include all employees, including Works Order contractors and graduate interns.

E

PFMA COMPLIANCE REPORT

01 Irregular Expenditure

02 Fruitless and Wasteful Expenditure

03 Material Losses Through Criminal Conduct

04 Late or Non-Payment of Suppliers

05 Supply Chain Management

06 Contract Variations and Expansions

01 Irregular Expenditure

Irregular expenditure occurs when funds are spent in a manner that does not comply with the prescribed laws or regulations governing financial management and procurement. This could include instances where procurement processes were not properly followed or where spending did not align with relevant legal provisions.

Interfront did not incur any irregular expenditure.

02 Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure is spending that does not yield any value or benefit and could have been avoided if proper diligence and caution had been applied. Examples include penalties for late payments, interest on overdue accounts, or payments for services not rendered.

Interfront did not incur any fruitless and wasteful expenditure.



03 Material Losses Through Criminal Conduct

Material losses through criminal conduct refer to financial losses incurred directly due to illegal activities. These losses are deemed material if they are significant enough to affect the financial statements or financial position of Interfront.

Interfront did not incur any material losses through criminal conduct.

04 Late or Non-Payment of Suppliers

In accordance with applicable Treasury Regulations and the Public Finance Management Act, Interfront is required to settle valid invoices within 30 days of receipt, or within the period agreed upon with the supplier. The table below reflects Interfront's payment performance for the 2025/2026 financial year.

DESCRIPTION	NUMBER OF INVOICES	Consolidated Value (R)
Valid Invoices received	1033	69 777 526
Invoices paid within 30 days or agreed period	1032	69 767 567
Invoices paid after 30 days or agreed period	1*	9 959
Invoices older than 30 days or agreed period (unpaid, no dispute)	0	0
Invoices older than 30 days or agreed period (unpaid, in dispute)	0	0

** Invoice was paid eight days late due to an oversight. Improvements to internal controls were made to ensure this does not happen again. No interest was added to the late payment.*

05 Supply Chain Management

Interfront has established robust supply chain management systems that ensure all procurement activities comply fully with applicable laws, regulations and best practices. These systems are designed to promote transparency, accountability, and value for money, while effectively mitigating risks associated with procurement processes. During the reporting period, Interfront did not incur any irregular, fruitless or wasteful expenditure, nor were there any losses resulting from criminal conduct.

PROCUREMENT BY OTHER MEANS

Procurement by other means refers to acquiring goods or services through methods that differ from standard competitive bidding processes. This can include:

- **SOLE SOURCE PROCUREMENT:** When only one supplier can deliver the required goods or services.
- **EMERGENCY PROCUREMENT:** Urgent circumstances, such as natural disasters, necessitate immediate procurement without following the usual procedures.
- **DEVIATIONS FROM STANDARD PROCEDURES:** When normal competitive processes are impractical or impossible.

The following procurement by other means was approved and executed during the 2025/2026 financial year:

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONRACT
Renewal of Plugin – WordFence 2025	Defiant Inc.	Sole supplier	PRF-2024/25-0289	R 2 980
114th Annual HR Conference & Expo	HRWorks (Pty) Ltd	Sole supplier	PRF-2025/26-0011	R 10 400
Renewal of HelloPeter Subscription	TKJ Design (Pty) Ltd T/A hellopeter.com	Sole supplier	PRF-2025/26-0077	R 37 936
Supply & Installation of Parking Bay signs for Interfront	Escarpment View Investments (Pty) Ltd	Single source	PRF-2025/26-0130	R 3 203
Renewal of CQS CaseWare	Adapt IT (Pty) Ltd	Sole supplier	PRF-2025/26-0199	R120 428
SAICA Membership Fees 2026	South African Institute of Chartered Accountants	Sole supplier	PRF-2025/26-0252	R 18 426
DevConf 2026	Quicket	Sole supplier	PRF-2025/26-0206	R 144 770
Annual Renewal of ACG Membership for 2025	Chartered Governance Institute of Southern Africa	Sole supplier	PRF-2025/26-0256	R 5 798
DidX UnConference Africa	DIDX (Pty) Ltd	Sole supplier	PRF-2025/26-0270	R28 750
Renewal of Plugin – WordFence 2026	Defiant Inc.	Sole supplier	PRF-2025/26-0281	R 2 980
HR Conference & Expo – Johannesburg	HRWorks (Pty) Ltd	Sole supplier	PRF-2025/26-0307	R 2 999

Note: All deviations from standard competitive procurement procedures were appropriately motivated, documented, and approved in accordance with applicable Treasury Regulations and Interfront's Supply Chain Management policy.







06 Contract Variations and Expansions

Contract variations or expansions occur when the original terms and conditions of a contract are altered after it has been awarded. This can include changes to the following:

- Scope of work
- Contract duration
- Contract value, usually determined through additional costs
- Quantity or quality of goods or services to be delivered.

REGULATORY GUIDANCE

National Treasury Instruction Notes require the following:

- Any variation or expansion of a contract must be justified and approved by the relevant authority.
- Extent of the variation or expansion should be within a prescribed limit (often 15–20% of the original contract value, though this may vary based on specific regulations).
- Proper documentation and motivation for changes must be maintained to ensure transparency and accountability.

PURPOSE AND RISKS

The purpose of regulating contract variations and expansions is to prevent irregular expenditure and ensure that changes to a contract do not undermine the integrity of the initial procurement process.

The following contract variations and expansions were approved during the 2025/2026 financial year:

PROJECT DESCRIPTION	SUPPLIER NAME	CONTRACT MODIFICATION TYPE EXPANSION OR VARIATION	CONTRACT NUMBER	ORIGINAL VALUE OF CONTRACT R000	VALUE OF PREVIOUS EXPANSION/S OR VARIATION/S (IF APPLICABLE) R000	VALUE OF CURRENT CONTRACT EXPANSION OR VARIATION R000
Extension of Internet Connectivity Links in Cape Town	Innovo Networks (Pty) Ltd	Expansion	PRF-2023/24-0265	R205 702	R0	R199 952

Note: All contract variations were approved in accordance with Interfront's delegated authorities, properly documented, and do not exceed the prescribed thresholds.

FINANCIAL INFORMATION

01 Board's Responsibility and Approval of the Annual Financial Statements

02 Report by the Board of Directors

03 Financial Report

04 Report of the Auditor-General to Parliament on the International Frontier Technologies SOC Ltd

05 Annual Financial Statements

06 Annexure A

1 Board's Responsibility and Approval of the Annual Financial Statements

The Public Finance Management Act (PFMA) requires the Board to maintain adequate accounting records. The Board is responsible for the content and integrity of the Annual Financial Statements and related financial information included in this report. It is the Board's responsibility to ensure that the Annual Financial Statements fairly present the entity's state of affairs at the end of the financial year and the results of its operations and cash flow for the period then ended.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements and were given unrestricted access to all financial records and related data.

The Annual Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines, and directives issued by the Accounting Standards Board. The Annual Financial Statements are based on appropriate accounting policies that are consistently applied and supported by reasonable and prudent judgements and estimates.

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

The Board is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied upon for the preparation of the Annual Financial Statements. However, any internal financial control system can provide reasonable but not absolute assurance against material misstatements or deficits.

The Board has reviewed the entity's budgeted forecast for the year ending 31 March 2027 and, considering this review and the current financial position, is satisfied that the entity has, or has access to, adequate resources to continue in operational existence for the foreseeable future. The Annual Financial Statements are prepared on the basis that the entity is a going concern.

Although the Board is primarily responsible for the financial affairs of the entity, it is supported by the entity's external auditors. The external auditors are responsible for independently reviewing and reporting on an entity's Annual Financial Statements. The entity's external auditors have examined the Annual Financial Statements, and their report is presented on the relevant page of this Annual Report.

The Annual Financial Statements, which have been prepared on a going concern basis, were approved by the Board on 31 May 2026 and were signed on its behalf by:



LEILANIE JANSE VAN RENSBURG
Acting Managing Director
31 July 2026



MUSTAQ ENUS-BREY
Chairperson of the Board
31 July 2026

2 Report by the Board of Directors

The Board submits its report for the year ended 31 March 2026.

Incorporation

The entity was incorporated on 20 April 2009 and obtained its certificate to commence business on the same day.

Review of Activities

The company's core activities revolve around acquiring, investing in, and advancing customs, border management, and tax software solutions. These solutions are tailored for use by the South African Revenue Service and similar revenue and border management agencies worldwide.

The operating results and state of affairs of the entity are fully set out in the attached Annual Financial Statements. In our opinion, no additional comment is necessary. The entity achieved a net surplus of R17.9 million for the year (2025: R6.9 million), consistent with the adopted financial model and representing a significant improvement on the prior year.

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 normal course of business.

As of 31 March 2026, the entity had an accumulated surplus of R79.8 million, while total assets exceeded total liabilities by the same amount. The entity holds no external debt and maintains a strong liquidity position, with cash and cash equivalents of R83.7 million at year-end.

Financial Statements

The preparation and fair presentation of Interfront's Annual Financial Statements is the responsibility of the Directors.

In the opinion of the Directors, the Annual Financial Statements fairly present the financial position of Interfront as of 31 March 2026 and the results of its operations and cash flow information for the year then ended.

Subsequent Events

The Board is not aware of any matter or circumstance arising since the end of the financial year that has materially impacted the state of affairs at year-end.

Accounting Policies

The Annual Financial Statements are prepared in accordance with the effective standards of GRAP, as issued by the Accounting Standards Board and prescribed by the framework developed by the National Treasury. In the current year, the entity adopted the revised Standard of GRAP on Financial Instruments (GRAP 104, revised 2019), effective 1 April 2025. The adoption had no impact on accumulated surplus or total net assets at the date of transition. More details on the accounting policies can be found in the Notes to the Annual Financial Statements.

Share Capital

There were no changes in the authorised or issued share capital of the entity during the year under review. Interfront was capitalised by way of an interest-free shareholder's loan. The loan is fully repaid.

Distributions to Owners

No dividends were declared or paid during the year under review.

Board

Details of the Board members and committee compositions can be found under Part C: Governance of this Annual Report.

During the year under review, the Board noted with deep sadness the passing of John Robertson, Executive Director, on 11 December 2025. John served Interfront with distinction over many years. His contributions to the organisation's growth and to the delivery of its mandate are acknowledged with gratitude. The Board extended its sincere condolences to his family, colleagues, and friends. Herman Smith, Non-Executive Director, resigned from the Board on 19 March 2026. The Board thanks him for his valuable contribution during his tenure.

Secretary

Madelein Pepperell served as the Company Secretary for the full term of the 2025/2026 financial year.

Corporate Governance

General

The Board is committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the Board supports the highest standards of corporate governance and the ongoing development of best practice.

Interfront adheres to the statutory duties and responsibilities set out in the Companies Act and PFMA. The entity confirms and acknowledges its responsibility for compliance with the Code of Corporate Practices and Conduct (the "Code") laid out in the King Report on Corporate Governance for South Africa of 2016 (King IV). The Board members discuss the responsibilities of management in this respect and monitor the entity's compliance with the Code at Board meetings. The salient features of the entity's adoption of the Code can be found in Part C: Governance of this Annual Report.

Board of Directors

The Board:

- Retains full control over the entity, its plans, and its strategy
- Acknowledges its responsibilities regarding 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.

The board is a unitary structure and was comprised during the year of:

- Three independent Non-Executive Directors, one of whom serves as Chairperson
- Non-executive Directors employed by the Shareholder
- Executive Directors.

Chairperson and Managing Director

The Chairperson is a non-executive and independent Director as defined by the Code. The roles of the Chairperson and Managing Director are separate, with responsibilities divided between them in such a way that no individual has unfettered powers of discretion. Leilanie Janse van Rensburg continued to serve as Acting Managing Director for the full year.

Remuneration

The Board determines Executive Directors' remuneration in line with the entity's remuneration policy, ensuring fairness and alignment with performance objectives. The Non-Executive Directors' fees are set in accordance with the National Treasury Guidelines. Non-Executive Directors employed by the Shareholder are not remunerated for Board duties. The entity adheres to the Companies Act and the principles of King IV, maintaining transparency and accountability in all remuneration-related matters.

Executive meetings

Non-executive Directors have access to all members of the entity's management. Details of the Board members and their meeting attendance are disclosed in Part C: Governance of this Annual Report.

Internal Audit

As permitted by the Public Finance Management Act of 2003, the entity outsourced its internal audit function to the Internal Audit Function of SARS.

Controlling Entity

Interfront's controlling entity is the South African Revenue Service, established by the South African Revenue Service Act of 1997.

Auditors

In line with the requirements of the Public Audit Act No. 25 of 2004 (PAA) and Paragraph 84(3) (b) of the Companies Act, the AGSA will continue in office for the next financial period.

Compliance

The Board confirms that, to the best of its knowledge, the entity has complied with all applicable laws, regulations, and governance codes relevant to its operations during the financial year. This includes adherence to the Public Finance Management Act, Companies Act, King IV Report, and National Treasury guidelines.

ANNUAL FINANCIAL STATEMENTS

The financial statements, which have been prepared on a going concern basis, were approved by the Board on 31 July 2026.

3 Financial Report

FIVE-YEAR FINANCIAL OVERVIEW

STATEMENT OF FINANCIAL PERFORMANCE (R)					
Description	2022	2023	2024	2025	2026
Rendering of Services	108 405 948	171 790 485	215 828 131	242 041 539	289 853 327
Interest and other income	1 427 710	3 041 629	3 499 004	4 005 564	4 026 249
Expenditure	(117 869 059)	(187 421 011)	(213 521 935)	(236 499 920)	(269 388 555)
Surplus/(Deficit) before tax	(8 035 401)	(12 588 897)	5 805 200	9 547 183	24 491 021
Surplus/(Deficit) after tax	(6 383 966)	(9 793 627)	4 078 142	6 906 300	17 879 481

STATEMENT OF FINANCIAL POSITION (R)					
Description	2022	2023	2024	2025	2026
Total Assets	80 298 775	81 061 430	87 367 198	97 591 485	152 797 483
Total Liabilities	(19 570 421)	(30 126 704)	(32 354 330)	(35 672 318)	(72 998 835)
Total Net Assets	60 728 854	50 934 726	55 012 868	61 919 167	79 798 648
Accumulated Surplus/(Deficit)	(60 728 353)	(50 934 725)	(55 012 867)	(61 919 166)	(79 798 647)

Statement of Financial Performance

Interfront delivered an outstanding financial performance for the year ended 31 March 2026, recording a net accounting surplus of R17.9 million (2025: R6.9 million). This result represents a 158.9% improvement over the prior year and reflects the combined effect of strong revenue growth, disciplined cost management, and the successful execution of the entity's expanded mandate.

Revenue

Total revenue from exchange transactions grew by 19.4% to R293.9 million (2025: R246.0 million), underpinned by growth across all revenue streams.

Revenue from the rendering of services increased by 19.8% to R289.9 million (2025: R242.0 million). The growth was driven by the continued expansion of services delivered to SARS, reflecting Interfront's deepening role as SARS's primary technology partner across tax, customs, and border management systems.

Revenue from SARS specifically grew from R222.2 million to R284.3 million, an increase of 28.0%. This reflects a broadening of the scope of services provided, including the future expansion into innovation hub services, with a corresponding advance receipt of R26.1 million recognised within payables at year-end.

Interest income of R4.0 million (2025: R4.3 million) remained broadly in line with the prior year. While the cash base expanded significantly during the year, the slight reduction reflects a modest decrease in prevailing interest rates over the period.

A marginal net foreign exchange loss of R5 243 was recorded (2025: R275 518 loss), a substantial improvement on the prior year. The conclusion of the Luxembourg contract in December 2024 effectively eliminated the primary source of foreign currency exposure, and accordingly no hedging arrangements were deemed necessary.

Expenditure

Total expenditure increased by 13.9% to R269.4 million (2025: R236.5 million). This increase was largely volume-driven, reflecting the growth in service delivery capacity required to meet the expanded SARS mandate.

Employee-related costs, the entity's most significant cost line, grew by 13.9% to R236.2 million (2025: R207.4 million), comprising 87.7% of total expenditure. This reflects growth in the average staff complement, structured salary adjustments aligned with inflation and performance, and the full-year effect of the enhanced senior management layer introduced in 2024/2025. The average cost per employee increased moderately at 4.2%, consistent with Interfront's remuneration policy and market benchmarks.

IT expenses increased by 14.7% to R16.6 million (2025: R14.4 million), reflecting the continued investment in infrastructure, software licences, and technical platforms required to support an expanding service portfolio. This item is separately disclosed for the first time in the current year to enhance transparency in expense reporting.

External development services increased by 43.0% to R4.5 million (2025: R3.2 million), reflecting the selective engagement of specialist software skills to complement internal capacity during periods of elevated delivery demand.

Administrative expenses increased by 3.6% to R5.9 million (2025: R5.7 million). This increase, which is below the inflation rate, was primarily due to effective cost management and the Gauteng (Woodmead) office being operational for only the final four months of the financial year. With 47.2% of employees now based in Gauteng, the establishment of a dedicated office supports a strategic operational need. As the office operates for a full financial year, administrative expenses are expected to increase in future reporting periods.

Depreciation and amortisation decreased by 30.6% to R2.9 million (2025: R4.1 million). This reflects the full amortisation of intellectual property rights during the prior year, partially offset by ongoing additions to property, plant, and equipment.

Auditors' remuneration decreased by 28.0% to R1.1 million (2025: R1.6 million), largely due to the timing and scope of internal audit engagements compared to the prior period.

Taxation

The tax expense for the year amounted to R6.6 million (2025: R2.6 million), calculated at the applicable corporate tax rate of 27%. The effective tax rate is consistent with statutory rates, with minimal non-deductible adjustments and no new tax uncertainties identified during the year.

Statement of Financial Position

The entity's statement of financial position reflects a materially stronger position than the prior year, driven by significant growth in both revenue and cash generation.

Current assets

Total current assets grew by 65.9% to R135.7 million (2025: R81.8 million), reflecting robust cash generation, expanded billing activity, and a material prepayment to establish an innovation hub.

Trade and other receivables increased significantly by 129.4% to R52.0 million (2025: R22.7 million). This increase is primarily attributable to higher year-end billings to SARS, with trade receivables due from the Shareholder amounting to R41.3 million at 31 March 2026. The elevated closing balance reflects the timing of significant year-end work completed and billed but not yet settled at reporting date. Given SARS's strong credit profile and consistent payment history, management considers the credit risk on these balances to be negligible.

Cash and cash equivalents increased by 41.8% to R83.7 million (2025: R59.0 million), comprising R37.5 million in bank balances and R46.2 million in short-term deposits. The growth in the cash position supports the entity's objective of maintaining a three-month working capital buffer, reinforcing financial resilience in the absence of grant funding. The prepayment to fund the establishment of an innovation hub further contributed to the increased cash amount at year-end.

Non-current assets

Non-current assets increased moderately by 8.3% to R17.1 million (2025: R15.8 million). Additions to property, plant, and equipment of R3.9 million were made during the year (2025: R3.5 million), primarily in IT equipment and furniture, consistent with the increase in employee numbers and the commencement of the Woodmead office.

Intangible assets decreased to R146 000 (2025: R217 000) following the amortisation of IT software, with limited new software acquisitions of R40 000 during the year. Intellectual property rights are now fully amortised.

The deferred tax asset grew to R4.7 million (2025: R4.2 million), primarily driven by movements in provisions and accruals.

Current liabilities

Current liabilities increased substantially by 105.1% to R73.0 million (2025: R35.6 million). The primary driver of this increase was the recognition of R26.1 million (ex VAT) in income received in advance, relating to innovation hub services contracted for but not yet rendered as at year-end. This represents a new category of deferred revenue and is expected to be recognised as income during the 2026/2027 financial year.

Employee benefit accruals increased by 13.0% to R27.6 million (2025: R24.4 million), comprising a performance bonus provision of R19.7 million and an accrued leave pay balance of R7.8 million. These accruals reflect the growth in the workforce and the strong performance achieved during the year.

VAT payable increased to R10.8 million (2025: R4.4 million), primarily due to the timing of billings and VAT submissions at year-end. Trade payables to SARS of R744 000 relate to insurance and internal audit services procured through the Shareholder on arm's length terms.

Net assets

Net assets grew by 28.9% to R79.8 million (2025: R61.9 million), comprising the nominal share capital of R1 and accumulated surplus of R79.8 million. This outcome further strengthens the entity's financial sustainability and its capacity to absorb operational risks without recourse to external funding.

Cash flow statement

Net cash generated from operating activities amounted to R28.6 million (2025: R32.7 million). The year-on-year decrease reflects the timing impact of the elevated trade receivables balance at year-end, as cash receipts from services of R260.5 million were marginally lower than the prior year despite significantly higher billed revenue. Excluding this working capital movement, underlying cash generation remains robust.

Capital expenditure of R3.9 million was incurred on property, plant, and equipment (2025: R3.5 million) and R40 000 on intangible assets, resulting in net cash used in investing activities of R3.9 million. This investment is consistent with the entity's asset replacement strategy and infrastructure expansion.

The net increase in cash and cash equivalents for the year was R24.7 million (2025: R29.3 million), bringing the closing cash balance to R83.7 million.

Financial risk management

Interfront is exposed to credit risk, liquidity risk, and market risk (comprising currency risk and interest rate risk). The Board and Audit and Risk Committee provide oversight of the entity's risk management framework, supported by the internal audit function.

Credit risk remains low. A substantial portion of receivables relates to SARS, an organ of state with a strong credit profile and a consistent payment history. No expected credit losses were recognised in the current year.

Liquidity risk is effectively managed through a substantial cash position, short-term deposit holdings, and close monitoring of working capital. Payables are predominantly short-term in nature, and the entity maintains adequate headroom to meet all obligations as they fall due.

Currency risk has been materially reduced following the conclusion of the Luxembourg contract. Foreign currency exposure at year-end was nil. Interest rate risk is limited given the short-term nature of deposit holdings, and management has assessed that a reasonably possible change in rates would not have a material impact on the entity's financial performance.

Significant events during the year

The Board notes with deep sadness the passing of John Robertson, Executive Director, on 11 December 2025. Robertson made an invaluable contribution to Interfront over many years of dedicated service. His remuneration and related disclosures included in these financial statements cover the period of service up to the date of his passing. The Board and management extend their sincere condolences to his family.

During the year, Interfront commenced operations at its new Woodmead office in Gauteng, entering into a five-year operating lease commencing December 2025. This development formalises a long-anticipated geographic footprint to serve a workforce of which approximately 47% is now Gauteng-based.

The entity adopted the revised Standard of GRAP on Financial Instruments (GRAP 104, revised 2019) with effect from 1 April 2025. The adoption had no impact on accumulated surplus or total net assets at the date of transition.

Conclusion

The 2025/2026 financial year represents Interfront's strongest financial performance over the last five years. The significant growth in surplus, the material improvement in the balance sheet position, and the sustained cash generation reflect the continued maturation of the entity's operational model and the deepening of its strategic partnership with SARS.

Interfront continues to demonstrate sound financial management and a strong commitment to public accountability, transparency, and fiscal discipline. With a robust cash position, zero external debt, and a growing revenue base, the entity is well-positioned to absorb future investment requirements and deliver on its expanding mandate, making a meaningful and lasting contribution to South Africa's revenue administration objectives.

4 Report of the Auditor-General to Parliament on the International Frontier Technologies SOC Ltd

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the International Frontier Technologies SOC Ltd (the public entity) as set out on pages 137–178, which comprise statement of financial position as at 31 March 2026, 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 International Frontier Technologies SOC Ltd as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practices (Standards of GRAP) as issued by the Accounting Standard Board of South Africa 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.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP as issued by the Accounting Standards Board and the requirements of the PFMA & Companies Act of South Africa 71 of 2008 and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the

appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 8 forms part of my auditor's report.

Report on the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
11. I selected the following material performance indicators related to Goal 1: Continual Innovation and client centricity presented in the annual performance report for the year ended 31 March 2026. 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.
    - Develop, enhance, and expand the ICBS channels to support SARS Customs Modernisation Programme (CMP).
    - Develop, enhance, and expand the E-Filing and MobiApp platforms to meet SARS business and legislative requirements.
    - Develop, enhance and expand the e@syFile platform and systems to meet SARS business and legislative requirements and provide training and support services to employers and payroll administrators.
    - Provide effective support services to SARS
    - Provide effective software support services to customers based on contractual agreements with them.
12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
    - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
    - the indicators are well defined to ensure that they are easy to understand and can

be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets

14. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected material performance indicators.

Other matters

16. I draw attention to the matter below.

Achievement of planned targets

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

Continual innovation and client centricity

TARGETS ACHIEVED: 89,47%		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Develop, enhance, and expand the iCBS product to support Sars in their objective of the CMP	Dynamic forms	Partially achieved
	Enhance customs intelligence and trade facilitation by extracting and analysing data from customs databases	Not achieved

Report on compliance with legislation

18. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
19. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

20. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
21. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

22. 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. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in objectives presented in the annual performance report that have been specifically reported on in this auditor's report.
23. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
24. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in objectives presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
25. I have nothing to report in this regard.

Internal control deficiencies

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

Auditor General

PRETORIA

31 July 2026

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

LEGISLATION AND REGULATIONS	CONSOLIDATED FIRM LEVEL REQUIREMENTS
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(2)(c); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A); 25(9)(a); 25(10)
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2(1)(a); 2(1)(b); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

5 Annual Financial Statements

Index

Statement of Financial Position	138
Statement of Financial Performance	139
Statement of Changes in Net Assets	139
Cash Flow Statement	140
Notes to the Annual Financial Statements Significant Accounting Policies	141
Notes to the Annual Financial Statements	157

Statement of Financial Position as at 31 March 2026

Figures in Rand	Note(s)	2026	2025
Assets			
Current Assets			
Current tax receivable		–	101 816
Receivables from exchange transactions	5	51 990 297	22 658 914
Cash and cash equivalents	6	83 697 190	59 036 719
		135 687 487	**81 797 449**
Non-Current Assets		–	–
Property, plant and equipment	7	12 231 657	11 405 163
Intangible assets	8	145 906	217 069
Deferred tax	9	4 732 433	4 171 804
		17 109 996	**15 794 036**
Total Assets		**152 797 483**	**97 591 485**
Liabilities			
Current Liabilities			
Current tax payable		384 269	–
Operating lease liability	10	94 752	186 295
Payables from exchange transactions	11	34 126 572	6 649 463
VAT payable	12	10 815 153	4 364 862
Employee benefit accruals	13	27 561 694	24 381 415
		72 982 440	**35 582 035**
Non-Current Liabilities			
Operating lease liability	10	16 395	90 283
Total Liabilities		**72 998 835**	**35 672 318**
Net Assets		**79 798 648**	**61 919 167**
Share capital/contributed capital	14	1	1
Accumulated surplus		79 798 647	61 919 166
Total Net Assets		**79 798 648**	**61 919 167**

Statement of Financial Performance

Figures in Rand	Note(s)	2026	2025
Revenue			
Revenue from exchange transactions			
Rendering of services	15	289 853 327	242 041 539
Loss from foreign exchange transactions and other sundry income		(5 243)	(275 518)
Interest received		4 031 492	4 281 082
Total revenue from exchange transactions		**293 879 576**	**246 047 103**
Expenditure			
Employee related costs	16	(236 197 643)	(207 356 284)
External development services		(4 546 605)	(3 178 578)
Depreciation and amortisation		(2 869 056)	(4 133 419)
Loss on disposal of assets		(290 404)	(150 547)
Administrative expenses		(5 901 136)	(5 696 177)
IT expense		(16 554 653)	(14 433 661)
Auditors remuneration		(1 117 952)	–
R&D Expense		(1 911 106)	–
Total expenditure		**(269 388 555)**	**(236 499 920)**
Surplus before taxation		**24 491 021**	**9 547 183**
Taxation	18	(6 611 540)	(2 640 883)
Surplus for the year		**17 879 481**	**6 906 300**

Statement of Changes in Net Assets

Figures in Rand	Share capital/ contributed capital	Accumulated surplus	Total net assets
Balance at 01 April 2024	**1**	**55 012 866**	**55 012 867**
Changes in net assets			
Surplus for the year	–	6 906 300	6 906 300
Total changes	–	6 906 300	6 906 300
Balance at 01 April 2025	**1**	**61 919 166**	**61 919 167**
Changes in net assets			
Surplus for the year	–	17 879 481	17 879 481
Total changes	–	17 879 481	17 879 481
Balance at 31 March 2026	–	**79 798 647**	**79 798 648**

Note(s)	14

Cash Flow Statement

Figures in Rand	Note(s)	2026	2025
Cash flows from operating activities			
Receipts			
Rendering of services		260 521 944	260 766 845
Interest income		4 031 492	4 281 082
Loss on exchange rate differences		(5 243)	(275,518)
		264 548 193	264 772 409
Payments			
Employee costs		(240 744 248)	(210 534 862)
Suppliers		1 826 830	(21 306 218)
Income tax	4	(6 686 084)	(3 147 549)
Employee benefit accruals		3 180 279	3 193 828
VAT		6 450 294	(250 716)
		(235 972 929)	(232 045 517)
Net cash flows from operating activities	21	**28 575 264**	**32 726 892**
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(3 880 679)	(3 518 292)
Purchase of other intangible assets	8	(40 214)	–
Proceeds from the sale of property, plant and equipment		6 100	87 751
Net cash flows from investing activities		**(3 914 793)**	**(3 430 541)**
Net increase/(decrease) in cash and cash equivalents		24 660 471	29 296 351
Cash and cash equivalents at the beginning of the year		59 036 719	29 740 368
Cash and cash equivalents at the end of the year	6	**83 697 190**	**59 036 719**

Notes To The Annual Financial Statements
Significant Accounting Policies

1 Significant accounting policies

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

1.1 Basis of preparation

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

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

These accounting policies are consistent with the previous period, except for the changes set out in note 2 Changes in accounting policy.

1.2 Significant judgements and sources of estimation uncertainty

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

Impairment testing

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

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group 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 projected future revenue forecasts and economic factors such as inflation, exchange rates and interest rates.

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 13.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The entity recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The entity recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the entity to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the entity to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Classification and designation of financial assets and financial liabilities

The entity exercises judgement in determining:

- the management model for groups of financial assets (for example, whether assets are held primarily to collect contractual cash flows, to realise fair value changes through sales, or to manage liquidity); and
- whether the contractual terms of financial assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding (“SPPI”).

These assessments determine whether financial assets are measured at amortised cost or at fair value through surplus or deficit, and whether the entity designates particular financial assets or financial liabilities at fair value through surplus or deficit to eliminate or significantly reduce accounting mismatches.

Management models for financial assets

Management determines the entity’s management models for financial assets at a portfolio level, based on how groups of assets are managed in practice (for example, whether the main objective is to collect contractual cash flows over the life of the assets, to both hold and sell, or to actively trade). Instruments held in a management model whose objective is to hold financial assets in order to collect contractual cash flows, and that meet the SPPI condition, are measured at amortised cost in accordance with GRAP 104.4.2. Other financial assets are measured at fair value through surplus or deficit.

Contractual cash flow characteristics (SPPI assessment)

Significant judgement is involved in assessing whether contractual cash flows of a financial asset are solely payments of principal and interest on the principal amount outstanding, particularly where instruments contain features such as:

- interest that is linked to performance or other non-basic variables;
- modified time-value-of-money elements;
- non-recourse terms; or
- prepayment or extension options.

Such features may introduce risks or variability in cash flows that are not consistent with a basic lending arrangement, and therefore may cause the instrument to fail the SPPI condition.

Impairment – expected credit losses (ECL)

The entity measures expected credit losses (ECL) on financial assets measured at amortised cost, lease receivables, and on loan commitments and financial guarantee contracts, using the requirements in GRAP 104.5.17–5.35. ECL measurement involves significant judgement, including in:

- defining "default" and segmenting exposures into appropriate groups;
- estimating probabilities of default, loss given default and exposures at default;
- assessing the impact of collateral and other credit enhancements; and
- incorporating forward-looking information and any post-model adjustments where model outputs do not fully capture emerging risks.

Significant Increase in Credit Risk (SICR)

The entity assesses whether there has been a significant increase in credit risk (SICR) since initial recognition using both quantitative and qualitative indicators. In many portfolios, the entity applies the rebuttable presumption in GRAP 104 that credit risk has increased significantly when contractual payments are more than 30 days past due, unless there is reasonable and supportable information showing otherwise.

For exposures that are not past due, SICR is assessed using indicators such as changes in internal and external credit assessments, watch-list status and adverse changes in the debtor's operating environment.

Use of forward-looking and macro-economic information

Assumptions used in ECL models incorporate reasonable and supportable forward-looking information available without undue cost or effort at the reporting date, including relevant macro-economic variables (such as indicators of economic growth, employment, inflation and interest rates). ECL estimates are derived from probability-weighted scenarios that reflect this information in an unbiased manner.

Write-offs and subsequent recoveries

Financial assets (or parts thereof) are written off when the entity has no reasonable expectation of recovering all or part of the contractual cash flows, after considering historical experience and specific factors relating to the debtor. Any subsequent cash recoveries of amounts previously written off are recognised in surplus or deficit when received.

Modifications and derecognition of financial assets

The entity exercises judgement in determining whether changes in the contractual terms of a financial instrument represent:

- a modification that does not result in derecognition; or
- a change that is so substantial that it results in derecognition of the original instrument and recognition of a new one.

This assessment considers both quantitative factors (such as changes in the present value of contractual cash flows) and qualitative factors (such as changes in currency, collateral or other key terms).

Offsetting and presentation

The entity offsets financial assets and financial liabilities in the statement of financial position only when it has:

- a currently enforceable legal right to set off the recognised amounts; and
- an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Judgement is applied in:

- assessing whether rights of set-off are legally enforceable in the normal course of business and in the event of default or insolvency; and
- determining when offsetting criteria are met.

Disclosure classes, aggregation and unrepresentative period-end data

For disclosure purposes, the entity groups financial instruments into classes that reflect the nature of the instruments and their associated risks and reconciles these classes to the line items in the statement of financial position.

Management applies judgement in determining the appropriate level of aggregation or disaggregation so that disclosures remain understandable and relevant and do not obscure useful information.

Useful lives and residual value of assets

As described in the accounting policy below, the company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

1.3 Property, plant and equipment

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

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

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bringing 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.

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

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

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

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Furniture and fixtures	Straight-line	5–16 years
IT equipment	Straight-line	3–13 years
Leasehold improvements	Straight-line	Over the life of the asset or lease period, whichever is shorter
Security equipment	Straight-line	13 years
Office equipment – leased	Straight-line	Over the term of the lease

The entity assesses at each reporting date whether there is any indication that the entity's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an 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.

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

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

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 7).

1.4 Intangible assets

An intangible asset is recognised when:

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

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

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

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

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Intellectual property rights	Straight-line	11 years
IT software	Straight-line	3–5 years

Intangible assets are derecognised:

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

1.5 Financial instruments

Applied from the effective date prescribed for the entity by regulation of the Minister of Finance and the applicable Directive (see note “Changes in accounting policy”). Any references to paragraph numbers in this accounting policy relate to paragraphs in GRAP 104 (revised 2019), related Appendices and/or related Basis for Conclusions.

Initial Recognition

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

The entity recognises financial assets using trade date accounting.

Classification

Classification of Financial Assets

The entity classifies financial assets as subsequently measured at amortised cost or fair value through surplus or deficit on the basis of both:

(a) the entity’s management model for managing the financial assets; and

(b) the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purpose of applying (b) above:

- "Principal" is the fair value of the financial asset at initial recognition
- "Interest" consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin (where applicable).

A financial asset is measured at fair value through surplus or deficit unless it is measured at amortised cost or cost.

Classification of Financial Liabilities

The entity classifies all financial liabilities as subsequently measured at amortised cost, except for:

(a) Financial liabilities at fair value through surplus or deficit. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

(b) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition.

(c) Financial guarantee contracts. After initial recognition, the issuer of such a contract (unless paragraph 4.7(a) or (b) applies) subsequently measures it at the higher of:

  (i) the amount of the loss allowance determined in accordance with paragraphs 5.17 to 5.35; and

  (ii) the amount initially recognised less, when appropriate, the cumulative amount of revenue recognised in accordance with the principles of the Standard of GRAP on Revenue from Exchange Transactions (GRAP 9) (where applicable).

(d) Commitments to provide a loan at a below-market interest rate. The issuer of such a commitment (unless paragraph 4.7(a) applies) subsequently measures it at the higher of:

  (i) the amount of the loss allowance determined in accordance with paragraphs 5.17 to 5.35 plus, for concessionary loans, any social benefit provided; and

  (ii) the amount initially recognised less, when appropriate, the cumulative amount of revenue recognised in accordance with the principles of GRAP 9 (where applicable).

(e) Contingent consideration recognised by an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfers of Functions Between Entities Not Under Common Control applies. Such contingent consideration is subsequently measured at fair value with changes recognised in surplus or deficit.

Reclassification

The entity reclassifies financial assets when:

(a) it changes its management model for managing financial assets, it reclassifies all affected financial asset in accordance with GRAP 104 (revised 2019);

(b) a reliable measure of fair value either becomes, or ceases to be, available for an investment in a residual interest.

The entity does not reclassify any financial liability.

Measurement

Initial measurement

Except for, where at initial recognition, the entity measures receivables and payables at their transaction price if they do not contain a material financing transaction, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

However, if the fair value of the financial asset or financial liability at initial recognition differs from the transaction price, the entity applies the relevant paragraphs in GRAP 104 (revised 2019).

Despite the above, at initial recognition, the entity measures receivables and payables at their transaction price if they do not contain a material financing transaction.

Subsequent measurement of financial assets

After initial recognition, the entity measures a financial asset at:
(a) amortised cost;

(b) fair value through surplus or deficit; or

(c) cost.

The entity applies the impairment requirements in paragraphs 5.17 to 5.35 to financial assets that are measured at amortised cost in accordance with paragraph 4.2 and paragraph 5.36 to financial assets measured at cost in accordance with paragraph 4.5.

Subsequent measurement of financial liabilities

After initial recognition, the entity measures a financial liability in accordance with the section on “Classification of Financial Liabilities”.

Impairment

Recognition of expected credit losses

General approach

The entity recognises a loss allowance for expected credit losses on a financial asset that is measured in accordance with paragraphs 4.2; a lease receivable, or a loan commitment and a financial guarantee contract to which the impairment requirements apply, in accordance with paragraphs 1.3(e), 4.7(c) or (d).

Subject to paragraphs 5.28 to 5.30, at each reporting date, an entity measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If the entity measured the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the above paragraph is no longer met, the entity measures the loss allowance at an amount equal to 12-month expected credit losses at the current reporting date.

Subject to paragraphs 5.28 to 5.30, if, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The entity recognises in surplus or deficit, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with GRAP 104 (revised 2019).

Determining significant increases in credit risk

At each reporting date, the entity assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the entity uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the entity compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Simplified approach for receivables and lease receivables

Despite paragraphs 5.18 and 5.20, the entity always measures the loss allowance at an amount equal to lifetime expected credit losses for receivables and lease receivables.

The requirements for purchased or originated credit impaired financial assets do not apply to receivables.

Measurement of expected credit losses

The entity measures expected credit losses of a financial instrument in a way that reflects:

(a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

(b) the time value of money; and

(c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Some financial instruments include both a loan and an undrawn commitment component and the entity's contractual ability to demand repayment and cancel the undrawn commitment does not limit the entity's exposure to credit losses to the contractual notice period. For such financial instruments, the entity measures expected credit losses over the period that the entity is exposed to credit risk and expected credit losses would not be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period.

Derecognition

Derecognition of financial assets

The entity derecognises a financial asset only when:

(a) the contractual rights to the cash flows from the financial asset expire, are settled or waived;

(b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or

(c) the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:

    (i) derecognises the asset; and

    (ii) recognises separately any rights and obligations created or retained in the transfer.

Derecognition of financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

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 end of the reporting period.

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).

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

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in surplus or deficit for the period.

1.7 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.

Operating leases – lesse

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

1.8 Impairment of cash-generating assets

Identification

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

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

1.9 Share capital/contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Ordinary shares as well as a loan received from the shareholder are classified as equity.

1.10 Employee benefits

Identification

Employee benefits

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

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

Classification of plans

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

Short-term employee benefits

Recognition and measurement

All short-term employee benefits

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

(a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Short-term paid absences

The entity recognises the expected cost of short-term employee benefits in the form of paid absences as follows:

(a) in the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences; and

(b) in the case of non-accumulating paid absences, when the absences occur.

The entity measures the expected cost of accumulating paid absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

Bonus, incentive and performance related payments

The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

(a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and

(b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Recognition and measurement

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

(a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

(b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset. When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, they are discounted using the discount rate as specified.

1.11 Provisions and contingencies

Provisions are recognised when:

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

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

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

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

Provisions are not recognised for future operating surplus or deficit.

1.12 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Measurement

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

Rendering of services

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

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

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Income received in advance

Income received in advance represents amounts received by the entity for services to be provided in future reporting periods. These amounts are recognised as a liability when cash is received and are recognised as revenue only when the related services are rendered.

1.14 Interest received

Investment income is recognised on a time-proportion basis using the effective interest method.

1.15 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date foreign currency monetary items are translated using the closing rate.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.16 Comparative figures

In the current year, the entity refined the presentation of certain items on the Statement of Financial Position and the Statement of Financial Performance to improve the clarity, relevance, and consistency of financial information presented to users. Comparative figures have been reclassified accordingly to ensure consistency with the current year presentation.

Accrued leave pay and bonus accruals, previously presented separately as part of payables from exchange transactions and provisions respectively, are now presented together under a separate current liability line item titled “Employee benefit accruals”. This revised presentation more clearly reflects the nature of employee-related short-term benefits.

In addition, the presentation of operating expenses was refined by separately disclosing Information Technology (IT) expenses, which were previously included within administrative expenses. This disaggregation enhances the transparency and usefulness of expense information.

Comparative figures have been reclassified accordingly to ensure consistency with the current year presentation.

These reclassifications do not represent the correction of prior period errors, as the prior year financial statements were prepared in accordance with Standards of GRAP based on information available at the time. The reclassifications had no impact on the surplus or deficit for the year, total assets, total liabilities, or net assets of the entity.

1.17 Related parties

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

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

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

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2 Changes in accounting policy

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice on a basis consistent with the prior year except for the adoption of the following new or revised standards.

Financial Instruments (GRAP 104, revised 2019)

Nature of change

During the current reporting period, the entity adopted the revised Standard of GRAP on Financial Instruments (GRAP 104, revised 2019) for the first time.

The revised Standard introduces, inter alia:

- A new classification model for financial assets and financial liabilities, based on the entity's management model for managing financial assets and on the characteristics of the contractual cash flows (SPPI condition).
- A new expected credit loss (ECL) model for the impairment of financial assets measured at amortised cost, certain loan commitments, financial guarantee contracts and lease receivables.
- Revised requirements for the presentation of own-credit risk on financial liabilities designated at fair value through surplus or deficit; and
- Specific guidance on residual interests (including measurement at cost as a practical expedient when fair value is not reliably measurable).

The revised Standard became effective for the entity on 1 April 2025.

Transitional provisions

The entity applied the Standard of GRAP on Financial Instruments (GRAP 104) (2019) retrospectively, in accordance with GRAP 3, except as specified otherwise in the transitional provision. GRAP 104 (2019) was not applied to items that have already been derecognised at the date of initial adoption.

Despite the requirement to apply the Standard of GRAP on Financial Instruments (GRAP104) (2019) retrospectively, the entity was not required to restate prior periods.

Where it was practicable to do so, the entity has restated comparative information, applying the revised GRAP 104 requirements retrospectively. Where restatement was impracticable, the entity followed the transitional relief allowed, and recognised the resulting adjustments in opening accumulated surplus or deficit (or other component of net assets, as appropriate) of the annual reporting period that includes the date of initial adoption.

Classification and measurement – transitional elections

At the date of initial adoption, the entity:

- Assessed whether a financial asset meets the condition in paragraph 4.2(a) of GRAP 104 (2019) on the basis of the facts and circumstances that existed at that date. The resulting classification was applied retrospectively irrespective of the entity's management model in prior reporting periods.
- Designated financial assets as measured at fair value through surplus or deficit in accordance with paragraph 4.6 of GRAP 104 (2019). Such a designation is made on the basis of the facts and circumstances that exist at the date of initial adoption. That classification was applied retrospectively.
- Made the designation in paragraph 1.10 of GRAP 104 (2019) for contracts that already exist on the date, and designated all similar contracts. The change in the net assets resulting from such designations was recognised in accumulated surplus or deficit at the date of initial adoption.
- Determined whether the objective of the entity's management model for managing any of its financial assets met the condition in paragraph 4.2(a) of GRAP 104 (2019). For that purpose, the entity determined whether financial assets met the definition of held for trading as if the entity has purchased the assets at the date of initial adoption.

Impairment – Expected credit losses (ECL)

The entity applied the impairment requirements in paragraphs 5.17 to 5.36 of GRAP 104 (2019) retrospectively in accordance with GRAP 3.

As entities are not required to restate comparative information, applying the impairment requirements retrospectively means that the entity measured impairment losses using expected credit losses on the date of adoption.

At the date of initial adoption, the entity used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that a financial instrument was initially recognised (or for loan commitments and financial guarantee contracts at the date that the entity became a party to the irrevocable commitment in accordance with paragraph 5.21 of GRAP 104 (2019)) and compared that to the credit risk at the date of initial adoption of the Standard.

On transition, the entity sought to approximate the credit risk on initial recognition by considering all reasonable and supportable information that was available without undue cost and effort. The entity is not required to undertake an exhaustive search for information when determining, at the date of transition, whether there have been significant increases in credit risk since initial recognition.

When determining whether there has been a significant increase in credit risk since initial recognition, the entity applied:

(a) the requirements in paragraphs 5.25 and Appendix A paragraphs AG5.81 to AG5.83 of GRAP 104 (2019);

(b) the rebuttable presumption in paragraph 5.26 of GRAP 104 (2019) for contractual payments that are more than 30 days past due if the entity applied the impairment requirements by identifying significant increases in credit risk since initial recognition for those financial instruments on the basis of past due information.

Where, at the date of initial adoption, determining whether there has been a significant increase in credit risk since initial recognition required undue cost or effort, the entity recognises a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognised (unless that financial instrument is low credit risk at a reporting date, in which case the relevant requirements apply).

Impact on the financial statements

Reconciliation of measurement categories and carrying amounts – at the date of initial adoption

2026

CLASS OF INSTRUMENT	NOTES	CARRYING AMOUNT (OLD) – LINE ITEM/CLASS	NON-FI PORTION (EXCLUDED)	CARRYING AMOUNT (OLD) – FI	GRAP 104 (2009) CATEGORY	GRAP 104 (2019) CATEGORY	CARRYING AMOUNT (NEW) – FI
Receivables from exchange transactions	5	51 990 297	(9 027 130)	42 963 167	At amortised cost	At amortised cost	42 963 167
Cash and cash equivalents	6	83 697 190	–	83 697 190	At fair value	At amortised cost	83 697 190
Payables from exchange transactions	11	34 126 572	(26 671 014)	7 455 558	At amortised cost	At amortised cost	7 455 558
		169 814 059	(35 698 144)	134 115 915			134 115 915

The “Non-FI portion (excluded)” column comprises balances that are not within the scope of GRAP 104. These amounts are presented solely to reconcile the analysis to the Statement of Financial Position and are not assigned to a GRAP 104 financial instrument category.

2025

CLASS OF INSTRUMENT	NOTES	CARRYING AMOUNT (OLD) - LINE ITEM/CLASS	NON-FI PORTION (EXCLUDED)	CARRYING AMOUNT (OLD) - FI	GRAP 104 (2009) CATEGORY	GRAP 104 (2019) CATEGORY	CARRYING AMOUNT (NEW) - FI
Receivables from exchange transactions	5	22 658 914	(7 808 670)	14 850 244	At amortised cost	At amortised cost	14 850 244
Cash and cash equivalents	6	59 036 719	–	59 036 719	At fair value	At amortised cost	59 036 719
Payables from exchange transactions	11	6 649 463	(356 975)	6 292 488	At amortised cost	At amortised cost	6 292 488
		88 345 096	(8 165 645)	80 179 451			80 179 451

The “Non-FI portion (excluded)” column comprises balances that are not within the scope of GRAP 104. These amounts are presented solely to reconcile the analysis to the Statement of Financial Position and are not assigned to a GRAP 104 financial instrument category.

Financial instruments that have been reclassified so that they are measured at amortised cost as a result of the transition to the Standard

2026

CLASS OF INSTRUMENT	NOTES	GRAP 104 (2009) CATEGORY	CARRYING AMOUNT LINE ITEM/CLASS	CARRYING AMOUNT – FI AT AC
Cash and cash equivalents	5	At fair value	83 697 190	83 697 190

2025

CLASS OF INSTRUMENT	NOTES	GRAP 104 (2009) CATEGORY	CARRYING AMOUNT LINE ITEM/CLASS	CARRYING AMOUNT – FI AT AC
Cash and cash equivalents	5	At fair value	59 036 719	59 036 719

Summary of effect on accumulated surplus/net assets

There were no changes to accumulated surplus or deficit on the date of initial adoption, as a result of applying GRAP104 (revised 2019).

3 New standards and interpretations

3.1 Standards and interpretations effective and adopted in the current year

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

STANDARD/ INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT:
iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	The impact thereof is not material.
GRAP 104 (as revised): Financial Instruments	01 April 2025	The impact thereof is set out in note 2 Changes in accounting policy.

3.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2026 or later periods:

STANDARD/ INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT:
GRAP 107 (as revised) Mergers	Still to be determined by the Minister of Finance	Unlikely there will be a material impact
GRAP 106 (as revised) Transfer of Functions Between Entities Not Under Common Control	Still to be determined by the Minister of Finance	Unlikely there will be a material impact
GRAP 105 Transfer of Functions Between Entities Under Common Control	Still to be determined by the Minister of Finance	Unlikely there will be a material impact
GRAP 2023 Improvements to the Standards of GRAP 2023	Still to be determined by the Minister of Finance	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	Still to be determined by the Minister of Finance	Unlikely there will be a material impact
GRAP 103 (amended): Heritage Assets	Still to be determined by the Minister of Finance	Unlikely there will be a material impact

4 Tax paid

Balance at beginning of the year	101 816	191 631
Current tax for the year recognised in surplus or deficit	(7 172 169)	(3 237 364)
Balance at end of the year	384 269	(101 816)
	(6 686 084)	**(3 147 549)**

5 Receivables from exchange transactions

Receivables from exchange transactions		
Trade debtors	36 391 359	13 613 327
Prepayments and other sundry receivables	15 583 579	9 030 228
Deposits	15 359	15 359
Total Receivables from exchange transactions	**51 990 297**	**22 658 914**

Split between financial instruments and non-financial instruments		
Statutory related	–	–
Other non-financial instruments related	9 027 130	7 808 670
Carrying amount of non-financial instruments	9 027 130	7 808 670
Carrying amount of financial instruments	42 963 167	14 850 244
Total split between financial instruments and non-financial instruments	**51 990 297**	**22 658 914**

The non-financial instruments relate to prepaid expenses for goods and services.

Split of carrying amount of financial instruments into categories		
Financial assets measured at amortised cost	42 963 167	14 850 244

6 Cash and cash equivalents

Cash and cash equivalents consist of:		
Cash on hand	3 369	3 918
Bank balances	37 496 671	13 245 186
Short-term deposits	46 197 150	45 787 615
	83 697 190	**59 036 719**

Split between financial instruments and non-financial instruments		
Carrying amount of non-financial instruments	–	–
Carrying amount of financial instruments	83 697 190	59 036 719
Total split between financial instruments and non-financial instruments	**83 697 190**	**59 036 719**

Split of carrying amount of financial instruments into categories		
Financial assets measured at amortised cost	83 697 190	59 036 719

7 Property, plant and equipment

	2026			2025		
	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Leasehold improvements	1 869 761	(1 015 359)	854 402	1 817 625	(813 867)	1 003 758
Furniture and fixtures	1 809 979	(745 296)	1 064 683	1 195 190	(652 153)	543 037
IT equipment	20 356 826	(10 048 590)	10 308 236	21 312 623	(11 457 266)	9 855 357
Security equipment	17 879	(13 543)	4 336	20 108	(17 097)	3 011
Total	**24 054 445**	**(11 822 788)**	**12 231 657**	**24 345 546**	**(12 940 383)**	**11 405 163**

Reconciliation of property, plant and equipment – 2026

	Opening balance	Additions	Disposals	Amortisation	Total
Leasehold improvements	1 003 758	52 136	–	(201 492)	854 402
Furniture and fixtures	543 037	628 207	(1 056)	(105 505)	1 064 683
IT equipment	9 855 357	3 197 207	(284 168)	(2 460 160)	10 308 236
Security equipment	3 011	3 129	(409)	(1 395)	4 336
	11 405 163	**3 880 679**	**(285 633)**	**(2 768 552)**	**12 231 657**

Reconciliation of property, plant and equipment – 2025

	Opening balance	Additions	Disposals	Amortisation	Total
Leasehold improvements	933 212	260 878	–	(190 332)	1 003 758
Furniture and fixtures	652 227	42 704	(46 029)	(105 865)	543 037
IT equipment	9 313 631	3 214 710	(192 262)	(2 480 722)	9 855 357
Security equipment	4 306	–	–	(1 295)	3 011
	10 903 376	**3 518 292**	**(238 291)**	**(2 778 214)**	**11 405 163**

Fully depreciated assets still in use amount to R51 133. Management monitors the use of fully depreciated assets and replaces them in line with operational requirements.

Other information		
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		
Repairs and maintenance	200 407	400 873

Impairment

As per GRAP 26, management assessed whether there was any indication that the tangible assets were impaired. None were identified.

8 Intangible assets

	2026			2025		
	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Intellectual property and other rights	73 582 623	(73 582 623)	–	73 582 623	(73 582 623)	–
IT software	3 358 454	(3 212 548)	145 906	3 816 352	(3 599 283)	217 069
Total	**76 941 077**	**(76 795 171)**	**145 906**	**77 398 975**	**(77 181 906)**	**217 069**

Reconciliation of intangible assets - 2026

	Opening balance	Additions	Disposals	Amortisation	Total
IT Software	217 069	40 214	(10 873)	(100 504)	145 906

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Disposals	Amortisation	Total
Intellectual property and other rights	1 195 294	–	–	(1 195 294)	–
IT Software	376 986	–	(6)	(159 911)	217 069
	1 572 280	**–**	**(6)**	**(1 355 205)**	**217 069**

Impairment

As per GRAP 26, management assessed whether there was any indication that the intangible assets were impaired. None was identified.

9 Deferred tax

Deferred tax liability

Deferred tax	4 732 433	4 171 804
Reconciliation of deferred tax asset \ (liability)	–	–
At beginning of year	4 171 804	3 575 323
Temporary difference on prepayments	37 339	(127 786)
Temporary difference on tangible fixed assets	(290 719)	(295 795)
Movement in provisions and accruals	858 675	862 334
Originating temporary difference on operating lease	(44 666)	(68 047)
Reversing temporary difference on intellectual property	–	225 775
	4 732 433	**4 171 804**

10 Operating lease asset (liability)

Non-current liabilities	16 395	90 283
Current liabilities	94 752	186 295
	111 147	**276 578**

Operating leases represent rentals payable by the entity for its office premises.

The St Andrews building lease was originally signed for a period of five years with an annual rental escalation of 7% and an expiry date of 31 August 2024. An addendum to the lease was subsequently signed, extending the lease term by a further two years, with a more favourable annual escalation of 5%. The current enforceable lease term expires on 31 August 2026. At reporting date, negotiations were underway for the renewal of the lease. No agreement had been signed and no enforceable rights or obligations existed. Accordingly the potential renewal has not been recognised or disclosed as an operating lease commitment in these financial statements.

During the year the entity entered into a new operating lease for office premises in Woodmead. The lease is for a five year period and commenced in December 2025 and provides for a fixed rental with no annual escalation over the lease term.

11 Payables from exchange transactions

Trade payables	1 584 098	1 771 952
PAYE payable	4 875 302	4 315 814
Other accruals	1 580 215	561 697
Income received in advance	26 086 957	–
	34 126 572	**6 649 463**

The income received in advance relates to Innovation hub services to be rendered.

Split between financial instruments and non-financial instruments

Other non-financial instruments related	26 671 014	356 975
Carrying amount of non-financial instruments	26 671 014	356 975
Carrying amount of financial instruments	7 455 558	6 292 488
Total split between financial instruments and non-financial instruments	34 126 572	6 649 463

Split of carrying amount of financial instruments into categories

Financial liabilities measured at amortised cost	7 455 558	6 292 488

12 VAT payable

VAT payable	10 815 153	4 364 862

13 Employee benefit accruals

Reconciliation of employee benefit accruals – 2026

	Opening balance	Additions	Utilised during the year	Reversed during the year	Total
Performance bonus	17 445 532	19 741 246	(17 181 603)	(263 929)	19 741 246
Accrued leave pay	6 935 883	7 820 448	(6 935 883)	–	7 820 448
	24 381 415	**27 561 694**	**(24 117 486)**	**(263 929)**	**27 561 694**

Reconciliation of employee benefit accruals – 2025

	Opening balance	Additions	Utilised during the year	Reversed during the year	Total
Performance bonus	14 812 639	17 445 532	(14 592 290)	(220 349)	17 445 532
Accrued leave pay	6 374 947	6 935 883	(6 374 947)	–	6 935 883
	21 187 586	**24 381 415**	**(20 967 237)**	**(220 349)**	**24 381 415**

Performance bonus represents the estimated obligation for the current year.

14 Share capital / contributed capital

Authorised

1 000 Ordinary shares of R1 each	1 000	1 000

Reconciliation of number of shares issued:

Reported as at 01 April 2025	1	1

999 unissued ordinary shares are under the control of the Board in terms of the Memorandum of incorporation.

Issued

Ordinary	1	1

Share capital is fully paid and has no restrictions.

15 Revenue

Rendering of services: SARS	284 251 980	222 191 618
Rendering of services: Luxemburg	–	14 630 592
Rendering of services: Other	5 601 347	5 219 329
Loss from foreign exchange transactions	(5 243)	(275 518)
Interest received	4 031 492	4 281 082
	293 879 576	**246 047 103**

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

Rendering of services	289 853 327	242 041 539
Loss from exchange transactions	(5 243)	(275 518)
Interest received	4 031 492	4 281 082
	293 879 576	**246 047 103**

16 Employee related costs

Basic salary	210 293 838	185 130 210
Bonus and rewards	19 477 317	17 225 183
Employers contribution to UIF	467 079	433 573
Other benefits	3 950 770	3 510 401
Training and other sundry employee costs	2 008 639	1 056 917
	236 197 643	**207 356 284**

17 Auditors' remuneration

External audit: Fees	567 167	885 439
Internal audit: Fees	487 600	486 470
Subsistence and travel: External audit	63 185	179 345
	1 117 952	**1 551 254**

18 Taxation

Major components of the tax expense

Current

Local income tax - current period	7 173 205	3 271 174
Local income tax - recognised in current tax for prior periods	(1 036)	(33 810)
	7 172 169	**3 237 364**

Deferred

Deferred tax movement for the year	(560 629)	(596 481)
	6 611 540	**2 640 883**

Reconciliation of the tax expense		
Reconciliation between accounting surplus and tax expense.		
Accounting surplus	24 491 021	9 547 183
Tax at the applicable tax rate of 27% (2025: 27%)	6 612 576	2 577 739
Tax effect of adjustments on taxable income		
Originating temporary differences	560 629	596 481
Non-deductible expenses	–	96 954
Prior year adjustment	(1 036)	(33 810)
	7 172 169	**3 237 364**

19 Employee benefit obligations

Defined contribution plans

It is the policy of the entity to provide retirement benefits to all its employees. Entitlement to retirement benefits is governed by the rules of the Allan Gray Retirement Annuity Fund, which is a defined contribution retirement annuity fund. The entity has no legal or constructive obligation to pay for future benefits. The responsibility vests with the Allan Gray Retirement Annuity Fund.

The entity is under no obligation to cover any unfunded benefits.

The total economic entity contribution to such schemes	13 225 096	11 742 233

20 Operating surplus

Operating surplus for the year is stated after accounting for the following:

Loss on sale of property, plant and equipment	(290 404)	(150 547)
Amortisation of intangible assets	100 504	1 355 205
Depreciation of property, plant and equipment	2 768 552	2 778 214

21 Cash generated from operations

Surplus	17 879 481	6 906 300
Adjustments for:		
Depreciation and amortisation	2 869 056	4 133 419
Loss on sale of assets and liabilities	290 404	150 547
Decrease in operating lease assets and accruals	(165 431)	(252 026)
Increase in employee benefit accruals	3 180 279	2 632 893
Increase in tax receivable and payable	486 085	89 815
Annual charge for deferred tax	(560 629)	(596 481)
Changes in working capital:		
Receivables from exchange transactions	(29 331 383)	18 725 306
Payables from exchange transactions	27 477 109	1 187 835
VAT	6 450 293	(250 716)
	28 575 264	**32 726 892**

22 Commitments

Authorised operational expenditure

Already contracted for but not provided for		
IT goods and services	2 160 113	607 574
Office services	50 910	87 151
HR services	550 767	78 671
	2 761 790	**773 396**
Total operational commitments		
Already contracted for but not provided for	2 761 790	773 396

This committed expenditure relates to IT, HR and office services and will be financed by retained surpluses, existing cash resources and funds internally generated.

Operating leases - as lessee (expense)		
Minimum lease payments due		
– within one year	2 099 847	1 725 818
– in second to fifth year inclusive	5 009 400	733 647
	7 109 247	**2 459 465**

Operating lease payments represent rentals payable by the entity for certain of its office properties. Refer to note 10 for more detail.

23 Related parties

Relationships	
Controlling entity	South African Revenue Service
Companies in which members of management have significant influence	XI Marketing Services (50% interest)
	iDev IT Business Solutions (50% interest)
There have been no transactions between Interfront and these companies in the current year.	

Relationships	Name
Members of the Board of Directors	M.A. Enus-Brey: Chairman of the Board Independent Non-Executive Director
	L.L. Janse van Rensburg: Financial Director (and Acting Managing Director)
	J.M. Robertson: Executive Director (deceased on 11 December 2025)
	D. De Kock: Operations Director
	*H. Smith: Non-Executive Director (resigned 19 March 2026)
	*V.C. Nthabyane: Non-Executive Director
	*E. Smith: Non-Executive Director
	G. Vermaas: Independent Non-Executive Director
	A. Roelofse: Independent Non-Executive Director
Members of key management	M. Pepperell: Head: Legal Advisor and Company Secretary
	N. Mohoto: Head: Human Resources
	S. Mtsweni: Head: Operations Support and Maintenance
	W. Barratt: Head: Business Development & Innovation
	J. Bain: Head: Customs Solutions
	T. Fry: Head: Shared Services
	L. Hunkin: Head: Tax Solutions

J. M. Robertson served as an Executive Director of the entity during the financial year until his passing on 11 December 2025 which is his effective date of cession of office. Remuneration and related party disclosures in respect of Mr Robertson include amounts recognised for services rendered up to the date of his passing.

*These Non-Executive Directors are employed by the shareholder.

Related party balances

Receivables from exchange transactions with related parties

Trade receivables: SARS	41 258 408	13 893 656

The trade receivables with the shareholder represents amounts receivable for services rendered at arm's length transactions.

Payables from exchange transactions with related parties

Trade payables: SARS	744 291	684 878
Income received in advance	26 086 957	–

Trade payables represent amounts owing to SARS for amounts paid on our behalf for insurance and internal audit services performed at arm's length.

Related party transactions

Rendering of services to related parties

South African Revenue Services	284 251 980	222 191 618

Remuneration of management

Management class: Executive management

2026

Name	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Other benefits received	Total
M. Pepperell	1 779 249	212 888	–	25 674	2 017 811
N. Mohoto	1 648 103	197 196	333	23 792	1 869 424
S. Mtsweni	1 648 106	197 196	13 960	23 792	1 883 054
W. Barratt	2 368 666	272 575	9 013	34 309	2 684 563
J. Bain	2 608 976	300 715	10 401	37 767	2 957 859
T. Fry	2 271 946	301 349	3 100	32 263	2 608 658
L. Hunkin	1 680 688	195 059	5 040	24 358	1 905 145
	14 005 734	**1 676 978**	**41 847**	**201 955**	**15 926 514**

2025

Name	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Other benefits received	Total
M. Pepperell	1 484 791	207 996	–	24 458	1 717 245
N. Mohoto	1 316 448	160 551	–	21 701	1 498 700
S.Mtsweni	1 376 186	173 837	12 876	22 679	1 585 578
W. Barratt	1 988 141	251 137	5 143	32 701	2 277 122
J. Bain (3 months)	555 000	–	2 190	9 125	566 315
T. Fry (3 months)	473 661	–	3 030	7 793	484 484
L. Hunkin (3 months)	360 000	–	–	5 931	365 931
D. De Kock (9 months)	1 721 678	322 946	9 116	28 302	2 082 042
	9 275 905	**1 116 467**	**32 355**	**152 690**	**10 577 417**

24 Directors' emoluments

Management class: Executive management

2026

	Basic salary	Annual bonus	Subsistence and travel	Company contributions	Total
J.M. Robertson	2 200 322	567 248	8 400	13 167	2 789 137
L.L. Janse van Rensburg	3 594 414	458 656	25 297	51 255	4 129 622
D. De Kock	3 389 666	407 735	17 177	48 748	3 863 326
	9 184 402	**1 433 639**	**50 874**	**113 170**	**10 782 085**

2025

	Basic salary	Annual bonus	Subsistence and travel	Company contributions	Total
J.M. Robertson	3 677 676	538 697	15 934	20 282	4 252 589
L.L. Janse van Rensburg	3 011 532	373 812	10 334	49 461	3 445 139
D. De Kock (3 months)	720 000	–	3 915	11 827	735 742
	7 409 208	**912 509**	**30 183**	**81 570**	**8 433 470**

Non-executive

2026

	Members' fees	Committee fees	Total
M.A. Enus-Brey	16 825	3 507	20 332
A. Roelofse	12 024	–	12 024
E. Smith	11 523	3 507	15 030
G. Vermaas	11 523	4 711	16 234
	51 895	**11 725**	**63 620**

2025

	Members' fees	Committee fees	Total
M.A. Enus-Brey	14 470	4 008	18 478
A. Roelofse	2 004	–	2 004
E. Smith	7 014	4 008	11 022
G. Vermaas	10 271	5 384	15 655
	33 759	**13 400**	**47 159**

No fee or remuneration are payable to the non-executive directors who are also employees of the shareholder.

25 Financial Instruments – Risk Management and Other Disclosures

Categories of financial instruments

Carrying amounts of financial assets

2026

	Note(s)	At amortised cost	Total
Receivables from exchange transactions	5	42 963 167	42 963 167
Cash and cash equivalents	6	83 697 190	83 697 190
Total carrying amounts		126 660 357	126 660 357

2025

	Note(s)	At amortised cost	Total
Receivables from exchange transactions	5	14 850 244	14 850 244
Cash and cash equivalents	6	59 036 719	59 036 719
Total carrying amounts		73 886 963	73 886 963

Carrying amounts of financial liabilities

2026

	Note(s)	At amortised cost	Total
Payables from exchange transactions	11	7 455 558	7 455 558

2025

	Note(s)	At amortised cost	Total
Payables from exchange transactions	11	6 292 488	6 292 488

Items of revenue, expenses, gains or losses

2026

Interest revenue and interest expense		
Interest received	4 031 492	4 031 492

2025

Interest revenue and interest expense		
Interest received	4 281 082	4 281 082

Notes to the financial statements

Fair value disclosure

The carrying amount of Receivable from exchange transactions, Cash and cash equivalents and Payables from exchange transactions, approximate their fair value due to their short-term nature.

Nature and extent of risks arising from financial instruments

Qualitative & Quantitative disclosures

Overview

The entity is exposed to the following risks from its use of annual financial statements:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The board of directors has overall responsibility for the establishment and oversight of the entity's risk management framework.

The entity's risk management policies are established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the entity's activities.

The entity audit committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the entity. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee and the risk committee.

Credit risk

Credit risk represents the risk that a counterparty will fail to discharge its obligation, resulting in a financial loss to the entity. The entity's exposure to credit risk arises primarily from Receivables from exchange transactions and Cash and cash equivalents.

A significant portion of the entity's receivables from exchange transactions is attributable to a single counterparty, being the shareholder, the South African Revenue Service (SARS). SARS is an organ of state with a strong financial position and a consistent payment history. Accordingly, management considers the credit risk associated with these receivables to be low, notwithstanding the concentration of exposure.

The entity does not hold or issue financial guarantee contracts, loan commitments, or other complex credit-risk-bearing instruments.

The credit risk management practice

Credit risk is managed through a combination of counterparty assessment, ongoing monitoring of receivables and active follow up of outstanding balances. Prior to the recognition of receivables, management considers the nature and credit profile of counterparties, with specific regard to whether transactions are concluded with government-related entities operating within regulated and contractual frameworks.

Receivables are monitored on an ongoing basis through regular ageing analyses and review of settlement patterns. Management does not routinely obtain collateral, as credit risk is mitigated by the nature of the entity's customer base and the historical reliability of settlement. Where settlement delays occur, management engages directly with counterparties to resolve outstanding matters

Expected credit loss (ECL) methodology and inputs

In accordance with GRAP 104, the entity applies the expected credit loss (ECL) model to financial assets measured at amortised cost. Given the nature of receivables from exchange transactions, the simplified approach is applied, whereby lifetime expected credit losses are assessed from initial recognition.

In measuring expected credit losses, management considered the following key inputs

- historical settlement patterns and payment behaviour of counterparties;
- ageing of receivables at the reporting date;
- counterparty characteristics, including whether debtors are government-related entities; and
- contractual enforceability of receivables and the absence of complex or contingent cash flow features.

Historical credit loss experience has been extremely limited, and no material instances of default have been identified.

Reasonable and supportable forward-looking information available without undue cost or effort was incorporated into the ECL assessment. This included consideration of:

- the continued financial sustainability of government-related counterparties
- the broader public sector operating and funding environment
- observable macroeconomic conditions relevant to the entity's operating context

Management assessed that no adverse forward-looking indicators existed at reporting date that would materially affect the recoverability of receivables balances.

At reporting date, no financial assets were assessed as credit impaired. Credit risk has not increased significantly since initial recognition of receivables.

A significant portion of the entity's receivables from exchange transactions relates to the shareholder, the South African Revenue Service, which is a government institution with a strong credit profile and a consistent history of settling amounts due. Remaining receivables relate to counterparties with no history of default. Based on the assessment of historical experience, ageing information, counterparty characteristics and forward-looking information, management concluded that no material expected credit losses were identified. Accordingly, no loss allowance was recognised in the current reporting period.

Liquidity risk

The entity is exposed to liquidity risk, which is the risk that the entity will encounter difficulties in meeting its obligations as they become due.

The entity manages its liquidity risk by maintaining sufficient cash resources, monitoring short-term cashflow forecasts, and ensuring that financial liabilities are largely short-term in nature.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities and financial assets held to mitigate the risk are presented in the following table. The cash flows are undiscounted contractual amounts.

Maturity analysis of contractual undiscounted cash outflows – non-derivative financial liabilities

2026

	Less than 1 year	1 to 2 years	2 to 5 years	Total
Non-current liabilities				
Operating lease contractual amounts	2 099 847	1 366 200	3 643 200	7 109 247
Current liabilities				
Payables from exchange transactions	7 455 558			7 455 558
	9 555 405	**1 366 200**	**3 643 200**	**14 564 805**

2025

	Less than 1 year	1 to 2 years	2 to 5 years	Total
Non-current liabilities				
Operating lease contractual amounts	1 725 818	733 647		2 459 465
Current liabilities				
Payables from exchange transactions	6 292 488			6 292 488
	8 018 306	**733 647**		**8 751 953**

The maturity analysis shows the remaining contractual maturities.

Market risk

Interest rate risk

Fluctuations in interest rates impact on the value of short-term cash balances, giving rise to interest rate risk

Interest rate risk arises primarily from the entity's exposure to interest bearing cash balances and short-term deposits. Due to the short term nature of these balances, the entity's exposure to interest rate fluctuations is limited. A change in interest rates would not have a material impact on the entity's surplus or deficit.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

The entity's income and operating cash flows are substantially independent of changes in market interest rates.

Currency risk

The entity is exposed to foreign exchange risk arising from transactions denominated in foreign currencies, primarily the Dollar. These are primarily for software licences and subscriptions. Foreign currency exposures are monitored, and balances are translated at the spot exchange rates at the reporting date.

The foreign currency exposure at year-end is zero.

The entity does not currently engage in formal hedging activities.

Market risk sensitivity analysis

Given the nature and level of the entity's market risk exposures, management has assessed that reasonably possible changes in interest rates or foreign exchange rates would not have a material impact on the entity's financial performance or financial position.

26 Going concern

The Board has assessed the entity's ability to continue as a going concern and is satisfied that the entity has adequate resources to continue operating for the foreseeable future. This assessment is supported by the entity's strong cash position of R83.7 million, net assets of R79.8 million.

The annual financial statements have been prepared on the going concern basis, which 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.

A significant portion of revenue is attributable to a single customer, the South African Revenue Service. The Board does not consider this concentration to represent a threat to the entity's viability, given the contractual and statutory nature of the relationship and the shareholder's consistent fulfillment of its obligations.

27 Reconciliation between budget and statement of financial performance

SARS as the principal of its wholly owned subsidiary, incorporates Interfront in its parliamentary and ultimate statutory accountability processes. Interfront is included inter alia in the SARS strategic plan, budget, monthly and annual reporting, as well as the consolidated annual financial statements. Interfront is governed by its Board under scrutiny of SARS. Interfront is thus excluded from the detailed reporting requirements based on paragraph 3 GRAP 24.

LIST OF ABBREVIATIONS AND ACRONYMS

The following list of abbreviations and acronyms is provided to assist readers in understanding the terms and references used throughout this Annual Report. All abbreviations and acronyms used in this report, irrespective of the section in which they appear, are included below.

ABBREVIATION / ACRONYM	FULL DESCRIPTION
A	
ADA	Customs Authority of Luxembourg (Administration des Douanes et Accises)
AEO	Authorised Economic Operator
AGSA	Auditor-General of South Africa
AI	Artificial Intelligence
API	Application Programming Interface
APP	Annual Performance Plan
ARC	Audit and Risk Committee
B	
B-BBEE	Broad-based black economic empowerment
BCEA	Basic Conditions of Employment Act No. 75 of 1997
C	
CI/CD	Continuous Integration / Continuous Delivery
CIS	Centre for Internet Security
CIT	Corporate Income Tax
CMP	Customs Modernisation Programme
CoC	Clients-of-Clients
CoE	Centre of Excellence
Companies Act	Companies Act No. 71 of 2008
CTC	Cost-to-Company
D	
DevOps	Development and Operations (Software Practice Integrating Development and IT Operations)
DevSecOps	Development, Security, and Operations
DHA	Department of Home Affairs
DR	Disaster Recovery
E	
EAP	Employee Assistance Programme
ECL	Expected Credit Losses
EE	Employment Equity
EEA	Employment Equity Act No. 55 of 1998
e@syFile	SARS e@syFile™ – Employer Filing Application
eFiling	SARS eFiling Platform – Electronic Tax Filing Platform
EVP	Employee Value Proposition
EXCO	Executive Committee

ABBREVIATION / ACRONYM	FULL DESCRIPTION
F	
FRS	Functional Requirement Specifications
G	
GLoBE	Global Anti-Base Erosion (OECD global minimum tax framework)
GMT	Global Minimum Tax
GRAP	Standards of Generally Recognised Accounting Practice
H	
HR	Human Resources
I	
iCBS	Interfront Customs and Border Solution
ICT	Information and Communications Technology
ISMC	Information Systems Management Committee
IT	Information Technology
K	
King IV	King IV Report on Corporate Governance for South Africa of 2016
M	
MobiApp	SARS mobile application for taxpayers
MOI	Memorandum of Incorporation
MQ	Message Queuing Middleware
N	
NQF	National Qualifications Framework
O	
OECD	Organisation for Economic Co-operation and Development
OGA	Other Government Agencies
P	
PAA	Public Audit Act No. 25 of 2004
PAYE	Pay As You Earn
PDF	Portable Document Format
PFMA	Public Finance Management Act No. 1 of 1999
PGS	PDF Generator Service
PIT	Personal Income Tax

ABBREVIATION / ACRONYM	FULL DESCRIPTION
Q	
QA	Quality Assurance
R	
R&D	Research and Development
RLA	Registration, Licensing, and Accreditation
S	
SACU	Southern African Customs Union
SAICA	South African Institute of Chartered Accountants
SAN	Storage Area Network
SARB	South African Reserve Bank
SARS	South African Revenue Service
SATMS	SA Traveller Management System
SCIP	Single Customer Interactive Portal
SCOPA	Standing Committee on Public Accounts
SD-WAN	Software-Defined Wide Area Network
SDLC	Software Development Life Cycle
SI Bus	Software Integration Server Bus
SICR	Significant Increase in Credit Risk
SLA	Service Level Agreement
SOC	State-Owned Company
SOQS	SARS online query system
SPPI	Soley Payments of Principal and Interest
SWP	Single Window Platform
T	
TECHI	Interfront core values, which are teamwork, excellence, commitment, honesty, innovation
U	
UCT	University of Cape Town
UNISA	University of South Africa
V	
VAT	Value Added Tax
W	
WO	Work Order

MUSTAQ AHMED ENUS-BREY
DATE OF BIRTH: 22 MARCH 1954 ID: 540322 5012 088

	NAME OF COMPANY	REGISTERED OFFICE ADDRESS	OFFICE HELD	DATE OF APPOINTMENT
1995/010442/06	*** Brimstone Investment Corporation Ltd**	**No1 Mariendahl Lane, Newlands**	CEO	01-Nov-95
1996/016831 /07	Brimstone Management Company (Pty) Ltd	No1 Mariendahl Lane, Newlands	Director	01-Aug-97
2004/006344/07	Brimsure (Pty) Ltd	No1 Mariendahl Lane, Newlands	Director	01-May-04
2010/014070/07	Newshelf 1062 (Pty) Ltd**	No1 Mariendahl Lane, Newlands	Director	06-Sep-10
2010/014101/07	Newshelf 1063 (Py) Ltd	No1 Mariendahl Lane, Newlands	Director	06-Sep-10
2011/000997/07	Newshelf 1168 (Pty) Ltd	No1 Mariendahl Lane, Newlands	Director	14-Dec-11
2017/287097/07	Newshelf 1404 (Pty) Ltd**	No1 Mariendahl Lane, Newlands	Director	04-Jul-17
2017/472212/07	Newshelf 1416 (pty) Ltd**	No1 Mariendahl Lane, Newlands	Director	28-Nov-17
2014/080928/07	Friedshelf 1535 (Pty) Ltd**	No1 Mariendahl Lane, Newlands	Director	06-Apr-14
1990/001622/07	Polar Ice cream Company (Pty) Ltd	52 Fourth Street, Fairways	Director	27-May-24
1994/009048/07	Septen Investments	No1 Mariendahl Lane, Newlands	Director	
1964/006190/07	AON Re Africa (Pty) Ltd	1 Sandton Drive, Sandton	Non Exec Director	2006
2013/080877/06	* Equites Property Fund Limited	14 Floor, Portside Tower, 4 Bree Street, Cape Town, 800	Non Exec Director	2016
2000/016098/07	FPG Investments (Pty) Ltd	2nd Floor, FPG House, 1 Fairway Close, N1 City, Parow	Non Exec Director	2016
2017/231186/07	FPG Property Fund	2nd Floor, FPG House, 1 Fairway Close, N1 City, Parow	Non Exec Director	1/03/2018
1904/001730/06	* Oceana Fishing Group Limited	Oceana House, 25 Jan Smuts St, Foreshore, Cape Town	Non Exec Chairmar	01-Nov-95
2009/007987/07	International Frontier Technologies SOC Ltd	De Beers Avenue, Somerset West	Non Exec Director	18-Oct-11
2002/031522/07	**African Monarch 710 Inv Holdings (Pty) Ltd**	**No1 Mariendahl Lane, Newlands**	Director	23-Apr-03
2017/501602/07	Breyfin 1 Proprietary Ltd	No 1 Mariendahl Lane, Newlands	Director	2017
2017/355810/07	Breyfin 2 Proprietary Ltd	No 1 Mariendahl Lane, Newlands	Director	2017

	NAME OF COMPANY	REGISTERED OFFICE ADDRESS	OFFICE HELD	DATE OF APPOINTMENT
2007/012173/07	Jasmyn Beleggings	No 1 Mariendahl Lane, Newlands	Director	2017
2006/027501/07	Jasmynweg Beleggings 2	No 1 Mariendahl Lane, Newlands	Director	2017
2017/402133/07	Jasmynweg Beleggings 3 Proprietary Ltd	No 1 Mariendahl Lane, Newlands	Director	2017
2017/501669/07	Jasmynweg Beleggings 4 Proprietary Ltd	No 1 Mariendahl Lane, Newlands	Director	2017
1998/014883/07	H Investments No 157 (Pty) Ltd	Nol Mariendahl Lane, Newlands	Director	1998
1999/016614/07	Brainfin Financial Services (Pty) Ltd	2nd Floor, Central House; 70 Central Avenue, 2092	Director	22-July-2012
1999/009218/07	Blik Investments (Pty) Ltd	4th Floor - 63 Avenue Road, Fordsburg 2092	Director	25-Sep-00
1997/010931/07	Breyfin (Pty) Ltd	Nol Mariendahl Lane, Newlands	Sole Director	02-Mar-96
1995/013160/07	Kalab Investments (Pty) Ltd	4th Floor - 63 Avenue Road, Fordsburg 2092	Director	28-Mar-96
2012/016946/07	My Domain	Pickwick Street, Parking Level E1, Woodstcok 7925	Non Exec Director	2016
1997/007890/07	Masibambane Consultants	No 1 Mariendahl Lane, Newlands	Director	26-May-1997
1997/017842/07	Pro-One Investments (Pty) Ltd	4th Floor - 63 Avenue Road, Fordsburg 2092	Director	25-Nov-97
2005/004230/07	Roselane Investments (Pty) Ltd	4th Floor - 63 Avenue Road, Fordsburg 2092	Director	2005
1993/003019/07	51 Wale Street	No 1 Mariendahl Lane, Newlands	Director	18-Jan-94

* JSE Listed company

** Under deregistration/to be deregistered

MUSTAQ AHMED ENUS BREY

31 July 2026

Mustaq Brey serves as a Trustee on the following trusts:

Mushaky Family Trust – (Beneficial interest held)
IT 1996/99

The Farzana Mansuli Trust
IT No: 8/88

The Mansuli Trading Holding Trust
IT No: 9/88

The Zohra Mansuli Trust
IT No: 10/88

The Tasneem Mansuli Trust
IT No: 10025/06

The Solly Noor Trust
IT No: 5504/95

The Solly Mansuli Trust
IT No: 5/88

The Solly and Zohra Noor Foundation
IT No: 1772/2011

A H Kaloo Family Trust
IT 595/95

Robatsi Family Trust
IT 4834/96

Hameeda Brey Family Trust
IT187/2011

The Chandbibi Brey Family Trust
IT 188/2011

Omar Brey Family Trust
IT 199/2011

Mohamed Asief Brey Family Trust
OT000098/2015 (C)

Shenaaz Dhansay Family Trust
IT 021935/2014 (C)

The Jakes Gerwel Family Trust

Saabri & Ashrafi Relief Fund
IT 1977/2012

Jakes Gerwel Foundation
IT002437/2013

The Spiritual Foundation
IT 002114/2016 (C)

Groote Schuur Hospital Trust
PBO930006647

The Mandela Rhodes Foundation Trust
Reg.No. IT 5164/2003 NPO 038-181
Joined April 2024

interfront

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