



Companies and Intellectual
Property Commission

a member of **the dtic** group

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION

ANNUAL REPORT

2025/26

‘Your Business, Our Focus’

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Glossary of Terms

This section is a glossary or definitions page explaining key terms used in the Annual Report or in the context of the Companies Act, 2008 (Act No. 71 of 2008), as amended, hereinafter referred to as Companies Act, 2008.

Annual Returns:

A mandatory submission by every registered company each year, filed in the prescribed format and fee, within a specified period after the anniversary of incorporation. It must include audited financial statements (if required under the Companies Act, 2008) and any other prescribed information.

Beneficial Ownership (BO):

Refers to the natural person(s) who ultimately own or control a company, including those with significant influence or interest, even if not listed as shareholders. This supports transparency and accountability in corporate structures.

Director:

A member of a company's board as defined in the Companies Act, 2008. This includes alternate directors or any person acting in the capacity of a director, regardless of title.

Environment, Social and Governance (ESG):

A framework used to assess an organisation's sustainability and societal impact through its environmental performance, social responsibility, and governance practices.

Financial Reporting Standards:

The accounting standards applicable to a specific company's financial statements, as prescribed in the Companies Act, 2008.

Member:

In relation to a non-profit company, a person who holds membership and specified rights in the company as per its founding documents and the Companies Act, 2008.

Memorandum of Incorporation (MOI):

The founding document of a company outlining the rights, responsibilities, and duties of shareholders, directors, and other stakeholders, in accordance with the Companies Act, 2008.

Non-Profit Company (NPC):

A company established for public benefit or another lawful objective. Its income and property may not be distributed to its members, directors, or related persons, except as permitted by the Companies Act, 2008.

Private Company:

A for-profit company that is not state-owned or publicly traded and meets the criteria of Section 8(2)(b) of the Companies Act, 2008.

Profit Company:

A company incorporated with the primary objective of generating financial return for its shareholders. This includes private, public, and personal liability companies.

Public Company:

A profit company that is not a private, personal liability, or state-owned company, and may offer its shares to the public.

Registration Certificate:

An official document issued by the CIPC as proof of a company's or intellectual property's registration or incorporation (including patents, designs, trade marks, and copyright in film).

Registry:

The official database maintained by the CIPC where documents required by the Companies Act, 2008 are recorded and stored.

State-Owned Company (SOC):

A company registered under the Companies Act, 2008 that is either:

- (a) classified as a "state-owned enterprise" under the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended; or
- (b) owned by a municipality as per the Municipal Systems Act, 2000 (Act No. 32 of 2000), and functions similarly to a state-owned enterprise.

Substantive Search and Examination:

A detailed process conducted to assess whether an application for intellectual property (such as a patent or trade mark) meets the legal requirements before registration is granted.

About the Annual Report

This document constitutes the Annual Report of the Companies and Intellectual Property Commission (CIPC) of South Africa for the 2025/26 financial year. It is premised on the Commission's Strategic Plan for 2025/26 – 2029/30, Annual Performance Plan (APP) 2025/26 and Annual Operational Plan 2025/26. This Annual Report has been prepared in line with the Annual Report Guide for Schedule 3A and 3C Public Entities, which is published by the National Treasury. It captures the key performance outputs, outcomes, and impact of the Commission over the reporting period. It also articulates how the Commission fared in the management of its resources and in complying with corporate governance principles as captured in Part C of this report.

This report is organised as follows:

- Part A: General Information
- Part B: Performance Information
- Part C: Governance
- Part D: Human Resource Management
- Part E: PFMA Compliance Report
- Part F: Financial Information
- Part G: Service Delivery and Organisational Environment Statistics

PART A: GENERAL INFORMATION

1. Public Entity's General Information

Registered Name of the Public Entity

Companies and Intellectual Property Commission (CIPC)

Registration Numbers and/or Other Relevant Numbers

Not applicable

Registered Office Address

the dtic campus (Block F - Entfufukweni)

77 Meintjies Street

Sunnyside,

Pretoria

Postal Address

P.O. Box 429

Pretoria

0001

Contact Telephone Number

+27 86 100 2472

Enquiries

<http://enquiries.cipc.co.za>

Website Address

www.cipc.co.za

External Auditors Information

Auditor-General of South Africa (AGSA)

PO Box 446

Pretoria

0001

Banker's Information

ABSA Business Banking

PO Box 4210

Pretoria

0001

Company Secretary

The CIPC does not have a Company Secretary.

2. Acronyms and Abbreviations

Abbreviation	Description
AfCFTA	African Continental Free Trade Area
AFS	Annual Financial Statements
AGOA	African Growth and Opportunity Act
AGSA	Auditor-General South Africa
AI	Artificial Intelligence
AML	Anti-Money Laundering
AOP	Annual Operation Plan
APP	Annual Performance Plan
AR	Annual Returns
B-BBEE	Broad-Based Black Economic Empowerment
BCM	Business Continuity Management
BO	Beneficial Ownership
BRICS	Brazil, Russia, India, China and South Africa
BRR	Business Reputation and Regulation
CCMA	Commission for Conciliation, Mediation and Arbitration
CEMS	Customer Enquiry Management System
CIPC	Companies and Intellectual Property Commission
CFT	Combating the Financing of Terrorism
CMS	Case Management System
CSE	Chief Strategy Executive
CSR	Corporate Social Responsibility
DBN	Durban
the dtic	Department of Trade, Industry, and Competition
FATF	Financial Action Task Force
FSCA	Financial Sector Conduct Authority
GDP	Gross Domestic Product
GNU	Government of National Unity
GRAP	Generally Recognised Accounting Practice
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IFRS	International Financial Reporting Standards
IoDSA	Institute of Directors South Africa
IP	Intellectual Property
IPAP	Industrial Policy Action Plan
IPO	Initial Public Offering
IRBA	Independent Regulatory Board for Auditors
IT	Information Technology
JHB	Johannesburg
JPO	Japan Patent Office

Abbreviation	Description
JSE	Johannesburg Stock Exchange
MOI	Memorandum of Incorporation
MTDP	Medium-Term Development Plan
MUT	Mangosuthu University of Technology
NDP	National Development Plan
NGB	National Gambling Board
NIPMO	National Intellectual Property Management Office
NPA	National Prosecuting Authority
NPC	Non-Profit Company
OHS	Occupational Health and Safety
OTP	One Time Pin
PAIA	Protection of Access to Information Act
PFMA	Public Finance Management Act
PO	Purchase Order
POPIA	Protection of Personal Information Act
PTA	Pretoria
SA	South Africa
SAAPAM	South African Association of Public Administration and Management
SACCL	Standing Advisory Committee on Company Law
SAICA	South African Institute of Chartered Accountants
SAIPA	South African Institute of Professional Accountants
SAPS	South African Police Services
SARS	South African Revenue Services
SCM	Supply Chain Management
SDS	Service Delivery Standard
SEZ	Special Economic Zone
SLA	Service Level Agreement
SME	Small Medium Enterprise
SMME	Small, Medium, and Micro Enterprise
TAT	Turn Around Time
TISC	Technology and Innovation Support Centre
TPRM	Third-Party Risk Management
UK	United Kingdom
V30B	Vision 2030 and Beyond
VPN	Virtual Private Network
WHO	World Health Organisation
WIPO	World Intellectual Property Organisation
XBRL	eXtensible Business Reporting Language

3. Foreword by the Minister



Honourable Mr. Parks Tau, Member of Parliament

Minister of Trade, Industry and Competition

It is my privilege to present the Annual Report of the Companies and Intellectual Property Commission (CIPC) for the 2025/26 financial year.

This report is submitted at a pivotal moment in our nation's economic trajectory, as South Africa embarks on the ambitious path charted by the Government of National Unity's (GNU) Medium Term Development Plan (MTDP) and Growth and Inclusion Strategy (GAIN). The GAIN strategy represents our collective commitment to move beyond incremental reform toward a transformative "big bang" approach that will drive rapid, inclusive economic growth and substantial job creation. The Commission's work during the period under review demonstrates how regulatory excellence can serve as a cornerstone of this national endeavour.

Seldom before has the imperative for efficient, transparent, and accessible company and intellectual property regulation been more pressing. As we pursue the targeted 3.5% GDP growth rate by 2029, the CIPC's role in strengthening the formal economy, enhancing regulatory certainty, and creating an enabling environment for sustainable and inclusive growth cannot be overstated. The Commission stands as a critical pillar in our efforts to fix the fundamentals of our economy, build a state that delivers, and pursue new areas of growth.

In response to the demands of our evolving economic landscape, the CIPC has demonstrated commendable innovation and resolve in advancing its four focus areas: operating as a world-class modern regulator, improving the ease of doing business, strengthening investor confidence, and supporting third-party decision-making. The accelerated implementation of the modernisation strategy, with the aim of fully automating all services on the e-services platform, represents a significant leap forward in harnessing digital transformation as a driver of growth and inclusion.

The Commission's contribution to economic reform has been particularly noteworthy. Through enhanced compliance monitoring, strengthened enforcement efforts leveraging data analytics, and proactive education of professionals and businesses on company law, the CIPC is indirectly reducing the public debt burden that often ensnares SMMEs while strengthening economic formalisation. The expansion of the internship programme and the implementation of the annual IP Youth Awards to assist youth and SMMEs in registering and commercialising their inventions represent tangible investments in employment, entrepreneurship, and productive livelihoods.

During the year under review, the CIPC obtained an unqualified audit opinion and made significant strides in its enforcement mandate, including initiating proactive investigations emanating from various sources including the State Capture Commission Report. The organisation's commitment to efficiency and transparency in procurement, through procuring from South African-based B-BBEE compliant suppliers, demonstrates how the Commission fosters a fair, auditable, and streamlined procurement process while balancing efficiency with accountability.

The CIPC's contribution to industrial reform through the Inventor Assistance Programme, grassroots interventions to educate communities on IP rights, and efforts to foster an IP-literate culture, underscore the Commission's commitment to supporting industrial growth and empowering individuals to actively participate in the economy.

In all this, the CIPC has implemented its core mandate while contributing meaningfully to the Department of Trade, Industry and Competition's shared outcomes of increased industrialisation, strengthened transformation in the economy, and building a capable state. The purpose of these outcomes is to allow the entities in **the dtic** group to pool capacities and collaborate in the interest of making a tangible difference to the lives of South African people.

I extend a special word of thanks and appreciation to the Commissioner and the executive team who have guided the regulator through a period of significant transformation and national economic change. Their leadership has ensured continuity and stability while driving the modernisation agenda with purpose and conviction.

Thank you also to the management and the CIPC staff for their dedication and efforts in the past year. The Commission's achievements are a testament to the professionalism and commitment of its people who work tirelessly to build an efficient, accessible, and responsive regulatory environment that serves all South Africans.



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

Date:

4. Foreword by the Deputy Minister



Honourable Mr. Zuko Godlimpi, Member of Parliament

Deputy Minister of Trade, Industry and Competition

It is my honour to present the Annual Report of the Companies and Intellectual Property Commission (CIPC) for the 2025/26 financial year. This report reflects the Commission's steadfast commitment to advancing the policy and strategic priorities of the Department of Trade, Industry and Competition, particularly as they relate to the regulation branch and the broader industrial policy objectives of our country.

The year under review has been one of strategic consolidation and forward-looking reform for the CIPC. The CIPC has demonstrated that effective regulation is not merely about enforcement but about creating the conditions for economic dynamism, innovation, and inclusive participation.

The Commission's contribution to our shared outcomes has been considerable. In advancing the industrialisation agenda, the CIPC has ensured that South Africa's regulatory framework for companies and intellectual property remains aligned with global standards while being responsive to our domestic priorities. The protection and promotion of intellectual property rights through education, awareness campaigns, and the Inventor Assistance Programme have fostered a culture of innovation that is essential for our reindustrialisation efforts. These initiatives represent the kind of strategic interventions that position South Africa competitively in the global economy.

Transformation has remained central to the Commission's policy implementation. Through the annual IP Youth Awards, the expansion of internship and patent examination programmes, and targeted outreach to underserved communities, the CIPC has empowered young people, women, and persons with disabilities to formalise their businesses and participate meaningfully in the economy.

The strategic milestones achieved during the year under review warrant specific acknowledgment. The continued modernisation of the CIPC's e-services platform and the strengthening of enforcement capabilities through data analytics represent significant advances in building a capable, efficient, and accountable regulatory state. These interventions enhance investor confidence, reduce barriers to compliance, and ensure that our regulatory environment supports rather than impedes economic activity.

Looking ahead, the Commission's efforts are directly linked to the three industrial transitions central to our growth trajectory: decarbonisation, diversification, and digitalisation. By embedding Environmental, Social and Governance (ESG) considerations into its regulatory approach, and leveraging technology for smarter oversight, the CIPC is positioning itself to play a transformative role in shaping the regulatory environment for the economy of the future. The automation of services and the move toward a fully digital regulatory platform are not merely operational improvements but strategic enablers of inclusive growth.

The initiatives reported here represent more than operational achievements. They are structural reforms that enable entrepreneurship, support compliance, and drive inclusive participation across the economy. They reflect a regulatory philosophy that understands the interconnectedness of policy coherence, institutional capability, and economic outcomes.

I wish to express my sincere appreciation to the Commissioner, the Executive Team, and all staff of the CIPC for their continued dedication and professionalism. Through their commitment, the Commission remains an institution that not only regulates but actively shapes the policy environment for a more competitive, transparent, and opportunity-rich economy. The work of the CIPC is indispensable to our collective efforts to build a capable developmental state and realise the vision of the National Development Plan for the benefit of all South Africans.

A handwritten signature in black ink, appearing to read 'Z. Godlimpi', written over a horizontal line.

Mr. Zuko Godlimpi, MP

Deputy Minister of Trade, Industry and Competition

Date:

5. The CIPC Commissioner's Overview



Advocate Rory Voller

CIPC Commissioner

I hereby present the CIPC 2025/26 Annual Report, which outlines the CIPC's performance during this period.

The 2025/26 financial year marked a critical phase in the CIPC's journey toward achieving its Vision 2030 and Beyond (V30B) Strategy, as well as Government of National Unity's (GNU's) Medium-Term Development Plan (MTDP) priorities and Department of Trade, Industry and Competition's (**the dtic**) strategic objectives. Against a backdrop of global economic uncertainty, regulatory reforms, and technological disruption, the Commission remained steadfast in its commitment to building an inclusive, transparent, and efficient business regulatory environment. We are proud to have continued our role in enabling formal economic participation, protecting intellectual property, and enhancing investor confidence.

In alignment with our strategic plan, we advanced our digital transformation agenda, modernised regulatory frameworks, and contributed meaningfully to national socio-economic priorities. Key highlights include:

- Implementation of the Companies Act Amendment, 2024 (Act No. 16 of 2024) introducing beneficial ownership disclosure for greater corporate transparency, including annual submission of information by co-operatives, audit, and independent review of co-operatives, voluntary winding-up of co-operatives by special resolution, liquidation process of co-operatives
- Enhancement of automated services, including seamless online registration and compliance platforms for companies and intellectual property.
- Strengthening intellectual property enforcement, in collaboration with law enforcement agencies, resulting in multiple counterfeit goods raids.
- Providing targeted support for SMMEs through streamlined processes and capacity-building initiatives.
- Deepened collaboration with international regulators and regional IP bodies, positioning South Africa as a thought leader in modern business regulation.

While we navigated fiscal constraints and increasing demand for services, our teams demonstrated agility and resilience.

Below I outline, in more detail, the posture of our organisation:

5.1 General Financial Review

The Companies and Intellectual Property Commission (CIPC) in South Africa generates revenue primarily from fees associated with its services, with a significant portion coming from annual return filings and associated penalties.

Revenue growth remains stable, with revenues generated being adequate to support operations as well as the capital expenditure incurred through CIPC's continued automation journey.

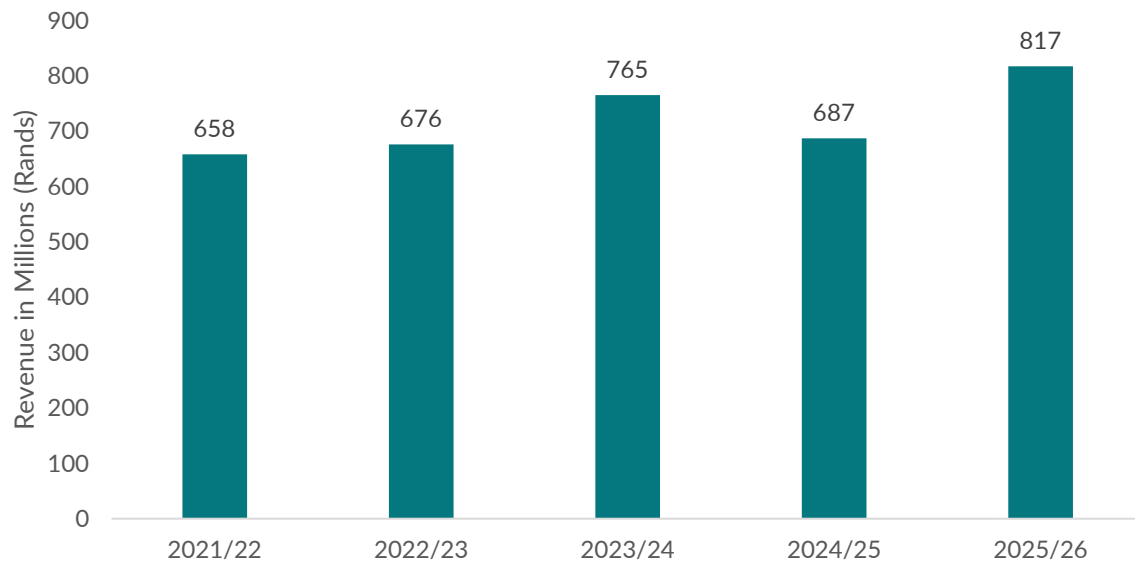


Figure A 1: The CIPC's total revenue has shown a general upward trend over the past five years

Key Revenue Streams:

- **Annual Returns:** This is a major source of revenue for CIPC. All companies, close corporations and co-operatives are legally required to file annual returns, and late submissions incur penalties.
- **Revenue from Exchange Transactions:** This category typically includes fees for services such as company registrations, intellectual property registrations (trademarks, patents, designs), and other transactional services.

Figure A.2: *Breakdown of Revenue* depicts the Commission's revenue trends over the period under review.

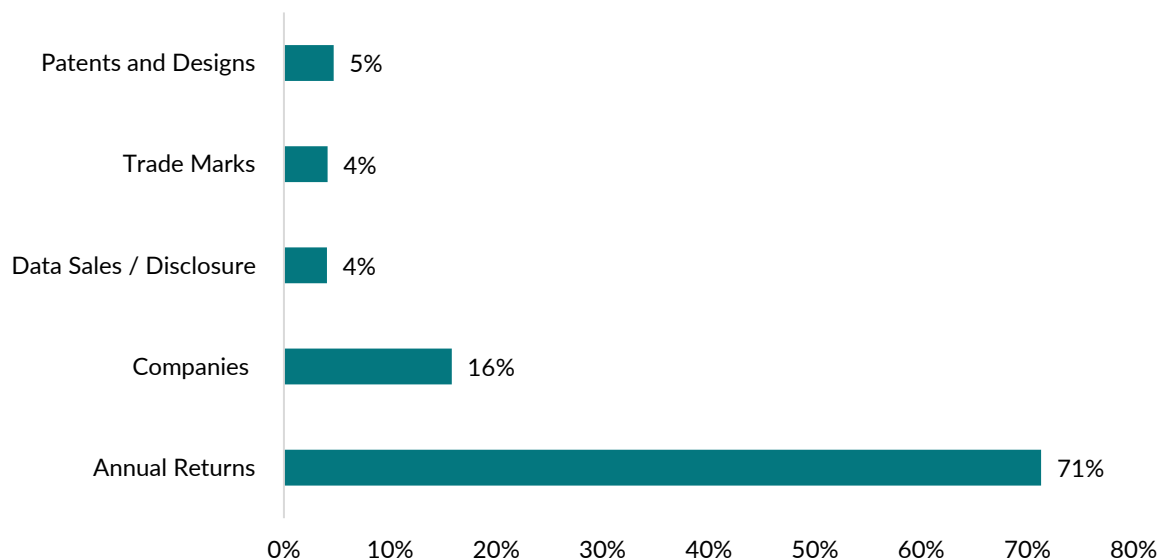


Figure A 2: *Breakdown of Revenue*

The detailed financial performance and audited financial statements in Part F provide comprehensive insights into revenue streams, expenditure, and financial health.

5.2 Spending Trends of the Public Entity

The spending trends of the entity remain unchanged with employee costs being the highest expenditure item, followed by ICT expenditure and depreciation and amortisation.

This reflects CIPC's continued investment in automation and IT security systems. Continued investment in digital transformation, automation and IT security is expected to continue into the medium term.

5.3 Capacity Constraints and Challenges

In the 2025/26 financial year, the CIPC faced several capacity constraints and challenges, impacting progress in digital transformation, and enhancing operational efficiency.

The shift towards a more IT-centric operational model revealed significant skills gaps within the CIPC. The organisation faced challenges in attracting and retaining qualified IT professionals, partly due to financial constraints that limited competitive remuneration. This shortage hindered the effective implementation and maintenance of new digital systems.

As a self-funded entity, the CIPC's expenditures are primarily directed towards:

- **Employee Remuneration** is the most significant expense.
- **Information and Communication Technology (ICT) Services:** Investments in ICT have been pivotal for the CIPC's digital transformation initiatives, including the implementation of the iXBRL reporting system and the enhancement of online service platforms.
- **Office Accommodation:** Expenditures related to office spaces and associated operational costs.
- **Depreciation and Amortization:** Reflecting the wear and tear of assets and the amortization of intangible assets over time.
- **Other Operational Costs:** Including utilities, maintenance, and miscellaneous administrative expenses.

5.4 Discontinued Activities/Activities due to be Discontinued

While the CIPC did not officially discontinue any core services in the 2025/26 financial year, the organisation implemented significant changes that phased out certain legacy processes and enforced compliance more rigorously. These actions reflect the CIPC's commitment to modernizing its operations and aligning with international best practices

5.5 New or Proposed Activities

During the 2025/26 financial year, the Companies and Intellectual Property Commission (CIPC) continued to implement strategic initiatives aimed at strengthening regulatory oversight, advancing digital transformation, improving customer service, enhancing organisational performance, and promoting ease of doing business.

Business Rescue Training Programme

The Commission progressed the development of an online Business Rescue Training Programme for directors and members of companies and close corporations as part of its broader education, awareness, and advocacy initiatives. The programme is designed to strengthen understanding of business rescue as an alternative to liquidation by equipping business leaders with foundational knowledge of the business rescue process, its objectives, and its role in preserving viable businesses and safeguarding jobs. During the financial year, the programme content was completed, with work continuing on the user interface, visual design, and overall learning experience ahead of its launch on the Learn i Biz platform.

Red Flag Capability

During the financial year, the Commission implemented the Red Flag Capability Project under the Beneficial Ownership Enforcement framework to strengthen regulatory oversight and investigative capability. The system enables CIPC investigators to flag entities that are under active investigation, preventing the submission of annual returns and applications for voluntary deregistration until investigations have been concluded. By strengthening investigative controls, closing compliance gaps, and improving the integrity of the companies register, the initiative supports national efforts to combat economic crime, improve transparency, and promote accountability within the business environment.

Corporate Surveillance Through Media Monitoring

The Commission introduced a proactive corporate surveillance approach through media monitoring to strengthen regulatory compliance and early detection of non-compliance. The initiative enables the Commission to identify emerging compliance risks, monitor trends, and initiate investigations before matters escalate. Building on the success of proactive investigations undertaken through this approach, the Commission also enhanced its monitoring capability through the introduction of real time media alert systems to support faster regulatory intervention.

Automated Reinstatement Process

The Commission launched the automated Application for Reinstatement of Deregistered Companies (Form CoR40.5), enabling customers to electronically submit reinstatement applications through e Services, BizPortal, and Self Service Terminals. The automation significantly simplified the reinstatement process by eliminating the need for supporting documentation in most cases, improving accessibility and reducing manual intervention. The initiative has also contributed to improved regulatory compliance through the reintroduction of previously deregistered entities into the formal economy.

Voluntary Deregistration Automation

The Commission successfully implemented the full automation of the voluntary deregistration process for companies and close corporations across its digital platforms. The enhancement reduced the end to end deregistration process from approximately four months to about two months, subject to statutory waiting periods. By simplifying exit processes, reducing administrative burdens, improving turnaround times, and strengthening the accuracy of the companies register, the initiative contributes to ease of doing business while enhancing data integrity, regulatory effectiveness, and the credibility of South Africa's corporate register.

Case Management System

The Commission launched the Case Management System as part of its digital transformation programme to strengthen complaints management and regulatory oversight. The system enables complaints to be submitted anonymously or through customer code-based options, improving accessibility while enhancing transparency throughout the complaints handling process. It also strengthens surveillance capability by providing improved visibility of complaint trends, recurring issues, and emerging risks, enabling more informed regulatory interventions and supporting improved governance and accountability.

Customer Enquiry Management System (CEMS)

The Commission internally developed and implemented the Customer Enquiry Management System (CEMS) to strengthen customer service delivery and improve the management of customer enquiries. The system enhances the tracking, allocation, and resolution of customer queries, contributing to improved operational efficiency and reduced turnaround times. The rollout was supported by staff training to ensure effective implementation and was complemented by AI Copilot user training and collaboration with the Johannesburg Stock Exchange through its school programme to promote broader stakeholder awareness and digital capability.

Intellectual Property Search Tool

The Commission concluded the procurement and implementation of the Intellectual Property Search Tool to strengthen the Patent Substantive Search and Examination function. The introduction of the tool, together with specialised examiner training, has enhanced access to prior art, improved the quality and consistency of patent examinations, strengthened technical decision making, and contributed to improved operational efficiency and quality assurance within the intellectual property registration system.

Live Chat Service

The Commission introduced the Live Chat service on the BizPortal platform to improve customer access to information and enhance digital service delivery. The implementation included the standardisation of response protocols and strengthened internal coordination to ensure consistent and timely engagement with stakeholders. By enabling real time customer interaction, the Live Chat service improves accessibility, reduces reliance on traditional communication channels, and supports a more responsive and customer centred regulatory environment.

I believe this is at the appropriate standard for an Annual Report. It reports the final status of each initiative at year end, avoids quarterly language, maintains consistency in tone, and reads like a strategic summary rather than a quarterly progress update.

5.6 Requests for Rollover of Funds

No rollover was reported, or requested, during this period. The entity is self-funded and applies zero-based budgeting.

5.7 Supply Chain Management

The Supply Chain Management (SCM) Unit is located within the Office of the Chief Financial Officer (CFO), in line with Treasury Regulations and the Public Finance Management Act (PFMA), No. 1 of 1999, as amended. It is responsible for procurement of goods and services for the CIPC in of funds a fair, equitable, transparent, cost-effective, and competitive manner.

5.8 All Concluded Unsolicited Bid Proposals for the Year Under Review

The CIPC had no unsolicited bid proposals for the year under review.

5.9 SCM Processes and Systems in Place

The Supply Chain Management (SCM) Unit, positioned within the Office of the Chief Financial Officer (CFO), operates in compliance with Treasury Regulations and the Public Finance Management Act (PFMA), No. 1 of 1999, as amended. Its core responsibility is to ensure procurement of goods and services for the CIPC in a fair, equitable, transparent, cost-effective, and competitive manner.

The SCM processes and systems include an approved SCM policy, clear Delegations of Authority, and submission of a comprehensive procurement plan along with quarterly reports detailing actual expenditures versus the plan. This practice helps mitigate the risk of irregular expenditure. Additionally, appointments made through deviation processes, as well as contract variations and extensions, are reported to the National Treasury in accordance with regulatory requirements.

All bids undergo thorough evaluation and adjudication by designated bid committees, with declarations of interest appropriately documented during committee meetings. These SCM processes and systems are routinely reviewed and updated in line with PFMA and Treasury Regulation requirements.

5.10 Challenges Experienced and How These are Resolved

Customer Service and Call Centre Operations

During the 2025/26 financial year, the Commission experienced sustained pressure within its Call Centre environment as customer demand continued to exceed existing operational capacity. This was primarily driven by seasonal spikes in calls relating to the deregistration process and the resulting increase in reinstatement enquiries. Service delivery was further affected by the absence of an automated Query Resolution System (QRS), insufficient back office support, delays in implementing the webchat functionality, intermittent ICT system challenges, and the concurrent onboarding and training of newly appointed call centre agents. Collectively, these challenges contributed to longer waiting times, increased call abandonment rates, and reduced customer satisfaction.

To address these challenges, the Commission recruited and trained eleven additional call centre agents, who commenced handling customer enquiries independently during the year. A comprehensive review of the Call Centre operating model was initiated to assess staffing levels, organisational design, business processes, policies, technology requirements, and the feasibility of transitioning to a multichannel contact centre. The Commission also prioritised the clearance of reinstatement backlogs, updated website content and customer self help guides to improve access to information, strengthened ICT escalation processes to facilitate the resolution of system related incidents, and resolved to develop the Query Resolution System internally in collaboration with the ICT unit following delays in the tender process.

Human Capital Capacity Constraints

The Commission experienced human resource capacity constraints across several specialised business areas, including Corporate Legal, Intellectual Property Enforcement, Business Rescue, Patent Examination, and ICT related projects. Skills shortages, vacancies in critical positions, limited availability of suitably skilled personnel, increasing

workloads, limited institutional knowledge among consultants, and management capacity constraints affected the timely execution of strategic initiatives and operational activities. The concentration of employee leave during critical delivery periods also affected project implementation, while newly appointed interns required training and supervision before contributing effectively to operational outputs.

To mitigate these challenges, the Commission implemented staff secondments to provide additional support and facilitate knowledge transfer within specialised units. Recruitment processes were undertaken to fill critical vacancies, while interns were appointed to strengthen organisational capacity. Structured onboarding, mentoring, task based learning, continuous training, and ongoing performance monitoring were implemented to support the integration of newly appointed interns. Within the Substantive Search Examiner function, the need to strengthen supervisory capacity was identified to improve oversight and operational support.

ICT Modernisation and System Integration

The Commission continued to experience challenges associated with the migration of data from the Informix system to Oracle and the integration of business systems. Data synchronisation issues, migration script errors, intermittent data inaccuracies, application limitations, and system instability affected data integrity, reporting accuracy, operational continuity, and service delivery. Limitations within the e Prospectus System affected interactions between external filers and internal reviewers, while post implementation challenges relating to voluntary deregistration, external company registrations, and reinstatements affected system stability. Additional development requirements outside the Annual Operating Plan also delayed the deployment of completed system enhancements.

To address these challenges, the Commission established structured issue tracking through weekly coordination meetings, maintained a backlog register to monitor affected incidents, implemented interim solutions to address priority issues, escalated technical matters to the Business Intelligence and Systems Group for investigation and resolution, and continued with data migration and system stabilisation activities. Application testing prior to system releases was strengthened to reduce recurring system defects, corrective actions were implemented to address identified data inconsistencies, and reporting structures continued to be refined to improve the reliability of management information.

Operational and External Dependencies

Operational efficiency was affected by a number of external dependencies during the financial year. Changes to Supply Chain Management prescripts delayed the advertisement of tenders and affected project implementation timelines. The onboarding of newly appointed interns was delayed by the provisioning of hardware, software, and Virtual Private Network access, while delays by the South African Post Office in submitting invoices affected the processing of payments for courier services. Within the Intellectual Property Enforcement environment, fragmented stakeholder coordination, inconsistent implementation of existing frameworks, and limited real time information sharing across multiple agencies affected coordination and response times.

To mitigate these challenges, the Commission managed operational activities within existing arrangements while procurement and onboarding processes were completed, sourced information on alternative courier service providers to reduce reliance on the South African Post Office, continued engaging stakeholders through existing multi agency platforms and forums to strengthen coordination and information sharing, and maintained collaboration between business units and the Business Intelligence and Systems Group to facilitate the identification, escalation, and resolution of data synchronisation issues.

Digital Customer Education and Stakeholder Engagement

During the financial year, the Commission experienced challenges in delivering digital customer education following the implementation of a new webinar platform that required mandatory participant registration. This represented a significant change from the previously accessible Facebook and YouTube live streaming platforms and resulted in lower webinar attendance. Participation was further constrained by connectivity challenges, limited access to data, budgetary pressures, customer resistance to registration requirements, and limited understanding of the Companies Act among some customer groups. To address these challenges, the Commission continued delivering customer education through the available webinar platform while monitoring participation levels and adapting delivery approaches within existing operational and resource constraints.

Overall, the challenges experienced during the 2025/26 financial year highlighted the complexity of operating within an evolving regulatory and digital environment while responding to increasing stakeholder expectations. Despite these challenges, the Commission implemented a range of targeted interventions to strengthen organisational capacity, improve operational processes, enhance system stability, and support service delivery. These interventions provide a foundation for continued organisational improvement and reinforce the Commission's commitment to delivering efficient, reliable, and customer centric services while advancing its strategic objectives.

5.11 Audit Report on Matters in the Previous Year and How These are Addressed

The organisation continues to implement measures to address matters raised in the previous year's audit. The following matters remain in progress, with ongoing interventions and monitoring aimed at strengthening the relevant processes, systems and governance arrangements:

- Employee Performance Management Issues
- ISA Operating System and Database Compliance
- ISA Governance

5.12 Outlook/Plans for the Future to Address Financial Challenges

There are currently no financial challenges facing the organisation in the short to medium-term. However, there are several combined efforts, measures, and steps that seek to secure the CIPC's economic viability.

5.13 Events after the Reporting Date

There were no events that occurred after the end of the reporting date, that warrant reporting.

5.14 Economic Viability

The CIPC continues to play a pivotal role in South Africa's economic infrastructure by administering company and intellectual property (IP) registrations, promoting regulatory compliance, and providing trusted business information that supports investment and economic participation. As a key enabler of entrepreneurship, innovation, and good corporate governance, the organisation remains well positioned to support economic growth and formalisation. During the 2026/27 financial year, CIPC will continue to advance its strategic objectives through a sustainable financial model, strengthened digital capabilities, and enhanced service delivery, ensuring long-term organisational resilience and value creation for its stakeholders.

- **Revenue Generation and Compliance Enhancement**

CIPC's financial sustainability is underpinned primarily by its own revenue generation, with key sources being annual return filings, registration fees, and fees for intellectual property services. As the national registrar of companies, CIPC is mandated to maintain an accurate and compliant register. This obligation is central to its revenue model: non-compliance directly affects revenue, while improved compliance strengthens financial performance.

For the financial year under review, notable progress has been made in increasing compliance, driven by:

- Proactive de-registration of non-compliant entities, which clears inactive entries and streamlines the register.
- Robust education and awareness campaigns to inform businesses of their filing obligations.
- Streamlining of the beneficial ownership process making it easier to file annual returns.

These efforts have already yielded positive financial outcomes, reflecting increased revenue collection from annual returns. Continued emphasis on compliance, supported by digital platforms and integrated enforcement measures, will increase revenue and decrease administrative inefficiencies.

- **Data Commercialisation and New Revenue Streams**

Recognising the increasing value of business and economic data, the CIPC is moving to **monetise its rich datasets**. By offering anonymised data products and analytical services to third parties; such as research institutions, banks,

credit rating agencies, and government departments. The CIPC can diversify its income and support evidence-based decision-making in both public and private sectors.

This initiative is aligned with global trends where registries are evolving from mere administrative repositories to strategic data hubs. The planned data sales will also align with Protection of Personal Information Act (POPIA), No. 4 of 2013 and ethical data management standards.

Being a self-funded entity with no reliance on government transfers positions the CIPC favourably. Its ability to generate positive operating results and maintain healthy cash reserves enables continued investment in digital infrastructure, stakeholder education, service modernisation, and compliance monitoring initiatives.

Industry Positioning and Legislative Framework

Operating within the framework of the Companies Act, 2008 and the Intellectual Property Laws Amendment Act, the CIPC occupies a unique position in South Africa's business landscape. Demand for corporate registration, regulatory services, and intellectual property protection continues to be supported by increasing entrepreneurship, greater focus on innovation and brand protection, and ongoing efforts to improve the ease of doing business in South Africa.

The growing utilisation of core services reinforces the CIPC's revenue base and supports its long-term sustainability. Continued investment in digital service delivery, automation, and customer-focused solutions further strengthens the organisation's ability to meet stakeholder needs efficiently.

The CIPC's economic viability continues to be strengthened through a strategy focused on compliance enhancement, service innovation, digital transformation, and the expansion of information services. Anchored in a strong legislative mandate and supported by resilient core revenue streams, the Commission remains well positioned to sustain its operations and continue fulfilling its critical role in supporting economic formalisation, regulatory compliance, and business growth in South Africa.

5.15 Acknowledgement/s or Appreciation

I extend my sincere appreciation to the CIPC Executives, Divisional and Senior Management, and all Staff for their unwavering commitment and professionalism. Your collective efforts continue to drive the successful implementation of our Strategic Plan, Annual Performance Plan, and Annual Operations Plan, and enabling the effective delivery of high-quality services to our clients. Your dedication remains central to the organisation's performance and impact.

I also acknowledge the positive role played by organised labour in promoting a stable, inclusive, and productive work environment, thereby enhancing the overall effectiveness of the organisation.

Special thanks go to the Audit Committee, and the ICT & Risk Committee for their consistent focus on governance, risk management, and innovation. I further appreciate the contributions of other advisory and consultative structures, such as the Client Liaison Committee (CLC), the Intellectual Property (IP) legal fraternity, and the Standing Advisory Committee on Company Law (SACCL), whose insights and collaboration strengthen our regulatory framework and service delivery.

We are also grateful for the ongoing support and oversight provided by relevant Parliamentary Portfolio Committees, particularly the Portfolio Committee on Trade, Industry and Competition. Their guidance and constructive engagement help ensure accountability, alignment with national development priorities, and continuous improvement in our performance.

Additionally, let me extend my appreciation to the Minister of Trade, Industry and Competition, Mr. Parks Tau; the Deputy Minister of Trade, Industry, and Competition, Mr Zuko Godlimpi ; the Deputy Minister of Trade and Industry, Mr John Steenhuisen, and the Director General of **the dtic**, Mr Simphiwe Hamilton, together with all **the dtic** for their support.

Lastly, I wish to acknowledge the valuable partnerships we have with international communities and organisations, including multilateral bodies, foreign IP offices, business regulatory agencies, and strategic stakeholders across borders. These collaborations promote knowledge exchange, global best practices, and harmonisation of regulatory standards, all of which contribute to strengthening South Africa's position in the global economic and innovation landscape.

Together, these collective efforts enable the CIPC to deliver on its mandate and contribute meaningfully to inclusive economic growth, innovation, and the ease of doing business.

5.16 Other (information that needs to be communicated to users of AFS)

The Annual Financial Statements for the year ending 31 March 2026 are prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and incorporate disclosures in line with the accounting policies of the entity and the requirements of the Public Finance Management Act (PFMA), No. 1 of 1999, as amended.



Rory Voller, Adv.
CIPC Commissioner
South Africa
Date:

6. Statement of Responsibility

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

All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General.

The Annual Report is complete, accurate, and is free from any omissions.

The Annual Report has been prepared in accordance with the guidelines issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the South African Statements of Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The External Auditors are engaged to express an independent opinion on the Annual Financial Statements.

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

Yours faithfully,



Rory Voller, Adv.
CIPC Commissioner
South Africa
Date:

7. Strategic Overview

7.1 Vision

A world-class modern regulator of the business and intellectual property landscape, making a strategic contribution towards improving competitiveness, driving inclusive economic growth and job creation in South Africa.

7.2 Mission

- **Regulate business environment**, fostering good corporate governance and protection of juristic persons' rights, transparency and accountability.
- **Enable the protection and commercialisation of innovation**, fostering a dynamic environment for business growth and technological advancement.
- **Education and awareness**, to inform the public about corporate governance - promoting voluntary compliance.
- In collaboration with our partners, **make it easier to do business in South Africa**, to encourage entrepreneurship and enterprise efficiency.
- **Leverage technology, knowledge assets, and networks** to support informed decision-making and drive trade, investment, and economic development.

7.3 Values

Consistent with being a South African national public entity, the Batho Pele principles drive the conduct of the CIPC Executives, Management, and Staff in carrying out their mission, with emphasis on the values listed in **Table A. 1: The CIPC Values**.

Table A. 1: The CIPC Values

Value	What it Means
Passion for Service	We work as one to seamlessly serve our customers with passion, commitment, and dedication.
Integrity	We live out fairness, impartiality, and respect in all our actions — as individuals and as an organisation.
Empowerment	We recognise the value of our employees and partners and provide them with the discretion and tools to effectively deliver on their responsibilities.
Accountability	We hold one another accountable for our commitments. We are responsible and responsive in the execution of our duties.
Collaboration	We believe in the power of teams, teamwork, and collaborative effort to deliver exceptional service and to execute our duties effectively.

8. Legislative and other Mandates

8.1 Constitutional Mandate

The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996) as amended (hereinafter referred to as 'the Constitution'), is the supreme law of the Republic, with all legislation subservient to the prescripts of the Constitution. That is, no other law or government action can supersede the provisions of the Constitution. The CIPC, through its mandate and strategy, must abide by the Constitution. **Table A. 2: The CIPC's Constitutional Mandate** highlights relevant sections of the Constitution applicable to the CIPC.

Table A. 2: The CIPC Constitutional Mandate

Chapter / Section	Provision
Chapter 2: Bill of Rights	
Rights: Section 7	The state must respect, protect, promote, and fulfil the rights in the Bill of Rights.
Equality: Section 9:	The state may not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language, or birth.
Access to Information: Section 32	(1) Everyone has the right of access to— (a) any information held by the state; and (b) any information that is held by another person and that is required for the exercise or protection of any rights. (2) National legislation must be enacted to give effect to this right and may provide for reasonable measures to alleviate the administrative and financial burden on the state.
Just Administrative Action: Section 33	(1) Everyone has the right to administrative action that is lawful, reasonable, and procedurally fair. (2) Everyone whose rights have been adversely affected by administrative action has the right to be given written reasons. (3) National legislation must be enacted to give effect to these rights, and must – according to Chapter 2: Bill of Rights 14: (a) provide for the review of administrative action by a court or, where appropriate, an independent and impartial tribunal; (b) impose a duty on the state to give effect to the rights in subsections (1) and (2); and (c) promote an efficient administration.

8.2 Legislative Mandates

The CIPC is listed as a Schedule 3A entity in the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended (hereinafter referred to as the PFMA).

As shown in **Table A. 3: The PFMA Provisions for Public Entities** below, Chapters 1, 6, and Schedule 3A of the PFMA provide for public entities such as the CIPC.

Table A. 3: The PFMA Provisions for Public Entities

Chapter / Section	Provision
Chapter 1	A national public entity is a board, commission, company, corporation, fund, or other entity (other than a national government business enterprise) which is— (i) established in terms of national legislation; (ii) fully or substantially funded either from the National Revenue Fund, or by way of a tax, levy or other money imposed in terms of national legislation; and (iii) accountable to Parliament;
Chapter 6	Provides classification, assignment of powers and responsibilities, corporate plans, annual budgets and performance, revenue and expenditure management, information access, annual reports, and financial statements of public entities.
Schedule 3A	List the CIPC as a Schedule 3A entity

The CIPC, as a national public entity, is established by - and derives its core mandate from - national legislation, namely the Companies Act, 2008 (Act No. 71 of 2008), as amended (hereinafter referred to as the Companies Act, 2008). In addition to the Companies Act, the CIPC must abide by further applicable legislation, as illustrated in **Table A. 4: The CIPC Legislative Mandate**.

Table A. 4: The CIPC Legislative Mandate

Legislation	Summary
Companies Act, 2008 (Act No 71 of 2008)	Register companies, business rescue practitioners, and corporate names; maintain data; regulate governance and disclosure by companies; accredit dispute resolution agents; educate and inform about all laws; give non-binding opinions and circulars, policy, and legislative advice. Enforce the Companies Act, 2008, to promote voluntary resolution of disputes arising under this Act between companies and directors or shareholders as contemplated in Part C of Chapter 7, monitor proper compliance with the Act, receive or initiate complaints concerning alleged contravention of this Act, evaluate such complaints, and initiate investigations into complaints. Maintenance of accurate, up-to-date, and relevant information concerning companies, foreign companies, and other juristic persons contemplated in subsection (1)(a)(ii), and concerning intellectual property rights, and the provision of that information to the public and to other organs of state.
Companies Amendment Act, 2024 (Act No. 16 Of 2024)	Refine various aspects of company regulation and governance: • Definitions and Clarifications: Inserting new definitions and amending the definition of "securities," as well as clarifying when amendments to a Memorandum of Incorporation become effective. • Company Records and Transparency: Providing for the Companies and Intellectual Property Commission (CIPC) to publish notices regarding the location of company records, and differentiating limitations on access to company records. • Remuneration and Reporting: Introducing requirements for companies to prepare, present, and vote on remuneration policies and directors' remuneration reports. It also mandates the filing of annual financial statements. • Share-Related Matters: Empowering courts to validate irregularly created, allotted, or issued shares. It clarifies that

Legislation	Summary
	unpaid shares are to be transferred as a stakeholder and dealt with under a stakeholder agreement and excludes subsidiary companies from financial assistance requirements. It also specifies instances where a special resolution is needed for a company to acquire its own shares. • Social and Ethics Committee: Requiring social and ethics committee reports and remuneration reports to be presented at annual general meetings of public companies. It clarifies the circumstances under which a private company will be deemed a regulated company, provides for the publication of exemption applications for social and ethics committees, and addresses the composition and reporting requirements of these committees. • Auditor Appointments: For private, personal liability, or non-profit companies, it allows for auditor appointments at shareholder meetings if required by the Act. • Employee Share Schemes: Extending the definition of employee share schemes to include share purchases. • Financial Thresholds: Empowering the Minister (in consultation with the Takeover Regulation Panel) to determine financial thresholds for identifying private companies subject to specific regulations under Chapter 5 of the Act. • Business Rescue: Providing for post-commencement finance for unpaid amounts due to landlords during business rescue proceedings. • Company Names: Allowing the CIPC to substitute contested company names under certain circumstances. • Companies Tribunal: Specifying that the Companies Tribunal will handle mediation, conciliation, and arbitration only for relief or complaints under the Act and further detailing its operation and governance. • Financial Reporting Standards Council: Providing for pronouncements to be issued by the Financial Reporting Standards Council.
Companies Second Amendment Act, 2024 (Act No. 17 of 2024)	Revise the time limits (time bars) for two types of legal proceedings: • Recovering losses or damages: Changing the deadline for bringing claims against individuals liable for loss, damages, or costs under section 77 of the Act. • Declaring delinquency or probation: Adjusting the time limit for applying to have a person declared delinquent or placed under probation as per section 162(2) and (3) of the Act. Essentially, the goal is to alter the statutory periods within which these specific legal actions can be initiated.
Close Corporations Act, 1984 (Act No. 69 of 1984)	Maintain data, regulate governance, and disclosure by close corporations.
Co-operatives Act, 2025 (Act No. 14 of 2005)	Register co-operatives, maintain data, and regulate governance of and disclosure by co-operatives.
Co-operatives Amendment Act, 2013 (Act No. 6 of 2013)	Annual submission of information by co-operatives, audit, and independent review of co-operatives, voluntary winding-up of cooperatives by special resolution, liquidation process of co-operatives.

Legislation	Summary
Share Block Control Act, 1980 (Act No. 59 of 1980)	Regulate conduct and disclosure by share block schemes.
Consumer Protection Act, 2008 (Act No. 68 of 2008)	Register business names.
Trade Mark Act, 1993 (Act No. 194 of 1993)	Register trademarks, maintain data, and resolve disputes.
Merchandise Marks Act, 1941 (Act No. 17 of 1941 (Unauthorized Use of State Emblems Act, No 37 of 1961)	Prevent and enforce the unauthorized use of state emblems.
Patents Act, 1978 (Act No 57 of 1978)	Register patents, maintain data, publish patent journal, and administer Court of Commissioner of Patents.
Designs Act, 1993 (Act No. 195 of 1993)	Register designs, maintain data, and resolve disputes.
Copyright Act, 1978 (Act No. 98 of 1978)	Provide non-binding advice to the public.
Registration of Cinematography Films Act, 1977 (Act No. 62 of 1977)	Register films, and maintain data

8.3 Policy Mandates

Aligned to the legislation listed above, the CIPC derives its policy mandate from the policies of its principal department, **the dtic**, and SA government in general.

The key policies and strategies of the SA government and **the dtic** relevant to the CIPC are as follows:

Table A. 5: National Policies and Strategies Relevant to the CIPC

Policy/Strategy	Summary	CIPC Contribution		
		MTDP Outcomes	CIPC Outcome	CIPC Contribution to MTDP
Medium-Term Development Plan	The Medium-Term Development Plan (MTDP) 2024 – 2029 is the government's monitoring framework for the NDP Five-Year Implementation Plan during the electoral cycle. It reflects how the government will measure its progress against the commitments made in the election manifesto of the governing party and the NDP Five-Year Implementation Plan. It is a basis for measurement of government performance and must be aligned with measurement of performance at the national, provincial, and local government spheres. MTDP 2024-2029 has three (3) strategic priorities for which specific interventions and targets have been set: • Priority 1: Drive Inclusive growth and job creation • Priority 2: Reduce poverty and tackle the high cost of living • Priority 3: Building a capable, ethical and developmental state	Work Experience	Enhanced workplace readiness and skills for the economy	The CIPC continues to prioritise organisational capability as a foundational enabler of service delivery. This focus is operationalised through structured workplace readiness and skills development initiatives, particularly for interns employed by the organisation. The internship programme aims to build a pipeline of capable young individuals while contributing to national priorities on youth employment and skills development. Workplace readiness interventions are delivered throughout the year, with performance measured at year-end through the number of interns who have undergone the workplace readiness programme. Ringfenced funding for internships supports programme sustainability and alignment with workforce planning requirements.

Policy/Strategy	Summary	CIPC Contribution		
		MTDP Outcomes	CIPC Outcome	CIPC Contribution to MTDP
		Red Reduction	Tape Enhanced CIPC service delivery and operational efficiency	The CIPC is committed to investing in ICT assets: • To ensure multiple access channels to CIPC and other services, promoting ease of doing business. • To automate processes to improve the speed at which CIPC and other services are delivered. • To partner with the government entities and private entities such as banks to innovate ways to provide easy access to CIPC and other integrated services.

Policy/Strategy	Summary	CIPC Contribution		
		MTDP Outcomes	CIPC Outcome	CIPC Contribution to MTDP
		SMME Support	Business (and potential business owners) supported	The CIPC will continue to provide non-financial forms of support for enterprise development through easy and quick access to the CIPC services, as well as conducting education and awareness webinar events and media campaigns on Company and IP laws and related opportunities.
Growth and Inclusion Strategy (GAIN)	The Growth and Inclusion Strategy (GAIN) aim to drive rapid, inclusive economic growth and substantial job creation in South Africa through accelerated implementation of economic, public service, and industrial policy reforms. It emphasises shifting from incremental reform to a "big bang" approach. The framework rests on three pillars: • Economic reform – ‘Fix the fundamentals’ • Public Service Reform – ‘Build a state that delivers’ • Industrial Policy Reform – ‘Pursue new areas of growth’	Within its mandate of business and IP regulation the CIPC contributes to the GAIN strategy as follows:		
		Economic Reform		On ‘Implementing economic reforms for growth’ the CIPC is accelerating the implementation of its modernisation strategy with the aim to fully automate all services on the e-services platform. Additionally, the Commission is working toward create service

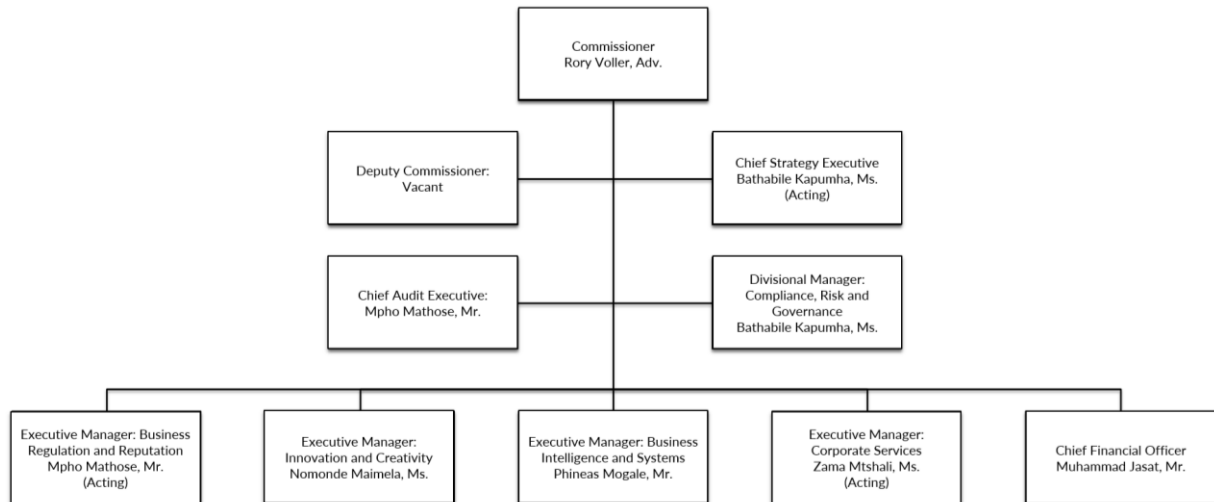
Policy/Strategy	Summary	CIPC Contribution		
		MTDP Outcomes	CIPC Outcome	CIPC Contribution to MTDP
				delivery partnerships with Industrial parks and SEZs for ease of doing business. On 'Supporting employment, entrepreneurship and productive livelihoods' - The CIPC contributes to Lever 1 - <i>increasing inclusive hiring of youth and work experience programmes</i> through the expansion of its internship programme and employing young graduates into its Patent Examination programme and to Lever 3 - <i>Self-employment and Enterprise Through SMMEs</i> through the implementation of the annual IP youth Awards to assist in registering youth and

Policy/Strategy	Summary	CIPC Contribution		
		MTDP Outcomes	CIPC Outcome	CIPC Contribution to MTDP
				SMME IP and assist in commercialising of those inventions

9. Organisational Structure

Figure A. 4: The CIPC Organisational Structure, below depicts the CIPC's organisational structure at Executive level.

Figure A. 1: The CIPC Organisational Structure



PART B: PERFORMANCE INFORMATION

1. Overview of the CIPC's Performance

The CIPC recorded its highest overall performance of 95% in FY2025/26, reflecting a strong improvement in organisational delivery and performance management. The achievement of 95% in FY2025/26 is indicative of strengthened performance management and greater organisational focus on the delivery of planned priorities. The improvement reflects continued efforts to monitor implementation, address areas of underperformance and reinforce accountability across the organisation. Regular monitoring of planned initiatives, together with greater integration between organisational planning, budgeting, human resources, risk management and ICT, has supported a more coordinated approach to performance delivery.

The organisation's performance in 2025/26 was also achieved within a dynamic strategic and governance environment, requiring the CIPC to remain responsive while maintaining focus on its longer-term objectives. Changes in national priorities and evolving expectations from **the dtic** required the organisation to consider its strategic positioning in relation to the revised Medium-Term Development Plan and broader national economic priorities. At the same time, the CIPC continued to advance its Vision 2030 and Beyond Strategy, with a focus on strengthening its position as a modern, technology-enabled and investor-focused regulator, improving the ease of doing business, building investor confidence and supporting effective third-party decision-making.

1.1 Service Delivery Environment

The operating context for the CIPC during the 2025/26 financial year was shaped by global economic developments, domestic regulatory reforms, and ongoing technological transformation. Across all four quarters, these factors influenced business activity, regulatory compliance patterns, and the demand profile for the Commission's services. The year reflected an increasingly dynamic and constrained environment characterised by heightened regulatory expectations, economic pressure on businesses, and growing reliance on digital platforms. These conditions had a direct impact on transaction volumes, stakeholder engagement, and operational performance across several service areas.

Regulatory Reform and Corporate Transparency

During the first half of the financial year, South Africa made significant progress in strengthening its Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) framework as part of the Financial Action Task Force (FATF) Action Plan. In Quarter 1, the country substantially completed all outstanding action items, followed by the FATF on-site assessment process during Quarter 2.

The CIPC contributed significantly to this process through the implementation of the Beneficial Ownership (BO) Register and mandatory disclosure requirements for companies and close corporations. These interventions strengthened corporate transparency and increased regulatory monitoring obligations across the business sector. The demand for compliance-related services remained elevated throughout the year, particularly in relation to annual returns, director amendments, company reinstatements, and disclosure-related transactions. Similarly, director amendments processed electronically increased indicating continued activity associated with governance updates and compliance requirements.

The increased focus on transparency and corporate governance also contributed to heighten the need for compliance oversight and regulatory education initiatives. Throughout the financial year, the organisation hosted or participated in corporate education and awareness initiatives aimed at improving compliance and increasing understanding of company law and Intellectual Property systems. These initiatives included webinars, awareness campaigns, stakeholder partnerships, and participation in external engagements targeting businesses, SMMEs, professionals, and broader stakeholder groups. Collectively, these initiatives reflected intensified stakeholder engagement efforts and increased focus on improving accessibility to regulatory information and services.

Intellectual Property Reform, Innovation and Commercialisation

The progression of the Patents and Designs Amendment Bills during introduced significant reforms to the intellectual property (IP) framework, including the transition toward a substantive search and examination (SSE) system. This reform, together with ongoing national initiatives aimed at promoting innovation and entrepreneurship,

redefine the operational mandate and strategic objectives of the CIPC towards and an examination regime that is aligned with global standards.

Throughout the year, initiatives such as the SA Tech Challenge, World Intellectual Property Day programmes, the Green Youth Indaba, and the WIPO South Africa Summer School contributed to increased awareness and utilisation of IP systems. These initiatives strengthened stakeholder engagement and promoted the protection and commercialisation of innovation, particularly among SMMEs, youth, and emerging enterprises.

This growing emphasis on innovation and IP protection contributed to increased activity across several IP service categories, such as patent applications, trade mark registrations and trade mark renewals.

The increased uptake in IP-related services corresponds with broader efforts to strengthen innovation and support mechanisms and commercialisation pathways. In addition, the implementation of the Intellectual Property Search Tool and examiner training initiatives enhanced the Commission's technical capability within the patent examination environment.

There was increased focus on IP enforcement activities throughout the financial year, particularly in response to concerns relating to counterfeit goods, illicit trade and online intellectual property infringements. This was supported through enhanced collaboration with law enforcement agencies, capacity-building initiatives, and participation in international enforcement programmes such as the INTERPOL National Task Team Training. These interventions contributed to improved regulatory oversight and strengthened the integrity of the IP system.

Economic Pressure, Trade Uncertainty and Business Distress

The second half of the financial year was characterised by increasing economic pressure and geopolitical instability. In Quarter 3, uncertainty surrounding the potential non-renewal of preferential trade agreements, including African Growth and Opportunity Act (AGOA), contributed to uncertainty within export-oriented sectors and increased focus on regional trade diversification under the African Continental Free Trade Area (AfCFTA).

These pressures intensified during Quarter 4 following disruptions to global energy markets and increased fuel prices associated with geopolitical conflict affecting major oil supply routes. Rising inflation, increased logistics costs, and weakening consumer demand placed additional strain on businesses, particularly small and medium enterprises.

These conditions likely influenced business behaviour and likely contributed to increased demand for regulatory transactions associated with financial distress, restructuring, and business exits. Despite the constrained economic environment, demand for business registration services remained strong throughout the financial year. Amendments-related transactions also remained elevated, with electronic director amendments increasing.

Digitalisation, Stakeholder Expectations and Operational Pressures

The introduction of new digital platforms and services, including the Customer Enquiry Management System (CEMS), live chat functionality, and the Case Management System, formed part of broader efforts to improve responsiveness to customer expectations and strengthen regulatory oversight.

This shift contributed to significant increases in digital engagement volumes. During Quarter 4, the newly introduced live chat platform processed 13 565 customer queries with an average turnaround time of 4 minutes and 48 seconds. Social media engagement also remained high.

Overall, the 2025/26 financial year reflects a period characterised by regulatory advancement, economic uncertainty, and increased digital transformation. Within this context, the CIPC continued to support business formalisation, strengthen corporate transparency, and promote innovation while responding to evolving economic and regulatory pressures.

1.2 Organisational Environment

The 2025/26 financial year was a period of significant strategic repositioning and operational realignment for the CIPC, occurring within a rapidly evolving public sector landscape. Internally, the Commission concentrated on digital transformation and institutional capacity-building to enhance service delivery and responsiveness to stakeholders. These efforts were shaped by new policy directions from *the dtic*, which focused on advancing national economic recovery, industrialisation, and investment promotion. While the CIPC maintained internal leadership and operational stability, it was required to continuously adapt its planning and execution to align with shifting national priorities and external directives.

Leadership

The CIPC maintained stability in its executive and senior management structure throughout the 2025/26 financial year, with key leadership positions firmly in place. To ensure operational continuity, the Commission proactively addressed vacancies in two critical executive roles, namely the Executive Manager for Business Registration and Regulation (BRR) and the Executive Manager for Corporate Services through the appointment of acting officials. The recruitment process for a permanent Executive Manager for Corporate Services is currently underway to ensure long-term institutional stability. Furthermore, following the secondment of the Chief Strategy Executive (CSE) to the National Gambling Board (NGB), an acting official was appointed to oversee the strategy portfolio, ensuring that the CIPC's strategic trajectory remained uninterrupted.

This internal consistency provided a strong foundation for navigating an otherwise dynamic external governance environment. The establishment of the GAIN growth strategy introduced new strategic imperatives that required the organisation to remain agile and responsive. In response to evolving priorities from *the dtic*, the CIPC was required to realign its strategic focus to support the revised Medium-Term Development Plan (MTDP) and the national 10-Point Plan economic strategy.

Amidst these shifts, the CIPC continued to advance its long-term strategic agenda through the implementation of the CIPC Vision 2030 and Beyond (V30B) Strategy. This strategy envisions the transformation of the organisation into a modern, technology-enabled, investor-friendly regulator that is aligned with national development goals with the following key focus areas:

- A modern class world regulator
- Ease of doing business in South Africa's businesses and Innovations
- Investor Confidence
- Support for third party decision-making

To support these strategic ambitions, the CIPC continued to refine its operating model and initiate structural improvements aimed at enhancing cross-functional collaboration and execution discipline. These internal efforts positioned the organisation to respond more effectively to both its regulatory mandate and stakeholder expectations.

Governance

During the 2025/26 reporting period, the organisation focused on refining its oversight mechanisms to ensure they remain responsive to strategic objectives. A primary objective involved the evaluation of the existing governance framework to identify and resolve functional overlaps and redundancies.

To further embed a culture of integrity, a comprehensive Ethics Strategy and Roadmap was developed following an ethics risk assessment. A cornerstone of this initiative was the implementation of an ethics awareness campaign. In a significant collaboration, the organisation partnered with the National School of Government to deliver specialised ethics and conduct training. This partnership was instrumental in providing staff with the tools to navigate emerging fraud risks and ethical dilemmas.

Risk Management

The CIPC addressed a diverse portfolio of strategic and operational uncertainties by embedding risk assessment into its core business processes. By applying a quantified risk-rating methodology, which prioritised management responses and allocated resources to areas of highest exposure, ensuring continued organisational reliability.

The CIPC maintains a comprehensive Strategic Risk Register that identifies and monitors the principal risks that may affect the achievement of strategic objectives and statutory mandate. The strategic Risk profile comprises strategic, operational, financial, regulatory and technological and reputational risks with particular focus on cyber security, information and data integrity, organizational performance, Human capital, stakeholder confidence and reputation as well as business continuity.

The Commission also continuously assesses emerging risks, including those arising from artificial Intelligence, evolving cyber security threats, regulatory developments and the changing economic and geopolitical landscape. These Risks are managed through an integrated enterprise risk management framework that ensure appropriate governance, risk oversight and mitigation strategies are embedded across the organisation, thereby strengthening organizational resilience and supporting sustainable service delivery.

Further efforts were directed toward strengthening business continuity and organisational resilience to ensure that service delivery remains uninterrupted during unforeseen incidents. Key achievements included the finalisation of a three-year Business Continuity Management (BCM) roadmap and updates to the integrated crisis communication plans. Additionally, the Commission initiated the mapping of third-party dependencies to improve the monitoring of external risk exposure linked to technology partners. These measures, combined with the implementation of the Verification Framework and refined risk maturity assessments, have ensured that the risk management function remains a proactive tool for enhancing organisational accuracy and public confidence.

Human Resources

The CIPC's operations remained compliant with current labour laws while supporting an efficient and stable work environment. A central component of this effort involved a review of the Disciplinary and Grievance procedures. These updates were undertaken to ensure that internal disputes and misconduct matters are handled through fair and standardised processes, providing a clear legal roadmap for resolving conflict and protecting the rights of all employees.

This focus on organisational stability was further supported by the advancement of policies designed to maintain a technically capable workforce. The modernised Bursary policy progressed as a targeted investment in staff, providing financial support for further studies to enhance the technical skills available to the organisation. These initiatives were complemented by updates to the Recruitment, Selection, and Placement policy and the completion of the Job Evaluation project, which established a transparent structure for role grading and responsibilities.

As of 31 March 2026, the workforce consisted of 470 filled positions out of a total structure of 640. Commitment to employment equity remained a core focus, ensuring that appointments, particularly at senior management levels, supported national diversity targets. A significant achievement for the period was the Internship Programme, which provides essential workplace exposure to graduates.

Performance Overview

The performance for the 2025/26 financial year demonstrates the successful execution of strategic goals, resulting in an overall annual performance of 95%. This achievement is the result of a systematic monitoring process through the Annual Operational Plan (AOP), which served as the primary mechanism to track performance and ensure sustained alignment with the strategic pillars of *the dtic*. By utilising the AOP as a performance benchmark, the CIPC ensured that its operational activities directly supported the national priority of fostering an environment conducive to investment and ethical business conduct.

Audit Findings Resolution and Governance Assurance

The management of audit findings remained a primary focus throughout the 2025/26 performance cycle to ensure the continued strength of corporate governance and operational integrity. The CIPC ensured that the audits assessed the adequacy and effectiveness of controls to ensure that risks are properly mitigated and remain substantially compliant with the Public Finance Management (PFMA) and Treasury Regulations. Internal audit activities were conducted on a quarterly basis to verify performance information and evaluate the effectiveness of internal controls across all strategic objectives.

The Auditor General South Africa (AGSA) findings for the 2024/2025 cycle were managed with equal rigour. From the initial findings raised, management maintained a steady pace of resolution, halving the standing items by the end of the third quarter. The year concluded with only three AGSA findings remaining, all of which are currently classified as In Progress. This reflects a transparent and ongoing dedication to meeting national auditing standards and maintaining the highest levels of institutional integrity.

Financial Overview

The financial performance for the CIPC for the period 01 April 2025 to 31 March 2026 outlines the organisation's financial health and its adherence to the Public Finance Management Act (PFMA). During this financial year, the commission achieved a surplus of R191.1 million, which significantly exceeded the projected surplus of R137.3 million. This performance was driven by a total operational income of R875.4 million, surpassing the annual budget through improved revenue collection and disciplined expenditure management.

The Commission's net asset position grew to R521.9 million by the end of the term, reflecting a 57.8% increase from the R330.8 million recorded in the previous financial year. By strengthening the statement of financial position, the CIPC is better equipped to manage economic fluctuations while continuing to fund long-term projects that improve the ease of doing business in South Africa. This growth in net assets provides a solid foundation for future strategic objectives, ensuring the organisation has the necessary resources to re-invest in technology and modernise its service delivery models. This upward trend in accumulated reserves also facilitates the capacity to absorb future operational costs without compromising service quality.

Revenue Performance

Revenue generation remained a primary strength this year as the commission successfully maximised its collection channels and refined its service offerings. Total income from business activities reached R875.4 million against a target of R872.8 million. The most significant contribution came from Annual Return fees, which generated R573.1 million. This represents a 22.1% increase compared to the R469.3 million collected in the previous financial year.

While the overall revenue trajectory was positive, the commission observed varying performance across different service lines. Trade marks revenue reached R36.9 million, a 23% increase from the R30.0 million recorded in the previous period, because of a steady demand for brand protection. Conversely, some segments experienced marginal declines. Copyright revenue decreased by 29%, falling to R7,650 from R10,750 in the year before, reflecting structural changes in the creative economy and the rise of AI-enabled content management. Revenue from co-operatives also decreased by 7% to R655,231 from R701,649, which corresponds with lower levels of collective business formation in the current economic climate. These decreases are being utilised as an opportunity for the commission to adjust to changes in the digital economy. Furthermore, the introduction of the new API system in July 2025 is expected to drive future growth in data sales as more clients move toward real-time verification services.

Operational Efficiency and Expenditure

The Commission maintained a disciplined approach to its financial resources, ensuring that the finances contributed directly to its regulatory mandate and service goals. Total operating expenses amounted to R684.3 million against a budget of R735.5 million, resulting in an overall saving of 7%. This outcome was reached through a combination of cost-containment measures and the careful timing of large-scale projects and audits. By aligning spending with actual service requirements, the CIPC has ensured that its internal operations remain lean and focused on value delivery.

Specific savings were identified in several areas where activities were either demand-driven or moved to the next financial period. Spending on advertising and promotional items was R2.9 million, which was 64% below the budgeted R8.1 million, largely due to the deferral of certain marketing campaigns. Additionally, ICT-related services and licenses cost R84.8 million against a budget of R97.5 million, reflecting a 13% saving achieved by coordinating service delivery with project milestones. These variations demonstrate a commitment to using funds only when specific operational goals are met.

Capital Investment and Modernisation

Long-term sustainability is driven by the Commission's investment in modern technology and infrastructure to better serve the South African business community. Capital spending for the year reached R14.6 million, with a clear focus on upgrading digital systems to improve the speed and reliability of services. While spending on computer hardware reached R9.3 million, exceeding the R5.5 million budget due to the delivery of items ordered in the year before, this was balanced by savings in other areas. For example, computer software spending was R5.3 million against a budget of R7.7 million, as several large software projects remain in progress.

The successful award of the Data Lakehouse tender and the introduction of a new API system for real-time data checks reflect the Commission's focus on becoming a data-driven regulator. These investments help the CIPC provide faster and more accurate services to the public while reducing manual workloads for staff. With a healthy cash balance of R935.3 million, the CIPC is in a strong position to fund the next phase of its digital transformation, ensuring that its systems remain modern and capable of supporting the growth of the economy.

1.3 Key Policy Developments and Legislative Changes

During the 2025/26 financial year, the CIPC operated within a dynamic legislative and policy environment that continued to shape its regulatory mandate, compliance obligations, and service delivery priorities. The organisation's work remained anchored in the provisions of the **Companies Act, 2008**, as amended, which provides the primary legal framework for company registration, governance, and disclosure requirements in South Africa.

A key development during the year was the continued implementation and operationalisation of amendments to the Companies Act, 2008 and related regulatory instruments, aimed at strengthening corporate transparency, improving governance standards, and enhancing the integrity of the company registration and disclosure regime. These reforms are aligned to South Africa's broader public sector modernisation agenda and support ongoing efforts to align domestic corporate regulation with international best practice, while reinforcing accountability, investor protection, and confidence in the formal economy. However, a significant proposed legislative development is the **General Laws Amendment Bill, 2025**, which seeks to further amend key provisions of the Companies Act, 2008, among other legislation.

General Laws Amendment Bill 2025:

The Legislative Foundation

The Companies Act, 2008, as amended serves as the primary legislative framework governing the full lifecycle of entities in South Africa; from incorporation and regulation to dissolution. Central to this framework is the Companies and Intellectual Property Commission (CIPC), which is mandated to manage statutory registers and ensure strict adherence to disclosure and filing obligations including maintaining statutory register of beneficial ownership.

As of 2025, the CIPC has significantly expanded its digital oversight, managing a registry that includes hundreds of thousands of active entities. Recent data indicates a heightened focus on maintaining the integrity of these records, with the CIPC initiating large-scale deregistration processes for over 500,000 non-compliant companies to delinquent entities from the register.

While the Companies Act, 2008 provided a robust baseline, South Africa's inclusion and subsequent efforts toward removal from the FATF Grey List identified critical gaps in the enforcement of Beneficial Ownership (BO) transparency. Historically, the CIPC's ability to verify the "ultimate beneficial owner" behind corporate structures was hindered by:

1. **Reliance on reactive measures:** Enforcement primarily relied on administrative follow-ups and protracted court processes.
- **Data Fragmentation:** A lack of standardized discrepancy reporting from accountable institutions (banks, legal firms, etc.) made it difficult to detect inconsistencies in real-time.

In response, the CIPC launched an Optimized Beneficial Ownership Declaration Functionality in late 2025, streamlining the filing process and requiring all entities; including those registered prior to 2023; to back-file their BO records to ensure a comprehensive national database.

The introduction of the **General Laws Amendment Bill, 2025** responds to these gaps, while also aligning South Africa with international anti-money laundering and counter-terrorism financing standards set by the Financial Action Task Force (FATF). South Africa's efforts to strengthen compliance with FATF recommendations, particularly those relating to transparency of beneficial ownership, have highlighted the need for stronger enforcement tools and improved inter-agency information sharing. The Bill therefore seeks to enhance the effectiveness of the regulatory framework by enabling the CIPC to issue administrative fines of up to R10 million for non-compliance with BO declaration requirements, and by making discrepancy reporting by accountable institutions and competent authorities mandatory.

These amendments are expected to significantly strengthen the CIPC's enforcement capability, improve the accuracy and reliability of the Beneficial Ownership Register, and enhance transparency within the corporate sector. In doing so, the Bill will support improved regulatory compliance, reduce risks associated with financial crime and illicit financial flows, and reinforce South Africa's commitment to international standards. Ultimately, this will strengthen investor confidence, improve corporate accountability, and enhance the integrity and effectiveness of the country's company law enforcement framework.

2. Progress Towards Achievement of Institutional Impacts and Outcome

This section assesses the CIPC's progress towards implementing the Vision 2030 and Beyond (V30B) Strategy, as set out in the 2025/26–2029/30 Strategic Plan, the 2025/26 Annual Performance Plan (APP), and the 2025/26 Annual Operational Plan (AOP). It covers the CIPC's contribution to the priorities of the Government of National Unity (GNU), the Medium-Term Development Plan (MTDP), and the Growth and Inclusion Strategy (GAIN), including alignment with national economic priorities that target 3.5% growth.

The CIPC's strategic intent is executed across four strategic focus areas:

1. World-Class, Modern Regulator
2. Ease of Doing Business
3. Investor Confidence
4. Support for Third-Party Decision-Making

A). Focus Area 1: A World-Class, Modern Regulator

Under this strategic focus areas, the CIPC efforts are directed at building the required competencies and capabilities to become a world-class modern regulator that is fit-for-purpose, agile, adaptive, relevant, and ahead of the curve. These efforts results in improved organisational efficiency and responsiveness, ensures client-centric regulatory service delivery. This in turn contributes to building the capacity of the state and reducing red tape in the South African public service.

Under this focus area, the CIPC interventions are directed towards the following outcomes:

1. Sustainable job creation
The CIPC's Experiential Learning Programme (ELP) was specifically aligned with the Substantial Search and Examination for Patents function, offering hands-on experience to graduates and students in the field of intellectual property, particularly in patent law and examination processes. The programme provided participants with practical exposure to patent searches, examination processes, and intellectual property rights, bridging the gap between academic learning and practical application.

To support the capacity building in the patent examination division, the CIPC also appointed 25 permanent substantive search examiners further strengthen its patent examination capabilities.
2. Enhanced workplace readiness and skills for the economy
To support broader state capacity and workforce readiness objectives, the CIPC has expanded its structured internship and experiential learning programmes, supported by ring-fenced funding for the internship programme. These programmes are designed to provide meaningful workplace exposure, build practical regulatory and technical skills, and contribute to sustainable job creation.
In addition to developing future talent, these initiatives support internal capability transfer, succession planning, and organisational renewal. The integration of internships and apprenticeships into core business areas ensures that learning is embedded within operational delivery rather than treated as a peripheral activity.
3. Enhanced accessibility and ease of use of CIPC platforms
Customer and stakeholder satisfaction surveys continued to inform service improvements by identifying service delivery gaps, assessing client experiences, and guiding targeted operational enhancements. In addition, publishing clear and publicly accessible service delivery standards strengthened transparency by setting defined expectations for turnaround times and service performance. These measures improved accountability, consistency, and stakeholder confidence in CIPC's regulatory services, aligned with Vision 2030, MTDP, and GAIN objectives for a transparent, accountable, citizen-centred public service
4. Enhanced service delivery (SDS)
The CIPC implements a deliberate and robust operational excellence and quality management strategy, that aims to ensure that the primary strategies are executed consistently and continuously.

Central to this strategy is the goal of meeting customer expectations and fulfilling regulatory requirements. To achieve these objectives, the CIPC regularly monitors operational and process performance - Service Delivery Standards (SDSs) are systematically reviewed and enhanced to foster continuous improvement.

As part of the review, an analysis of current turnaround times against the established service standards was conducted. As a result, the SDS for various services within the organisation were improved, ensuring faster and more efficient service delivery.

5. Modernisation of CIPC ICT infrastructure

The modernisation strategy aims to modernise all CIPC operations and services. This entails migration of CIPC processes to new modern platforms, as well as automation of all its processes, in order to minimise transacting times. It also entails strengthening online service channels such as the website, Mobile App and BizPortal.

Migration of processes to new platforms provides a foundation for simplified and full automation of CIPC internal and external processes. Most processes have been migrated to the K2 platform. Additionally, the CIPC is in the process of migrating from Informix to Oracle.

Mobile application services and web services are being modernised, because of the integration of the currently published CIPC mobile platform with legacies. CIPC successfully implemented the LiveChat pilot and Customer Enquiry Management System (CEMS), which mainly catered for general queries.

B) Focus Area 2: Ease of doing business in South Africa

This focus area is aimed at reducing the regulatory and administrative burden faced by companies and intellectual property owners by creating simplicity, flexibility, and predictability across the business lifecycle. By streamlining the formation, maintenance, and compliance processes for companies, and strengthening IP protection services, the CIPC contributes directly to enterprise efficiency, sustainability, and growth.

Under this focus area, the CIPC interventions are directed towards the following outcomes:

1. Reduction of regulatory burden and red tape

The ongoing modernisation of ICT systems through automation and digital innovation across core company and intellectual property services enabled the streamlining of business processes, reduced administrative delays, and improved overall service efficiency. The introduction and expansion of fully online registration platforms significantly improved accessibility to company and intellectual property services, lowered barriers to entry for entrepreneurs, and contributed to increased levels of business formalisation. These interventions reduced turnaround times, simplified regulatory processes, and enhanced the overall ease of doing business.

By removing the friction of manual, paper-based systems, the CIPC has democratized the ability to start a business, allowing a broader demographic of South Africans to move from the informal sector into a regulated environment where they can access credit, legal protections, and government support. Furthermore, the efficiency of the digitised patent and company systems ensures that South African innovation and enterprise can be captured and protected in a short time. This structural efficiency creates a more resilient institution that is better equipped to drive national economic growth and job creation.

2. Business and innovators supported

As part of its commitments to transformation, the CIPC remains compliant in procuring 100% from B-BBEE complaint suppliers. Furthermore, during the reporting period, the Commission upgraded its K2 financial system. This was aimed at strengthening invoice workflow monitoring and improved compliance with the prescribed 20-day payment period.

C) Focus Area #3: Investor confidence in SA businesses and innovations

Under this strategic focus area resources are directed at strengthening investor confidence through consistent implementation and enforcement of company and intellectual property laws. A predictable, transparent, and credible regulatory environment is essential to attracting investment, supporting innovation, and enabling

sustainable business growth. A transparent, predictable, and trusted regulatory environment that strengthens investor confidence, supports innovation-led growth, and enhances South Africa's attractiveness as an investment destination.

The CIPC's regulatory role extends beyond registration and administration to safeguarding the integrity of corporate and IP systems that underpin market confidence.

Under this focus area, the CIPC interventions are directed towards the following outcomes:

1. **Building a capable state to facilitate effective enforcement capacity**
The CIPC has strengthened South Africa's law enforcement capacity by conducting more training sessions for law enforcement agencies during this reporting period. These efforts ensure compliance with Company and IP Laws, building a trustworthy business regulation and IP protection environment that fosters investor confidence, encourages investments in South African innovations and drives sustainable business growth.
2. **Improved business integrity and compliance culture**
The CIPC contributed to the development of the proposed Guide for Registered Auditors on Reportable Irregularities under the Auditing Profession Act, strengthening clarity and consistency in compliance reporting standards. In parallel, collaboration channels were established with law enforcement agencies to facilitate structured information sharing on financial crime convictions, strengthening the Directors Disqualification Register and improving the quality and completeness of compliance-related data available to stakeholders. These interventions improved the integrity, reliability and accessibility of regulatory compliance information used in governance and enforcement processes. This reflects progress towards the MTDP objective of strengthening rule of law institutions and improving data-driven regulatory oversight, while also advancing the GAIN Strategy focus on integrated governance systems and improved information sharing across regulatory bodies.
3. **Reputable, Proactive Regulation**
The implementation of the Red Flag System for director amendments strengthened corporate governance and improved the integrity of the companies register by enabling the proactive identification, flagging and blocking of suspicious, unauthorised or disputed changes to directorship records. The system enhanced the protection of company information, reduced opportunities for fraudulent amendments, and strengthened confidence in the reliability and security of the business registry environment.

Additionally, enhanced collaboration with SARS and SAPS strengthened compliance monitoring and improved the resolution of non-compliance cases through better information sharing, coordinated investigations, and strengthened enforcement mechanisms. These interventions improved CIPC's ability to detect and address unlawful or non-compliant business activities, contributing to stronger regulatory oversight and accountability.
4. **Businesses and innovators supported**
Targeted outreach programmes on IP compliance and annual returns strengthened regulatory awareness, improved compliance behaviour, and enhanced transparency within the IP system. This was further reinforced by the WIPO South Africa Summer School, delivered in partnership with the World Intellectual Property Organization (WIPO), the National Intellectual Property Management Office (NIPMO), and Mangosuthu University of Technology (MUT), which hosted participants from 34 countries and strengthened international engagement on intellectual property systems. These initiatives improved global confidence in South Africa's IP regime and demonstrate progress towards the MTDP objective of strengthening international cooperation and regulatory credibility, as well as the GAIN Strategy focus on building a transparent and globally competitive innovation environment. By strengthening investor trust and improving South Africa's positioning as a secure innovation destination, these interventions contribute to attracting foreign direct investment and supporting the national 3.6% economic growth objective through improved global participation in South Africa's innovation economy.

D) Focus Area #4: Support for Third-Party Decision-Making

Under this focus area, the CIPC aims to improved access to reliable, timely, and relevant corporate and intellectual property information, enabling evidence-based decision-making by regulators, researchers, investors, and policy makers, with the interventions directed towards the following outcomes:

1. Secure CIPC applications and data

The CIPC's security strategy is a unified ecosystem where proactive defence and rapid recovery are linked. By grounding the technical infrastructure in a Business Impact Assessment, the organisation ensures that its emergency response and cyber incident plans are not just theoretical but precisely linked to its operational requirements. This preparedness is continuously validated through breach simulations and recovery tests, ensuring that the team remains battle-ready by learning from both internal drills and external incidents occurring at other public institutions.

Security is maintained through a 24/7 Security Operations Centre that blends automated monitoring with a human element; specifically, an ongoing staff awareness program that turns employees into an active layer of defence. This ongoing oversight ensures that any vulnerability is addressed before it can be exploited, all while maintaining strict adherence to POPIA and ISO 27001 standards. Additionally, the regulatory compliance acts as the framework for protecting personal information and maintaining the integrity of the broader ICT landscape.

In the event of a disruption, the transition from detection to restoration is seamless. The architecture relies on a backup management solution where data is not only replicated off-site but kept immutable, creating a "fail-safe" that cannot be altered by malicious actors. Should a breach occur, the CIPC immediately pivots to its response protocol: assessing the impact, reinforcing identity authentication to halt unauthorized access, and utilizing those secure backups to restore compromised data. This creates a circular, self-reinforcing loop of resilience where every control; from training to encryption, works in concert to safeguard the CIPC's assets.

2. Data sharing towards enhanced decision-making capabilities.

To further enhance decision-making capabilities and data sharing, the CIPC has deployed the Accurate Justified Statistical (AJS) cellphone application, a dedicated enforcement tool designed to bridge the gap between field-level data collection and high-level strategic analysis. By institutionalising comprehensive validation protocols within the app, the CIPC ensures that all information disseminated to researchers is both accurate and statistically sound. This precision eliminates data errors and provides a verified, evidence-based foundation for research initiatives, allowing for more refined insights and informed policy development.

The AJS platform functions as a critical conduit for transparency and data integrity, streamlining the way enforcement data is captured and shared. By automating the justification and verification of statistics at the point of entry, the application mitigates the risk of human error and ensures that the CIPC's research outputs are grounded in reliable, real-time intelligence.

3. Institutional Programme Performance Information

The CIPC has implemented three (3) programmes responsible for carrying out its mandate and the realisation of strategic outcome-oriented goals, strategic objectives, and targets:

- Programme 1: Service Delivery and Access
- Programme 2: Innovation and Creativity
- Programme 3: Business Regulation and Reputation

The CIPC's overall performance in terms of the APP was 95%, i.e. 20 out of 21 KPI output targets achieved. Programme 1 achieved 8 out of 9 output targets, Programme 2 achieved 5 out of 5 output targets, and Programme 3, achieved 7 out of 7 output targets achieved. This is represented in **Figure B. 1: CIPC Overall Performance and Programmatic Performance** below.

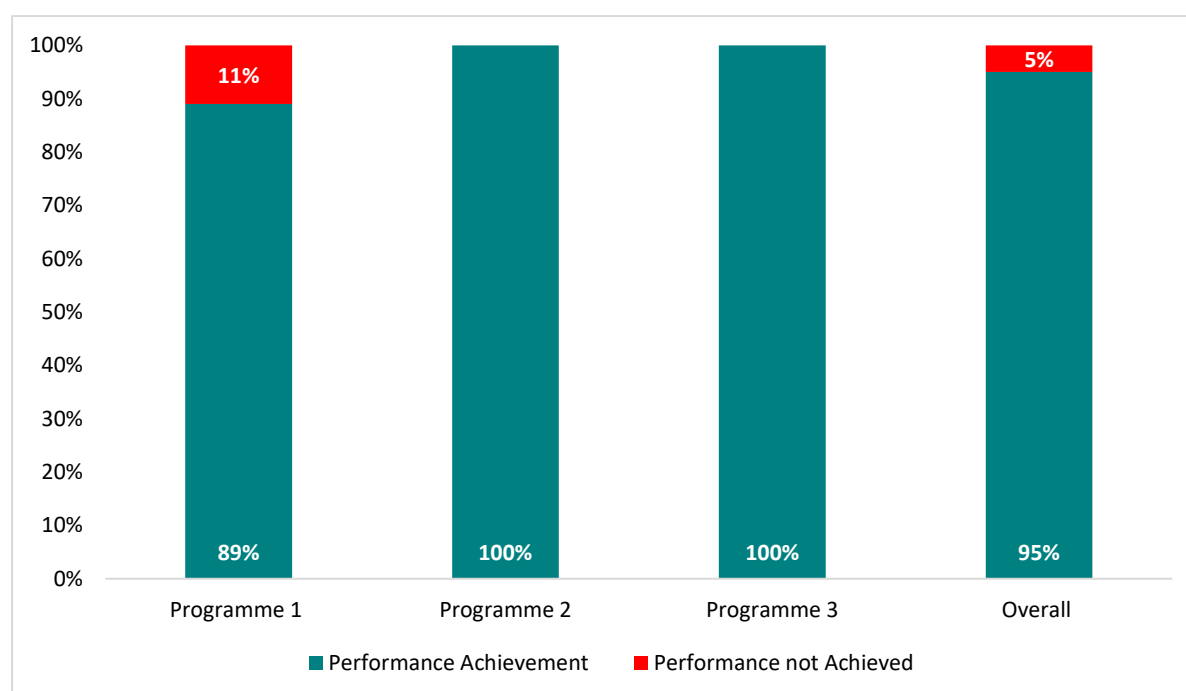


Figure B 1: CIPC Overall Performance and Programmatic Performance

Further, the table below depicts the CIPC's overall performance over the past five (5) years.

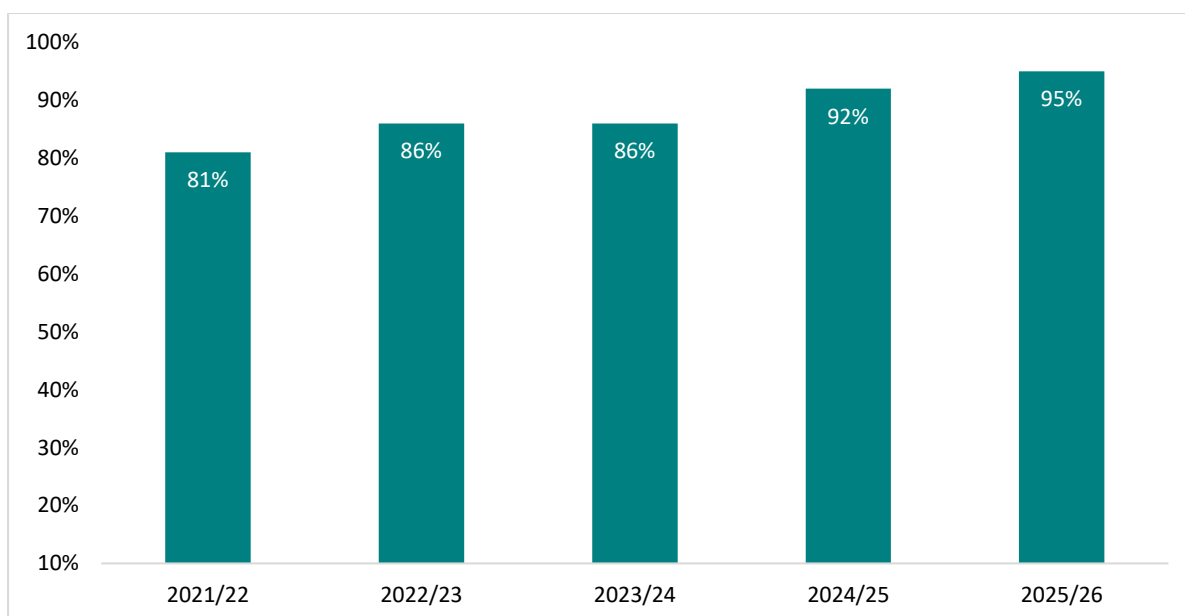


Figure B 2: CIPC 5 Year Overall Performance Trend

3.1 Programme 1: Service Delivery and Access

3.1.1 Purpose

The purpose of Programme 1: Service Delivery and Access, is to promote better access to - and service delivery by - the CIPC, ensuring that our access channels are secure and easily accessible to all, that the institution has sufficient and appropriate organisational resources to deliver the best possible service, and that operational excellence is established in all areas of the organisation.

The following is a table of sub-programmes:

Table B 1: Table of Sub-programmes

Sub-programmes	Divisions	Business Units
1. Broader Office of the Commissioner		(i) Office of the Commissioner
		(ii) Innovation and Collaboration
	a) Strategy	(i) Strategy, Planning and Monitoring (ii) Operational Excellence & Quality (iii) Strategic Communications
	b) Compliance, Governance and Risk	(i) Compliance, Governance and Risk
	c) Internal Audit	(i) Internal Audit
2. Corporate Services	a) Human Capital	(i) Human Capital (ii) Knowledge Centre (iii) Labour Relations and Employee Engagement
	b) Facilities and Security	(i) Facilities and Security (ii) Safety Management (iii) Disclosure
	c) Service Centres	(i) Service Centres
	d) Client Engagement and E-communications	(i) Client Engagement and E-communications
3. Finance		a) Financial Management
		b) Treasury
		c) Supply Chain Management

Sub-programmes	Divisions	Business Units
4. Business Information and Systems	a) Chief Technology Officer	(i) Process Engineering (ii) Infrastructure Development
	b) Enterprise Information Management	(i) Enterprise Information Management (ii) Information Assurance
	c) Enterprise Programme Management Office	(i) Enterprise Programme Management Office
	d) ICT Service Delivery	(i) Application Management (ii) Infrastructure Management

Institutional Outcomes that Programme 1 contributes to are as follows:

- Fit for purpose and future fit organisational design
- Enhanced workplace readiness and skills for the economy through the CIPC internship programme and reskilling of current employees to align to the MTDP, the dtic Strategy and CIPC Vision 2030 and Beyond (V30B) Strategy
- Enhanced accessibility and ease of use of CIPC platforms increasing stakeholder satisfaction and collaboration with the CIPC
- Publish service delivery standards
- Reduced administrative compliance burden for companies and IP owners
- Businesses (and potential business owners) and innovators supported
- Increased and equitable access to CIPC services through a digitalized platform for all business stakeholders

3.1.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 1, 89% (8 out of 9) targets were achieved, as illustrated in **Figure B 3: Programme 1 Performance Trend Over 5 Years**.

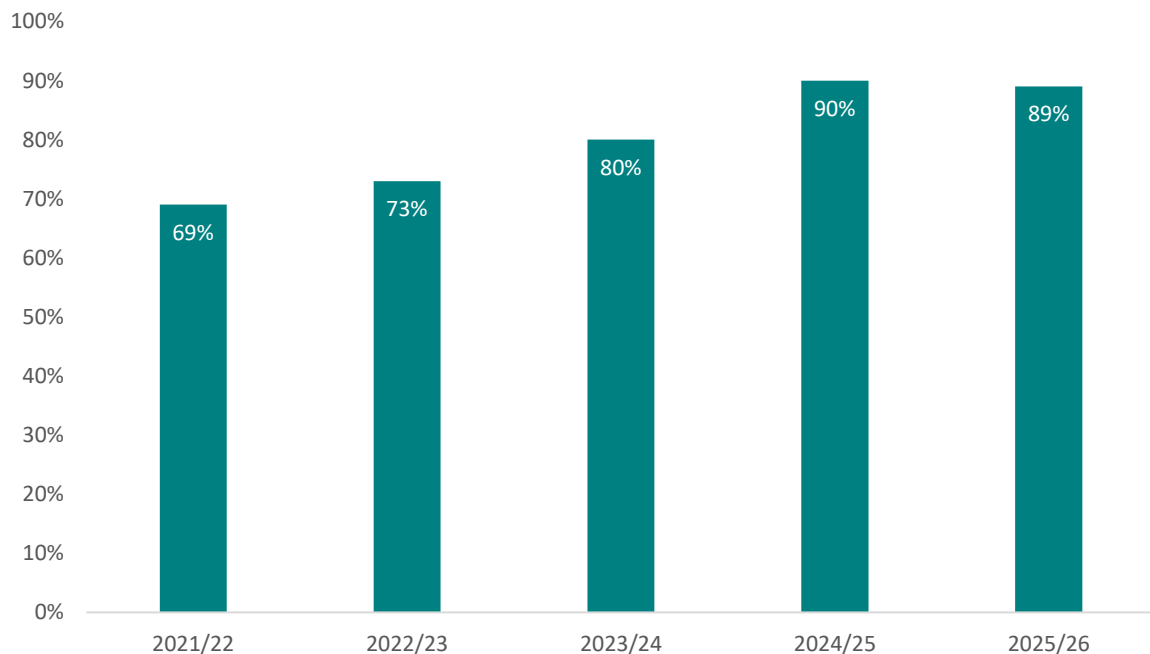


Figure B 3: Programme 1 Performance Trend Over 5 Years

During the 2025/26 financial year, the Commission continued to advance its strategic objective of building a modern, digitally enabled, customer-centric regulatory environment that improves access to services while strengthening operational excellence. Throughout the reporting period, the programme focused on enhancing digital capabilities, improving turnaround times, modernising service delivery channels, strengthening regulatory systems, and building institutional capacity to support sustainable service delivery.

Achievements

Strengthening Digital Transformation

The CIPC continued to accelerate its digital transformation agenda through the implementation and enhancement of several automation and digitisation initiatives aimed at improving operational efficiency, strengthening governance, and modernising the regulatory environment.

A major focus area during the reporting period was the continued development of the Records Digitisation Application. This initiative supports the transition from paper-based record management to an integrated digital environment capable of enabling secure storage, retrieval, and management of company records. Once fully implemented, the system is expected to improve operational efficiency, strengthen data integrity, reduce dependency on physical archives, and improve access to information for both internal users and external stakeholders.

The Commission also made significant progress in modernising core regulatory processes through the automation of business services. Key milestones included the launch of the Automated Reinstatement Process and the full automation of Voluntary Deregistration processes for companies and close corporations. These interventions significantly reduced manual processing requirements and shortened turnaround times for critical business processes. The automation of voluntary deregistration reduced processing timelines from approximately four months to approximately two months, supporting more efficient maintenance of the companies register and contributing to broader government digital transformation objectives.

Further progress was made in strengthening automation capabilities through the implementation of the Customer Enquiry Management System (CEMS), the development of the Automated Planning and Reporting System, enhancements to the e-Filing Prospectus Registration System, and the introduction of Live Chat functionality on the BizPortal platform. Collectively, these initiatives improved customer engagement, strengthened internal workflow management, enhanced monitoring and reporting capabilities, and enabled more responsive service delivery.

The Commission also continued to strengthen internal governance and operational systems through the upgrade and optimisation of financial workflow processes, procurement of digital systems, implementation of test automation capabilities, and ongoing data migration initiatives aimed at improving long-term system integration and stability.

Promoting Ease of Doing Business

A key strategic outcome throughout the reporting period was improving the ease of doing business by simplifying regulatory processes, reducing administrative burdens, and enhancing accessibility to services.

The launch of the Optimised Beneficial Ownership Declaration Functionality represented a significant milestone in simplifying regulatory compliance processes. The enhanced functionality streamlined beneficial ownership submissions, reduced administrative complexity for businesses, and enabled more user-friendly compliance processes, particularly for smaller entities and non-affected entities with simplified ownership structures.

The automation of reinstatement and voluntary deregistration processes further contributed to ease of doing business by reducing turnaround times, simplifying exit and reinstatement procedures, and enabling more efficient interaction with the Commission's systems. These reforms improved the accuracy and integrity of the companies register while reducing compliance-related costs and delays for businesses.

Enhancements to digital filing systems, including prospectus registration processes and director amendment automation initiatives, also contributed to improved accessibility and reduced manual intervention. These initiatives strengthened operational efficiency while improving the overall client experience.

The introduction of digital customer support channels, including the soft launch of live chat functionality and improvements to customer enquiry management systems, enhanced accessibility to services and reduced barriers to stakeholder engagement.

Strengthening Regulatory Integrity and Governance

The programme also played an important role in strengthening regulatory integrity, improving compliance oversight, and enhancing the credibility of the national companies register.

The Beneficial Ownership Simplification Project and ongoing Beneficial Ownership enforcement activities further strengthened transparency and accountability within the corporate environment. These initiatives supported alignment with national legislation and international standards relating to transparency, anti-money laundering measures, and beneficial ownership disclosure obligations.

The Commission also strengthened data governance and privacy compliance through ongoing progress on data masking initiatives aimed at enhancing compliance with the Protection of Personal Information Act (POPIA), No. 4 of 2013. These measures improved protection of sensitive information, strengthened information security, and reinforced public confidence in the Commission's handling of personal and business data.

Additional governance improvements included contributions to sustainability reporting and Environmental, Social and Governance (ESG) regulatory readiness initiatives, as well as collaboration on reportable irregularities frameworks and director disqualification monitoring processes.

Enhancing Customer-Centric Service Delivery

Throughout the reporting period, the Commission continued to strengthen customer-focused service delivery through the modernisation of communication channels, improved support systems, and enhanced stakeholder engagement.

The implementation of Live Chat on BizPortal significantly improved accessibility and responsiveness by enabling real-time interaction between stakeholders and the Commission. This intervention formed part of a broader transition toward more streamlined and digitally enabled service delivery models.

The internal development and implementation of the Customer Enquiry Management System strengthened the management, tracking, and resolution of customer queries, contributing to improved turnaround times and more effective customer engagement. The Commission also continued to prioritise customer service delivery through publication of support material designed to improve understanding of regulatory processes and digital services.

In addition, ongoing improvements to self-service systems, digital filing environments, and automation initiatives contributed to a more efficient and accessible regulatory environment.

Youth Development and Skills Pipeline

The reporting period also reflected the organisation's growing focus on youth development, skills transfer, and long-term institutional capacity building.

The Commission implemented work readiness programme through internships. The internship programme was designed to provide practical work experience and skills for the workplace toward making participants more competitive in the labour market. In pursuit of that end, the CIPC has exceeded the target of 100 interns trained to 121 interns successfully onboarded during the financial year.

The organisation also collaborated with external stakeholders and institutions to support broader digital capability development and knowledge transfer initiatives, including AI Copilot training and partnerships linked to education and school outreach programmes.

Strengthening Operational Excellence and Institutional Modernisation

The programme continued to support broader organisational modernisation efforts aimed at strengthening operational excellence, improving performance monitoring, and enhancing institutional resilience.

The development of the Automated Planning and Reporting System represented a significant step toward improving performance management, accountability, and strategic alignment across the organisation. The system is expected to provide leadership with real-time access to performance data, strengthen reporting capabilities, and improve alignment between strategic objectives and operational activities.

Additional modernisation initiatives included upgrades to invoicing systems, procurement of new digital platforms, implementation of automation tools, and strengthening of internal monitoring and reporting capabilities.

Challenges

Human Capacity Constraints and Skills Gaps

The organisation experienced ongoing resource and capacity constraints across multiple operational areas, particularly within highly specialised environments such as Corporate Legal Services, ICT, IP examination functions,

and business rescue operations. These constraints affected turnaround times, project implementation, workload distribution, and operational efficiency.

Skills shortages, vacancies in critical posts, onboarding requirements for newly appointed interns, and limitations in management capacity placed additional pressure on existing resources. Delays in recruitment, onboarding, and training processes further affected operational readiness in certain areas.

ICT Integration and Data Synchronisation Challenges

Persistent challenges relating to data synchronisation between core systems, including Informix and Oracle environments, affected data integrity, reporting reliability, and operational efficiency. Ongoing data migration activities also introduced temporary system instability and data inconsistencies.

The organisation continued implementing mitigation measures, including structured monitoring, escalation processes, data migration projects, and system stabilisation initiatives.

Operational and Service Delivery Constraints

Call centre operations continued to experience significant pressure due to high call volumes, limited system automation, reinstatement backlogs, and intermittent system disruptions. These challenges contributed to longer waiting times, higher call abandonment rates, and increased pressure on frontline staff.

Additional operational challenges included delays linked to procurement processes, onboarding of interns, VPN and hardware setup delays, service provider invoicing delays, and system implementation complexities affecting deployment timelines and user experience.

System Stability and Implementation Constraints

The implementation of new systems and digital tools introduced integration complexities and temporary system stability challenges affecting processes such as reinstatements, voluntary deregistration, and company registration updates. Additional scope changes and operational pressures also affected deployment timelines for certain projects.

Dependencies on External Systems

Human Capital and Skills Development Processes

Long-term operational sustainability remains dependent on recruitment processes, onboarding systems, training programmes, mentorship initiatives, and institutional knowledge transfer mechanisms required to address specialised skills gaps and strengthen organisational capacity.

Digital Infrastructure and ICT Systems

The success of several initiatives remains dependent on stable and integrated ICT infrastructure, including data migration platforms, digital filing systems, system integration environments, customer support platforms, and workflow automation systems.

Legislative and Regulatory Frameworks

Programme implementation is dependent on compliance with various legislative frameworks, including the Companies Act, POPIA, PAIA, beneficial ownership regulations, and other regulatory requirements that directly influence operational processes and system development.

Interdepartmental and Stakeholder Collaboration

Several initiatives depend on coordination with government departments, regulatory bodies, law enforcement agencies, and other stakeholders to support policy implementation, compliance monitoring, enforcement activities, and system integration.

3.1.3 Programme 1: Performance Table

Table B 2: Programme 1- Service Delivery and Access, Key Performance Indicators, Planned Targets and Actual Achievements as of Q3, Prior to the re-tabling of the APP

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/2026	Actual 2025/2026 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Enhanced workplace readiness and skills for the economy through the CIPC internship programme and reskilling of current employees to align to the MTDP, the dtic Strategy and CIPC Vision 2030 strategy	Workplace readiness and skills development for the interns employed by the CIPC	Number of interns employed in the CIPC	New Indicator	53	50	53	+3	More interns were recruited than previously anticipated	To provide a true reflection of the CIPC's contribution to developing future professionals. The previous indicator, which focused solely on the number of interns employed, measured an input

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/2026	Actual 2025/2026 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Enhanced accessibility and ease of use of CIPC platforms increasing stakeholder satisfaction and collaboration with the CIPC	Enhanced customer/user experience (Implementation of user/customer enhancement programme)	Out of 10 customer and stakeholder score	New Indicator	7.7 (equivalent to 77%)	85%	79%	-6%	Decline in staff perceptions - Politeness, professionalism dropped significantly. Innovation Perception Decline - Despite real systems improvements, CIPC isn't being perceived as innovative. Decline in Leadership Confidence - stakeholder concern declined. Leadership needs more visible engagement.	The target was revised down to a more realisable target as the target was not achieved in the previous financial year

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/2026	Actual 2025/2026 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual	Reasons for revisions to the Outputs / Output indicators / Annual Targets
	Enhance public trust in the CIPC	Number of publications of the CIPC performance on meeting the publicised service delivery turnaround time (SLA)	New Indicator	New Indicator	4	0	-3	The reports were not published due to training	The indicator is was removed on the APP due to administrative and operational concerns, however, it was kept in the AOP.

Table B 3: Programme 1- Service Delivery and Access, Key Performance Indicators, Planned Targets and Actual Achievements

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Enhanced workplace readiness and skills for the economy through the CIPC internship programme and reskilling of current employees to align to the MTPD, the dtic Strategy and CIPC Vision 2030 strategy (improved organisational competencies and capabilities)	Workplace readiness and skills development for the interns employed by the CIPC	Number of interns that have undergone the workplace readiness programme during the financial year	New Indicator	New Indicator	100	121	+21	More interns went through the program than previously anticipated
	Funding ring-fenced for the internships	Rand value of funding ring-fenced for internships	New Indicator	New Indicator	R 7 200 000	R16 940 000	+R9 740 000	50 more interns were budgeted for due to the expansion of the internship from 50 to 100 interns trained.

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned to Actual
Enhanced accessibility and ease of use of CIPC platforms increasing stakeholder satisfaction and collaboration with the CIPC	Enhanced customer/user experience (Implementation of user/customer enhancement programme)	Out of 10 customer and stakeholder score	80%	7.7 (equivalent to 77%)	80%	79%	-1%	Decline in staff perceptions - Politeness, professionalism dropped significantly. Innovation Perception Decline - Despite real systems improvements, CIPC isn't being perceived as innovative. Decline in Leadership Confidence - stakeholder concern declined. Leadership needs more visible engagement.
Publish service delivery standards	Enhance public trust in the CIPC	Number of publications of service delivery turnaround time/SLA	New Indicator	New Indicator	1	1	0	N/A

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Improved Organisational Competencies and Capabilities	Clean audit achieved	Number of AGSA Audit reports outcome	1 (Clean Audit)	1 (Clean Audit)	1 (Clean audit)	1 (Clean audit)	0	N/A
Reduced administrative compliance burden for companies and IP owners	Implement automation and digitisation of CIPC's processes to improve service delivery and reduce bureaucratic delays	Number of CIPC Processes Automated	New Indicator	13	10	10	0	N/A
Businesses (and potential business owners) innovators supported	Timely payment of suppliers	Percentage of invoices paid within 20 days	New Indicator	81%	80%	88%	+8%	Team members worked outside working hours.
	Procurement from SA-based, B-BBEE compliant suppliers	Percentage of B-BBEE compliant suppliers (procurement above R 30000 and SA based companies)	New Indicator	100%	100%	100%	N/A	N/A

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Increased and equitable access to CIPC services through a digitalised platforms for all business stakeholders	Expansion of services offered on the business services one-stop-shop	Number of partners onboarded to the one-stop-shop (BizPortal platform) to provide a digitised service for various business applications such as registering a Company, applying for bank account	New Indicator	New Indicator	1	1	0	N/A

3.2 Programme 2: Innovation and Creativity Promotion

3.2.1 Purpose

Programme 2: Innovation and Creativity Promotion supports local innovation by maintaining accurate IP registries (patents, designs, films, and creative works) and providing relevant information to the public and state entities. It enforces IP laws by referring offenses to authorities, regulates royalty distribution via collecting agencies, and provides policy and legal advice on IP legislation and its alignment with international standards. The programme also registers patent attorneys, promotes IP awareness and education, monitors IP misuse, and conducts research to inform policy and support commercialisation and industrial development.

The following is a table of sub-programmes:

Table B 4: Table of sub-programmes

Sub-programmes	Business Units
1. Innovation Support and Creativity	a) Patents and Designs Register
	b) Innovation Policy and Outreach
2. Creative Industries	a) Copyright
	b) Copyright and IP Enforcement

Institutional Outcomes Programme 2 contribute to are:

- Improved State capacity for patent regulation and integrity
- Improved IP regulation compliance and royalty distribution
- Building a capable state to facilitate effective enforcement capacity.

3.2.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 2, 100% (5 out of 5) targets were achieved, as illustrated in **Figure B 4: Programme 2 Performance Trend Over 5 Years**

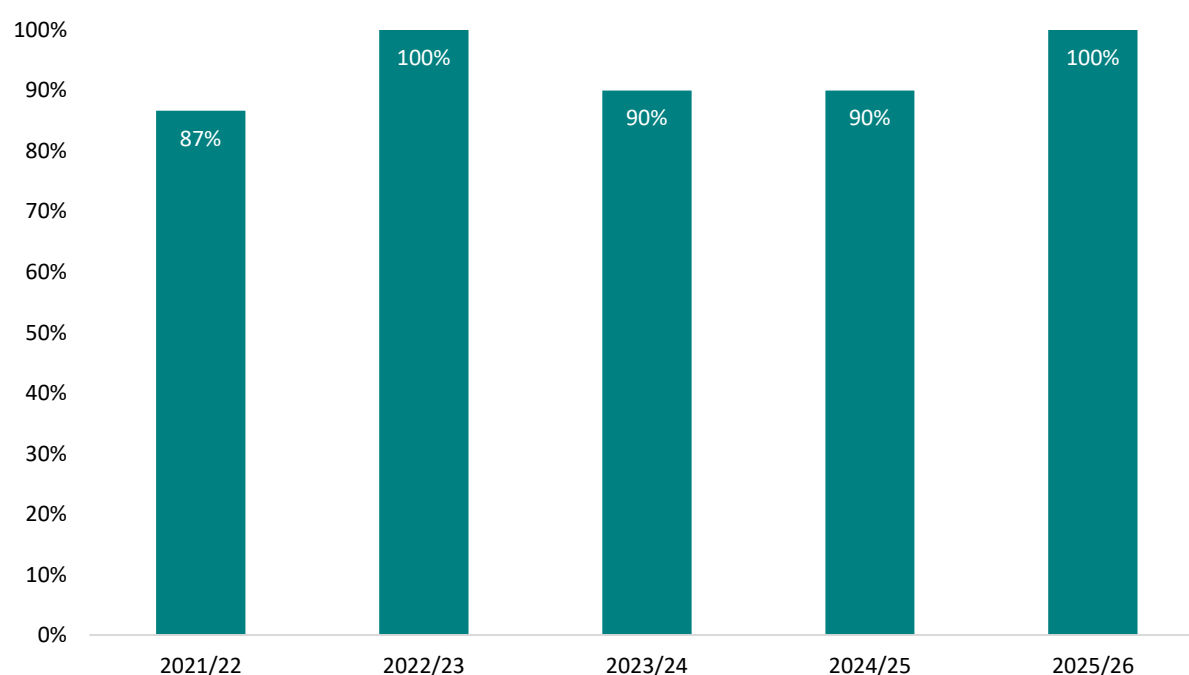


Figure B 4: Programme 2 Performance Trend Over 5 Years

The Commission remained committed to strengthen South Africa's intellectual property environment through policy development, awareness and education initiatives, innovation support programmes, international collaboration, and enhanced enforcement capability. Throughout the reporting period, the programme focused on building a more inclusive and development-oriented intellectual property ecosystem capable of supporting innovation, creativity, commercialisation, and economic participation.

Achievement

Strengthening Intellectual Property Policy

The Commission made significant progress in advancing IP policy development and strengthening alignment with international standards through strategic partnerships, research initiatives, and policy collaboration.

A major achievement during the reporting period was the successful completion of the comprehensive study on Private Copy Remuneration undertaken in partnership with the World Intellectual Property Organization (WIPO). This milestone represented a significant advancement in strengthening South Africa's copyright policy framework by addressing long-standing gaps relating to equitable remuneration for creators whose works are reproduced for private use.

The study provides an evidence-based foundation for future policy and legislative reform while strengthening alignment between domestic copyright systems and international best practice. The initiative also demonstrated the value of international cooperation in supporting knowledge exchange, policy innovation, and institutional capacity development.

The commission further strengthened policy collaboration through ongoing engagements with the **dtic** on matters relating to business rescue policy and broader intellectual property regulatory frameworks. These engagements contributed to identifying implementation challenges, supporting policy refinement, and strengthening the practical application of regulatory frameworks.

Additional contributions to regulatory development included participation in sustainability reporting and ESG regulatory readiness initiatives, as well as collaboration on reportable irregularities frameworks aimed at strengthening governance and compliance monitoring.

Expanding Intellectual Property Awareness, Education and Outreach

A major strategic focus throughout the reporting period was expanding public awareness, education, and understanding of intellectual property systems.

The Commission conducted extensive awareness and outreach initiatives targeting entrepreneurs, creators, students, innovators, small businesses, and industry stakeholders across multiple sectors and provinces. These initiatives included intellectual property awareness sessions, webinars, stakeholder engagements, exhibitions, and public education campaigns designed to improve intellectual property literacy and strengthen understanding of intellectual property protection and commercialisation.

The Commission hosted nineteen intellectual property awareness and education sessions during the reporting period, contributing to broader public understanding of patents, trademarks, copyright, designs, and intellectual property commercialisation opportunities.

Further outreach efforts were implemented through participation in external events and exhibitions such as the National Small Business Chamber Expo, where the Commission provided direct advisory services and educational support to entrepreneurs and small businesses on company registration processes and intellectual property protection.

Education and awareness activities also extended to beneficial ownership compliance, business rescue education, and broader regulatory compliance initiatives aimed at improving understanding of legal obligations and strengthening responsible corporate governance practices.

The commission strengthened the quality and reach of its outreach initiatives through partnerships with municipalities, educational institutions, industry stakeholders, and strategic organisations. These collaborations supported decentralised access to information and expanded the Commission's ability to reach underserved groups and emerging enterprises.

Innovation Ecosystems and Strategic Partnerships

The commission continued to strengthen innovation ecosystems through strategic partnerships, collaboration with academic institutions, international engagement, and support for innovation commercialisation.

A key achievement during the reporting period was the hosting of the Intellectual Property and Technology Commercialisation Colloquium in partnership with **the dtic** and Sol Plaatje University. The initiative brought

together government, academia, entrepreneurs, innovators, and industry stakeholders to strengthen understanding of intellectual property systems, technology transfer, and pathways for commercialisation.

The colloquium contributed to bridging the gap between innovation and market participation by promoting the practical application of intellectual property as a tool for economic growth, enterprise development, and increased participation in the knowledge economy.

In parallel, the establishment of a Technology and Innovation Support Centre (TISC) at Sol Plaatje University expanded institutional capacity to provide intellectual property advisory and support services to innovators, emerging entrepreneurs, and underserved communities.

The programme also strengthened strategic partnerships through engagements with UVU Bio aimed at supporting biotechnology start-ups and improving access to intellectual property resources, training, and advisory services through participation in the WIPO-TISC Programme.

International collaboration remained an important component of the programme's work. Participation in the BRICS Heads of Intellectual Property Offices Meeting strengthened South Africa's engagement in international intellectual property cooperation, policy dialogue, and collaborative workstreams aimed at fostering innovation and inclusive growth.

The hosting of the WIPO Summer School further strengthened international knowledge exchange and capacity-building efforts by attracting intellectual property professionals and practitioners from multiple countries to engage on matters relating to technology transfer, intellectual property management, and commercialisation of research.

Youth Innovation and Development

Youth development and innovation was prioritised through targeted initiatives aimed at strengthening youth participation in the intellectual property ecosystem.

The Intellectual Property Youth Awards provided a platform to recognise and support young innovators while promoting awareness and appreciation of intellectual property among youth. The initiative encouraged early engagement with intellectual property systems, strengthened understanding of intellectual property commercialisation, and contributed to building a pipeline of future innovators.

Additional youth-focused initiatives included intellectual property support and awareness provided through platforms such as the Green Youth Indaba, where young leaders received guidance on protecting and commercialising innovations linked to the green economy.

Partnerships with educational institutions, universities, incubators, and entrepreneurship centres further strengthened access to innovation support, mentorship, and intellectual property services for young innovators and entrepreneurs.

Strengthening Intellectual Property Enforcement Capacity

Participation in the INTERPOL National Task Team Training strengthened enforcement capability and improved coordination between regulatory authorities, law enforcement agencies, and other stakeholders involved in combating illicit trade and counterfeit goods.

The programme also strengthened collaboration through participation in the Transnational Organised Crime Prevention Conference, which focused on improving coordination, information sharing, intelligence-led enforcement, and regional collaboration in combating organised crime linked to intellectual property violations and illicit trade.

The Commission continued to strengthen its proactive regulatory posture through corporate surveillance initiatives and media monitoring capabilities aimed at identifying non-compliance risks and suspicious activities at an earlier stage.

The procurement and implementation of the Intellectual Property Search Tool further strengthened the quality and integrity of patent examination processes by improving access to prior art searches and enhancing substantive search and examination capability.

Challenges

Fragmented Stakeholder Coordination and Information Sharing

The challenges experienced related to fragmented coordination between enforcement stakeholders and limited real-time information sharing across agencies involved in intellectual property enforcement and organised crime prevention.

The absence of unified implementation frameworks and inconsistent coordination mechanisms affected response times and operational effectiveness in addressing intellectual property-related offences.

Human Capacity Constraints and Skills Gaps

Several units experienced specialised skills shortages and resource constraints affecting implementation, enforcement coordination, intellectual property examination processes, and operational efficiency.

Capacity limitations within enforcement environments, legal services, and highly specialised intellectual property functions affected turnaround times and increased pressure on existing personnel.

Dependencies on External Systems

International Partnerships and Organisations

Several strategic initiatives depend on collaboration with international organisations such as WIPO, INTERPOL, and BRICS intellectual property structures for technical expertise, policy support, training, research collaboration, and international knowledge exchange.

Academic Institutions and Innovation Ecosystems

The programme relies on partnerships with universities, innovation hubs, incubators, entrepreneurship centres, and research institutions to expand access to intellectual property services, innovation support, and commercialisation opportunities.

Law Enforcement and Multi-Agency Coordination Structures

Effective intellectual property enforcement depends on coordination with law enforcement agencies, financial intelligence structures, regulatory bodies, customs authorities, and other enforcement stakeholders.

Stakeholder Engagement Platforms

Awareness campaigns and outreach initiatives depend on collaboration with municipalities, exhibitions, industry platforms, business chambers, and external stakeholder events to reach target audiences.

3.2.3 Programme 2: Performance Table

Table B 5: Programme 2 - Innovation and Creativity Promotion, Key Performance Indicators, Planned Targets and Actual Achievements

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/2026	Actual 2025/2026 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Improved State capacity for patent regulation and integrity	Implementation of Experiential Learning Project (ELP) with the SSE team	Number of SSE training initiatives	4	6	4	21	+17	Training initiatives availed by EPO, JPO, WHO and the Internal Chatties Programme were leveraged
	Sustainable job creation via the SSE programme	Number of new jobs	New Indicator	New Indicator	20	25	+5	Approved position and budget were expanded to expand the ELP and examiners recruited
Improved IP regulation compliance and royalty distribution	Compliance with Regulations by Accredited Collecting Societies	Number of audits reports on the distribution of royalties	1	0	1	1	0	N/A

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/2026	Actual 2025/2026 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Building a capable state to facilitate effective enforcement capacity	Enhance capacity within Law Enforcement	Number of capacity building initiatives of the law enforcement agencies dealing with counterfeit goods and illicit trade	New Indicator	New Indicator	6	7	+1	Additional opportunities created through collaboration with INTERPOL to engage with counterparts across the African continent
		Number of IP Enforcement Operations on counterfeit goods and illicit trade	New Indicator	New Indicator	1	5	+4	Leveraging the National Anti-Counterfeiting and Illicit Goods Enforcement Programme to coordinate IP Enforcement operations country wide

3.3 Programme 3: Business Regulation and Reputation

3.3.1 Purpose

The purpose of Programme 3: Business Regulation and Reputation (BRR) is to enhance the reputation of South African businesses and the South African business environment by ensuring that the registers of corporate entities, their managers and their identity have integrity and that a culture of corporate compliance and high standards of governance, disclosure and corporate reputation are established. The programme also aims to provide policy and legal insight and advice on the co-ordination, implementation, and impact of the respective laws.

The following functions, amongst others, fall within this programme:

- maintaining registers of companies and close corporations, co-operatives, directors and delinquent persons, and Trademarks as well as company names and business names;
- accreditation of practitioners and intermediaries;
- educating business owners and practitioners on compliance with the legislation; and
- promoting and enforcing compliance with the legislation.

The CIPC is required to monitor compliance with certain requirements of the legislation, such as the submission of annual returns, the rotation of auditors and disclosures in terms of the financial reporting standards and the requirements for prospectuses. Furthermore, the CIPC investigates complaints and enforces the provision of the Companies Act, the Close Corporations Act, the Share Block Companies Act and the Co-operatives Act relating to governance and disclosure.

The Business Regulation and Reputation Programme also incorporates a focus on corporate policy and legal matters. This includes support for the prosecution of offences, the interpretation of laws, as well as the proposal of amendments to legislation and regulations. The function also entails continuously tracking international developments in the areas of corporate governance, disclosure, corporate registration and enforcement and Trademarks.

Complaints relating to Companies may be filed in writing with the CIPC. Upon receiving a complaint, the CIPC may resolve:

- not to investigate;
- to refer it to the Companies Tribunal or Accredited Agency or other appropriate regulatory authority; or
- to direct an investigator or inspector to investigate.

After receiving an investigation report the Commission may:

- excuse a respondent;
- refer the complaint to the Companies Tribunal;
- issue a notice of non-referral to complainant, advising the complainant of any rights to seek a remedy in court;
- propose that the complainant and any affected person meet with the Commission or with the Tribunal, to resolve matter by consent order;
- commence proceedings in a court in the name of the complainant if the complainant:
 - has a right to apply to a court; and
 - has consented to the Commission to do so;
- refer the matter to the NPA, or other regulatory authority, if the Commission alleges that a person:
 - has committed an offence in terms of this Act or any other legislation; or
 - has been issued a compliance notice in terms of section 171.

The following is a table of sub-programmes:

Table B. 1: Table of sub-programmes

Sub-programmes	Business Units
1. Corporate Compliance and Enforcement	a) Corporate Disclosure and Compliance b) Corporate Governance, Surveillance and Enforcement
2. Corporate Registers	a) Companies and Close Corporations (CCs)

Sub-programmes	Business Units
3. Legal Policy and Outreach	b) Co-operatives
	c) Directors, Members and Practitioners
	d) Trademarks
	a) Corporate Education and Voluntary Compliance
	b) Corporate Legal and Policy Support

Institutional Outcomes Programme 3 contribute to are:

- Increased understanding of legislative requirements among businesses
- Reputable business regulation environment which is conducive to investment and facilitation thereof

3.3.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 2, 100% (7 out of 7) targets were achieved, as illustrated in **Figure B 5: Programme 3 Performance Trend Over 5 Years**



Figure B 5: Programme 2 Performance Trend Over 5 Years

The Business Regulation and reputation (BRR) group continued to strengthen the integrity, credibility, and transparency of South Africa's corporate regulatory environment through enhanced compliance systems, improved governance mechanisms, policy collaboration, customer-focused service delivery, and strengthened regulatory oversight.

Throughout the reporting period, the programme focused on modernising regulatory systems, improving the integrity of company information, strengthening corporate governance controls, and enhancing the quality and accessibility of services provided to businesses and stakeholders.

Achievements

Strengthening Regulatory Compliance

A major strategic focus during the reporting period was strengthening compliance monitoring, improving the integrity of company records, and enhancing regulatory oversight capabilities.

The implementation of the Red Flag System for Director Amendments represented a significant advancement in strengthening the integrity of changes to company directorship and company records. The system introduced

proactive controls capable of identifying, flagging, and restricting suspicious or disputed director amendments, thereby reducing the risk of fraudulent or unauthorised changes.

This intervention strengthened governance oversight, improved the reliability and credibility of the companies register, reduced administrative burdens associated with dispute resolution, and enhanced confidence in the integrity of company information maintained by the Commission.

The Enterprise Flagging Project further strengthened preventative regulatory controls by introducing mechanisms aimed at restricting changes to entities where disputes or investigations exist. These interventions improved the organisation's ability to detect and prevent irregular activities while strengthening transparency and accountability within the business environment.

The Commission also strengthened compliance oversight through implementation of the Case Management System, which enhanced complaints handling, surveillance capability, trend analysis, and regulatory intelligence. The system improved the organisation's ability to proactively identify compliance risks and respond more effectively to regulatory concerns.

The programme further strengthened transparency and accountability through continued compliance with PAIA reporting obligations and ongoing enhancements to data protection and governance processes aligned with POPIA requirements.

Additional regulatory strengthening initiatives included the development of guidance on reportable irregularities, collaboration with law enforcement agencies on director disqualification monitoring, and improvements to beneficial ownership compliance monitoring and enforcement.

The implementation of these controls strengthened governance oversight, enhanced the reliability and accuracy of company information, reduced fraudulent activity, and improved the integrity of the companies register. These interventions also contributed to broader national efforts aimed at combating economic crimes, illicit business practices, and misuse of corporate structures.

Strengthening Policy Collaboration

The programme continued to strengthen collaboration with government departments, regulatory stakeholders, and industry partners to improve regulatory frameworks and support economic development.

Engagements with **the dtic** on business rescue matters contributed to identifying implementation challenges and supporting refinement of business rescue policy provisions. These engagements strengthened alignment between policy objectives and practical regulatory realities.

Collaboration with law enforcement agencies, financial intelligence bodies, and other stakeholders strengthened coordination on financial crime monitoring, organised crime prevention, and enforcement-related matters.

The programme also contributed to broader sustainability reporting and ESG regulatory readiness initiatives aimed at strengthening future regulatory preparedness and stakeholder alignment.

Additional partnerships with institutions such as the Johannesburg Stock Exchange, municipalities, and external stakeholders supported awareness initiatives, digital capability development, and broader stakeholder engagement.

Education and Awareness

The Commission further strengthened compliance accessibility through extensive education and awareness initiatives, webinars, outreach campaigns, and stakeholder engagements aimed at assisting businesses to better understand regulatory obligations and avoid unnecessary deregistration or non-compliance.

Awareness initiatives focused on improving understanding of regulatory obligations, business rescue processes, annual returns compliance, intellectual property matters, and digital filing systems.

These initiatives played an important role in supporting businesses to remain compliant, improving understanding of governance obligations, and reducing the likelihood of unnecessary deregistration resulting from administrative non-compliance.

The organisation also strengthened accessibility to information through updated support materials, training resources, online guidance, and partnerships with external stakeholders and municipalities.

Strengthening Corporate Governance and Transparency

The programme contributed significantly to strengthening governance, transparency, and accountability within the South African corporate environment.

Interventions aimed at improving the accuracy and integrity of company information enhanced confidence in the national companies register and strengthened the credibility of South Africa's regulatory environment.

The automation of regulatory processes, implementation of preventative controls, and strengthening of surveillance and monitoring systems collectively contributed to more transparent, accountable, and responsive corporate regulation.

Challenges

ICT and System Stability Challenges

Data migration activities, system integration complexities, and intermittent synchronisation issues affected data accuracy, reporting reliability, and operational continuity.

Post-implementation challenges affecting reinstatements, deregistrations, external company registrations, and integrated system environments also affected system stability and user experience.

Digital Accessibility and Stakeholder Engagement Challenges

Connectivity limitations, budgetary constraints, reduced accessibility to webinars, and stakeholder resistance to registration-based platforms affected participation levels in awareness and outreach initiatives.

Dependencies on External Systems

Legislative and Regulatory Frameworks

The programme remains dependent on legislative frameworks including the Companies Act, PAIA, POPIA, business rescue legislation, beneficial ownership regulations, and other regulatory prescripts that directly influence operational processes and compliance obligations.

Government Departments and Regulatory Stakeholders

Policy development, enforcement coordination, and regulatory implementation depend on collaboration with **the dtic**, law enforcement agencies, financial intelligence structures, and other government stakeholders.

Digital Infrastructure and ICT Systems

Operational effectiveness remains dependent on stable digital platforms, integrated ICT systems, data migration infrastructure, automation tools, and customer service platforms.

Stakeholder Information and Third-Party Submissions

Several regulatory processes depend on the quality, integrity, and accuracy of information submitted by external stakeholders, businesses, and service users.

3.3.3 Programme 3: Performance Table

Table B 6: Programme 3 - Business Regulation and Reputation, Key Performance Indicators, Planned Targets and Actual Achievements, as of Q3, Prior to the re-tabling of the APP

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/2026	Actual 2025/2026 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improving the Capacity and Responsiveness of the state towards a new social compact and social partnerships	Participation in consultation processes with the dtic as well as Department of Agriculture, Rural Development and Land Reform pertaining to protection of geographical indicators (GIs) in SA	Percentage of consultation processes on protection of geographical indicators (GIs), participated in, where CIPC was requested	New Indicator	New Indicator	100%	100%	0	N/A	The indicator was largely dependent on invitation to consultation by the dtic. This creates a challenge in the event that consultations are not requested by the dtic

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/2026	Actual 2025/2026 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Reputable business regulation environment which conducive investment facilitation thereof	Pro-active Investigations in response to contraventions of Companies Act No 71 of 2008 on Companies identified on State Capture Commission Report	Number of directors investigated for delinquency	New Indicator	6	6	0	No deviation. The performance was planned for the fourth quarter	N/A	Annual target was revised due to the challenges faced in tracing witnesses to corroborate conduct of investigated directors

Table B. 7: Programme 3 - Business Regulation and Reputation, Key Performance Indicators, Planned Targets and Actual Achievements

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Increased understanding of legislative requirements among businesses	Collaborate with SMMES, professional bodies or business chambers to empower professionals and businesses with Company law knowledge and encourage compliance	Number of corporate education and awareness initiatives hosted or participated in	65	78	40	111	+71	Due to influx of invitation to webinars and events, as well as request from CIPC business units to host webinars on specific subjects
Reputable business	Pro-active Investigations in response to contraventions	Number of directors	New Indicator	New Indicator	4	34	+30	The variance was due to that 8

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
regulation environment which is conducive to investment and facilitation thereof	of Companies Act No 71 of 2008 on Companies identified on State Capture Commission Report	investigated for delinquency						companies that are linked to South African Airways SOC Limited were investigated. Directors have dual directorship and are connected to each other. Because the alleged misconduct is connected to the identical transaction in question, legal advice recommended that the directors be prosecuted concurrently
	Targeted proactive pre-investigations	Number of targeted proactive pre-investigations	5	20	12	15	+3	Data analysis was used to identify proactive investigations instead of using time-consuming manual processes. The use of data analysis resulted in timesaving, which led the team to be able to conduct more proactive

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
								investigations than initially planned
	Transparency and reporting on governance matters	Number of compliance checklist reports published tracking trends in compliance	New Indicator	New Indicator	1	1	0	N/A
		Number of public notices issue	New Indicator	New Indicator	1	5	+4	The unit had to notify clients of impending improvements to increase the effectiveness and efficiency of investigations and enforce non-compliance with laws, which will improve the identification of complaints received, and it was necessary to issue additional public notices because it automated investigation

Outcome	Output	Performance Indicator/Measure	Audited Performance 2023/24	Audited Performance 2024/25	Annual Target 2025/26	Actual 2025/26 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
								procedures by implementing the Case Management System.
	Reports on Tracked Capital Raised through IPOs to promote regular tracking of reports	Number of Quarterly Prospectus Reports.	New Indicator	4	4	4	0	N/A
		Number of Annual Prospectus reports	New Indicator	1	1	1	0	N/A

4. Revenue Collection

Table B 7: Revenue Collection related to Key Objectives of the Organisation

Programme / Activity / Objectives	2025/26			2024/25		
	Budget	Actual Amount Collected	(Over) / Under Collection	Budget	Actual Amount Collected	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Annual Returns	582 200	573 198	9 002	462 000	468 248	-3 248
Companies	129 007	136 465	-7 458	110 259	127 601	-17 342
Cooperatives	628	655	-27	750	702	48
Data Sales / Disclosure	33 027	32 946	81	29 925	32 956	-3 031
Trade Marks	33 488	34 076	-588	32 244	30 076	2 168
Patents and Designs	38 200	36 519	1 674	35 381	37 391	-2010
Copyright	10	7	3	6	11	-5
Total Revenue	816 560	813 866	2 694	670 565	696 985	-26 420

CIPC's revenue performance remained strong during the period under review, supported by growth in its core revenue streams despite challenging economic conditions. Revenue growth was driven primarily by Annual Returns, Companies and Close Corporations, and Trade Marks, reflecting improved compliance levels, continued demand for business and IP services, and the benefits of ongoing digital transformation initiatives.

Key measures implemented during the year included the automation of the reinstatement process, the simplification of Beneficial Ownership requirements, and stakeholder awareness programmes, all of which enhanced customer experience, increased filing activity, and improved revenue collection.

Although revenue from Patents and Designs, Copyright, and Co-operatives declined due to regulatory changes and shifting market trends, the impact was offset by the strong performance of core revenue streams. The introduction of the Corporate Information API also provides a platform for future revenue growth through expanded digital information services.

Overall, CIPC's revenue remains stable and on a positive long-term trajectory. Continued compliance enforcement, legislative filing requirements, and investment in modernisation and digital solutions are expected to support sustainable revenue growth and operational efficiency into the foreseeable future.

5. Capital Investment

Table B 8: Capital Investment, FY2024/25 FY2025/26

Programme / Activity / Objectives	2025/2026			2024/25		
	Budget	Actual Expenditure	(Over) / Under Spend	Budget	Actual Expenditure	(Over) / Under Spend
	R'000	R'000	R'000	R'000	R'000	R'000
Computer hardware	5 582	9 262	-3 680	25 000	7 794	17 206
Computer software	7 700	16 086	-8 386	14 800	11 636	3 164
Furniture and equipment	450	4	446	400	36	364
Leasehold improvements	1 560	394	1 166	1 055	454	601
Safety and Security	500	-	500	2 700	-	2 700
Total Expenditure	15 792	25 746	-9 954	43 955	19 920	24 035

Capital projects continued to progress well during the period under review, with variances largely attributable to the timing of procurement and implementation activities. Key digital transformation initiatives, including the Data Lakehouse and Data Catalogue projects, are advancing as planned, while the assessment of ERP solutions will help ensure the selection of the most suitable technology platform for future needs.

Procurement activities for office improvements, self-service kiosks, and security enhancements are also progressing. The expansion of the kiosk project will improve customer access to services, while planned infrastructure and security investments will support a more efficient, accessible, and secure operating environment.

Overall, capital expenditure remains aligned with strategic priorities, and projects are progressing in a controlled manner that supports long-term service delivery and organisational sustainability.

PART C: GOVERNANCE

1. Introduction

Corporate governance embodies processes and systems by which public entities are directed, controlled, and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, 2008, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and ran in tandem with the principles contained in the King's Report on Corporate Governance.

The governance structures of the CIPC promote independent judgement through its appointed committees, which comprise of the following:

- Audit Committee
- Risk and IT Committee

The Audit Committee includes a majority of members independent of the CIPC, ensuring objective decision-making in matters of governance, risk, compliance, and performance management of the Commission. The independence of the committee members helps to provide unbiased oversight and enhances the credibility of the governance processes.

Achieving a balance of power is crucial for effective governance, and CIPC has implemented this by distributing roles and responsibilities across various committees. The Audit Committee and the Risk and IT Committee are chaired by independent members, with additional independent professionals contributing their expertise. This distribution prevents any single group from dominating the decision-making process and ensures that diverse perspectives are considered. Such a balanced approach fosters a more comprehensive and inclusive governance environment.

The CIPC's governance also benefits from a holistic and integrated approach, which enhances collaboration and reduces redundancy. By integrating risk and IT functions within a single committee, CIPC ensures that related issues are managed cohesively. This approach facilitates better coordination and communication among committee members, leading to more effective governance outcomes. Cross-membership between committees further ensures that information flows seamlessly, promoting a unified governance strategy.

The Commission has established a Code of Conduct and Ethics Policy which contributes to fostering an ethical culture within the organisation. Regular declarations of interest by employees and suppliers ensure transparency and mitigate conflicts of interest, which is in line with the desired King IV outcome of an ethical culture.

The governance of the CIPC is marked by a commitment to strong oversight, balanced power distribution, and effective management of duties. Independent judgement is fostered through well-structured committees that include a mix of independent and internal members, ensuring diverse perspectives and unbiased decision-making. The distribution of roles across various committees prevents the concentration of power and promotes comprehensive oversight. Furthermore, the integrated approach to committee functions facilitates collaboration and reduces redundancy, enhancing the overall effectiveness of governance. These practices demonstrate a dedication to maintaining high standards of accountability and transparency.

Ethics and Integrity Management

The organisation maintained a strong commitment to fostering an ethical, accountable, and integrity-driven culture. This was supported through enhanced ethics management practices, strengthened governance and compliance frameworks, and continued promotion of responsible conduct. Key mechanisms for managing conflicts of interest, reporting unethical behaviour, and monitoring compliance were sustained and improved. These efforts reinforced ethical leadership as a cornerstone of effective governance, public trust, and long-term sustainability. The organisation remains well-positioned to further strengthen its ethical culture and governance maturity in the periods ahead.

2. Portfolio Committees

The following table list the portfolio meeting attended by CIPC officials in during the period under review

Table C 1: Portfolio Committee Meetings

Date	Details	Attending Officials	Agenda / Areas of Risk Identified and CIPC Implementation Plans / Actions	Required Action
22/04/2025	PC Trade , industry and Competition DTIC APP discussion, entities invited	Adv. Rory Voller	None	None
21/10/2025	PC Trade, Industry and Competition DTIC quarterly reporting	Adv. Rory Voller	None	None
05/11/2025	PC Rural and Land Affairs	Adv. Rory Voller Mr. Vuyani Nkohla	Report on Ingonyama Trust matter given	None
11/12/2025	PC Small Business Development	Adv. Rory Voller Ms. Christa Klokow Ms. Lucinda Steenkamp	Report on Annual Returns	None
03/03/2026	PC Trade, Industry and Competition	Adv. Rory Voller	DTIC 2,3 Quarterly report	None
04/03/2026	PC Trade , Industry and Competition	Adv. Rory Voller Mr. Mpho Mathose Ms. Bathabile Kapumha	CIPC 1, 2, 3 Quarterly report	None

3. Executive Authority

The CIPC submits quarterly reports on its performance and activities to the Executive Authority as mandated. In the period under review, four (4) quarterly reports were submitted. These await approval from the Minister.

Table C 2: Quarterly Performance Reports Submitted to the Executive Authority

Quarter Submission	Report	Approval by the Minister	Comments & Required Action	Progress
Quarter 1 submitted		Awaiting approval	N/A	N/A
Quarter 2 submitted		Awaiting approval	N/A	N/A
Quarter 3 submitted		Awaiting approval	N/A	N/A
Quarter 4 submitted		Awaiting approval	N/A	N/A

4. Accounting Authority

Table C 3: Audit Committee and Risk & ICT Committees

Committee	Ordinary Meetings Held	Special Meetings Held	Workshop	No. of Members	Names of Members
Audit Committee	04	02	00	06	Dr Len Konar Adv Rory Voller Dr Teboho Sethibe Ms. Nalini Maharaj Mr. Charl de Kock Ms. Kameetha Singh
Risk and IT Committee	04	00	00	04	Dr Teboho Sethibe Dr Harold Patrick Dr Silma Koekemoer Adv. Rory Voller

5. Risk Management

The CIPC continues to apply a strategic and integrated approach to risk management, supported by relevant policies, strategies, and frameworks that are aligned with internationally recognised principles and leading practices. The entity adopts an enterprise-wide approach to the identification, assessment, management, and monitoring of risk in support of the achievement of its strategic objectives.

Oversight of risk management and internal control is exercised through Management, internal governance structures, and the Risk and ICT Committee and Audit Committee, which comprise independent members, thereby ensuring appropriate accountability, governance, and assurance across the organisation.

During the reporting period, the organisation continued to strengthen its risk maturity by reviewing and refining strategic and operational risks in alignment with approved strategic objectives and the evolving risk landscape. This process supported the proactive identification and management of emerging risks within the parameters of the approved risk appetite and tolerance framework.

The organisation also invested in the development of a Third-Party Risk Management Framework (TPRM), with particular focus on strengthening oversight and mitigation of key ICT-related third-party risks. In addition, continued focus was placed on enhancing Business Continuity, organisational resilience, and fraud risk management capabilities to improve preparedness and responsiveness in an increasingly dynamic and complex operating environment.

The coordination of risk management activities, particularly at the operational level, continued to be impacted by capacity constraints during the reporting period. Despite these challenges, the organisation utilised available governance, oversight, and control mechanisms to sustain the implementation of key risk management processes and maintain ongoing risk monitoring and reporting activities.

Table C. 4: Risk and ICT Committee Member Details discloses the relevant information on the Risk and ICT committee member

Table C 4: Risk and ICT Committee Member Details

Name	Qualifications	Internal or External	If internal, position in the public entity	Date Appointed	Date Resigned	No. of Meetings Attended
Dr Len Konar AC Chair	BCom, PG DIP in ACC, CA (SA), MAS, CERT in Tax Law, DCOM, CRMA	External	-----	01 April 2022 Extended 01 April 2025	N/A	06
Dr Tebogo Sethibe RiskIT Chair and AC member	DBL, MBL, MIT, BSC Computer Science (Honours)	External	-----	01 April 2022 Extended 01 April 2025	N/A	06 AC 04 RiskIT
Mr Charl de Kock AC member	MCom – IT Audit, BCom – Hons/Acc; CISA, CIA	External	-----	01 April 2022 Extended 01 April 2025	N/A	05
Ms. Nalini Maharaj AC member	BProc LLB, Financial Accounting for public entities	External	-----	01 April 2022 Extended 01 April 2025	N/A	06
Adv. Rory Voller Commissioner	LLM	Internal	CIPC Commissioner	01 Sep 2016	N/A	06 AC 03 RiskIT
Ms. Kamitha Singh AC member	BCom; BCompt; BCompt Honours; Executive Development Programme, CIA, Associate Member of IIA	Internal	<i>the dtic</i> representative		N/A	04
Dr Harold Patrick RiskIT member	DPhil (Info Systems & Technology), CFE MComm (Info Systems & Technology), BCom (Business Management) (Honours), Postgraduate Diploma Forensic Auditing & Criminal Justice, BAdmin	External	-----	01 April 2022 Extended 01 April 2025	N/A	04
Dr Silma Koekemoer RiskIT member	PhD (IT) MBA National Diploma in Local Government Finance	External	-----	05 July 2024	N/A	04

Name	Qualifications	Internal or External	If internal, position in the public entity	Date Appointed	Date Resigned	No. of Meetings Attended
	Advanced Certificate in Risk Management					

6. Internal Control Unit

The CIPC Internal Audit Division is established in accordance with the Section 51 (1)(a)(ii) of the Public Finance Management Act, No 1 of 1999, as amended and it operates in terms of the approved Internal Audit Charter. The Division is led by a permanent Chief Audit Executive, and its work is aligned to the Global Internal Audit Standards. Relevant topical requirements and global guidance are embedded within the audit processes. The Division's strategic role is to provide independent assurance and advisory services that enable the CIPC to effectively fulfil its mandate as a Regulator.

6.1 Strategic Positioning and Independence Purpose and Mandate

The Internal Audit Division maintains a functional reporting line to the Audit Committee. Key governance documents of the Division are approved by the Audit Committee. The Division operates free from undue influence and confirms, on a quarterly basis, the status of its independence and objectivity.

The CIPC Internal Audit renders independent assurance and advisory services to enable the Commissioner effectively fulfil the organisation's role as a Regulator. The function's role is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

The Internal Audit Division maintains a dual reporting structure, reporting functionally to the Audit Committee and administratively to the Commissioner. This reporting model supports the independence and objectivity of the function while ensuring alignment with organisational priorities. The Division operates in accordance with an approved Internal Charter, which is reviewed periodically, approved by the Audit Committee.

Strategy

The Division is the process of aligning its Internal Audit Strategy with the Commission's Strategy. Once that process is completed the strategy will subjective quality review and approval by the Audit Committee.

Charter, Methodology and Internal Audit Plans

The Charter, methodology and the internal audit plans for the year under review were approved by the Audit Committee. The record of approval is endorsed in the minutes of the Audit Committee.

Independence and objectivity

The Division operated independently from the functions it audited during the period under review. Internal auditors maintained objectivity in the execution of all audit engagements. To reinforce independence and objectivity, internal auditors complete annual declarations at the beginning of the financial year and continuously through various engagements. No impairments to independence and objectivity were identified or recorded for the period under review.

Internal Audit Modality

The Internal Audit operates as a fully in-house function led by a permanent Chief Audit Executive. There were no co-sourcing or out-sourcing arrangements for the period under review.

Resourcing

The total budget for the period under review was R 2.6m with an expenditure of R 1,4 million. The Internal Audit Division collectively possesses the necessary skills and competencies to audit the functions of CIPC.

Quality Assurance and Improvement Programme

The external Quality Assurance Review (QAR) was last performed in 2022. An action plan to address the findings of the QAR is in place and is monitored on a continuous basis. The Division is implementing an on-going review of performance against GIAS. It is anticipated that in the financial year 2026/2027 an External Quality Assurance Review will be performed.

Stakeholder Relationships

The Division maintains a strong professional relationship with the Executive Management, the Audit Committee and External Auditors. There are continuous engagement with stakeholders to understand their needs. The needs and expectations of the stakeholders are embedded in the audit process.

Combined Assurance

The Division is responsible to coordinate the Combined Assurance process.

Value-Add

The Division continues to enhance organisational value through the integration of data analytics into its audit processes, enabling the identification of real time exceptions. The effective implementation of the corrective actions arising from the identified exceptions has contributed to improvements in internal controls across the service delivery value chain.

7. Internal Audit

7.1 Strategic Role and Purpose of Internal Audit

The Internal Audit Division maintains a functional reporting line to the Audit Committee. Key governance documents of the Division are approved by the Audit Committee. The Division operates free from undue influence and confirms, on a quarterly basis, the status of its independence and objectivity.

The CIPC Internal Audit renders independent assurance and advisory services to enable the Commissioner effectively fulfil the organisation's role as a Regulator. The function's role is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

The Internal Audit Division maintains a dual reporting structure, reporting functionally to the Audit Committee and administratively to the Commissioner. This reporting model supports the independence and objectivity of the function while ensuring alignment with organisational priorities. The Division operates in accordance with an approved Internal Charter, which is reviewed periodically, approved by the Audit Committee.

7.2 Strategic Positioning and Independence

The Division operated independently from the functions it audited during the period under review. Internal auditors maintained objectivity in the execution of all audit engagements. To reinforce independence and objectivity, internal auditors complete annual declarations at the beginning of the financial year and continuously through various engagements. No impairments to independence and objectivity were identified or recorded for the period under review.

7.3 Specify summary of work done by the IAF in the reporting period

- Planned and completed audits: 28 audits were planned and completed resulting in 100% completion of the audit plan.
- Ad-hoc projects: 4 ad-hoc reviews were received and completed.
- Audits rolled over: no audits were rolled over into the financial year.
- Status of Audit Findings Addressed

Table C 5: CIPC 2025/26 Status of Internal and External Findings

	Number Findings	of Total Addressed	Not Yet Due	Total Addressed	Not Recurring Findings Last 3 Financial Years
IAF Findings	98	73	0	25	0
AGSA Findings	11	8	0	3	0
	109	81	0	28	0

8. Audit Committees

1. Mandate, Authority and Independence

The Audit Committee (the Committee) discharges its responsibilities in terms of its approved Terms of Reference, which also serve as the Audit Committee Charter, and the applicable provisions of the PFMA and Treasury Regulations. The Audit Committee is operating in accordance with the approved Charter and operates freely in exercising its mandate. Conflicts of interest are declared in every meeting, and members' private and business interests are recorded in line with the Committee's Terms of Reference.

2. Oversight of Internal Audit, Internal Control and Risk

Work relating to the internal control environment is performed by the Internal Audit and the Internal Audit Function (IAF). For the reporting period, 28 audits were planned and completed, resulting in 100% completion of the internal

audit plan, and 4 ad hoc reviews were received and completed. No audits were rolled over into the subsequent financial year.

During the period under review, 98 IAF findings and 11 Auditor General South Africa (AGSA) findings were raised, a total of 109 findings, of which 81 findings have been addressed and 28 remain outstanding, with no recurring findings over the last three financial years. These results indicate progress in addressing identified control weaknesses and improving the internal control environment.

The Committee receives formal confirmation from the Internal Audit Function confirming its independence and objectivity, supporting the Committee's responsibility under its Terms of Reference to safeguard the independence of internal audit and to ensure it is free from undue influence.

3. Combined Assurance, Stakeholder Relationships and Reporting

In line with its Terms of Reference, the Committee oversees the implementation of a combined assurance model. The Audit Committee monitors the implementation of combined assurance and receives reports on the implementation on a semi-annual basis.

The Committee provides management with its key recommendations after each meeting and such recommendations are tracked on a continuous basis. Management provides the Committee with detailed responses on the implementation of its resolutions, which enables effective follow-up and oversight. The Audit Committee is supported by both Executive Management and assurance providers to fulfil its responsibilities, which is consistent with the stakeholder collaboration envisaged in the Committee's Terms of Reference.

During the period under review, no matters arose that required formal escalation by the Committee to the Accounting Authority, Executive Authority, National Treasury or the Auditor General beyond the normal reporting channels. Where control weaknesses and risks were identified through internal and external audit, these were addressed with management through the Committee's regular meetings and tracked via management action plans, in line with the Committee's Terms of Reference.

4. Statutory and Governance Responsibilities

The Committee confirms that, for the period under review, it has fulfilled its responsibilities as contained in the Audit Committee Charter, the PFMA and the Global Internal Audit Standards. This includes oversight over the internal control environment, risk management processes, financial reporting and performance information, as prescribed in the Committee's Terms of Reference and the applicable regulatory framework.

5. Composition, Skills, Meetings and Evaluation

The Committee is properly constituted in accordance with its Terms of Reference, comprising members with various skills and competencies in the areas of auditing, accounting, law and information technology, appropriate to the size and complexity of the CIPC. During the period under review, the Audit Committee held 4 ordinary meetings and 2 special meetings, which enabled it to discharge its responsibilities adequately.

Table C.6, "Disclosure of Information on Audit Committee Members", provides the details required in terms of the CIPC's Annual Report Guide and the Committee's Terms of Reference, Chairperson, date of appointment, meeting attendance, declarations of interest and other governance roles held.

The Committee is satisfied that management generally responds appropriately and timeously to its recommendations and resolutions, and that progress on agreed actions is tracked and reported at each meeting. An annual self-assessment of the Committee's performance and effectiveness was conducted during the reporting period, in accordance with its Terms of Reference. No material deficiencies in the Committee's functioning were identified and areas for further enhancement, including continued focus on combined assurance maturity and oversight of ICT-related risks, have been incorporated into the Committee's Terms of Reference and work plan.

Table C 6: Disclosure of Information on Audit Committee Members

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IoD(SA))	Appointment: Term of Office		No. of Meetings Attended 2025/26		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Date Appointed	Date Resigned	Ordinary Meetings	Special Meetings				
Adv. Rory Voller	LLM	IODSA	01 Sep 2016	N/A	04	02	No	Yes	01	01
Dr Len Konar	BCom, PGDip in ACC, CA (SA), MAS, CERT in Tax Law, DCOM, CRMA	SAICA, IRBA, IoDSA	01 April 2025	N/A	04	02	No	No	06	06
Dr Tebogo Sethibe	DBL, MBL, MIT, BscHons, BSC	IoDSA	01 April 2025	N/A	04	02	Yes	Yes	03	01
Ms. Nalini Maharaj	B.Proc Bachelor of laws (LLB) Financial Accounting for public entities Corporate Governance	NADEL, LPC, IRMSA, IODSA, CSOFS	01 April 2025	N/A	04	02	No	No	13	00

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IoD(SA))	Appointment: Term of Office		No. of Meetings Attended 2025/26		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Date Appointed	Date Resigned	Ordinary Meetings	Special Meetings				
Mr. Charl de Kock	BCom (Acc), BCompt (Hons), MCom (IT Audit)	CISA, SAIPA	01 April 2025	N/A	04	02	Yes	No	04	02
Ms. Kameetha Singh	CIA, Hons B.Compt, CTA, B Compt Degree, Post Graduate in Executive Leadership	IIA- International and IIA (SA)	Dtic rep	N/A	04	02	No	Yes	00	00
Dr Harold Patrick	DPhil (Info Systems & Technology), CFE MComm (Info Systems & Technology), BCom (Business Management) (Honours), Postgraduate Diploma Forensic Auditing	ACFE	01 April 2025	N/A	04	00	No	No	00	01

Name	Qualifications		Appointment: Term of Office		No. of Meetings Attended 2025/26		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Date Appointed	Date Resigned	Ordinary Meetings	Special Meetings				
	& Criminal Justice, BAdmin									
Dr Silma Koekemoer	PhD (IT) MBA Adv. Risk Man. N Dipl LG Finance N Dipl HR	CIPS CIGFARO ILGM SAAPAM SAMEA	05 July 2024	N/A	04	00	No	No	One	00

9. Remuneration of Audit Committee Members

Table C 7: Remuneration of Committee Members

Name	Remuneration (Rands)	Other Allowance	Other imbursements	Re-	Total (Rands)
Adv Rory Voller	N/A	N/A	N/A		N/A
Dr Len Konar	163,794.37	00	00		163,794.37
Dr Teboho Sethibe	240,428.37	00	00		240,428.37
Ms. Nalini Maharaj	93,581.30	00	00		93,581.30
Mr. Charl de Kock	93,203.63	00	00		93,203.63
Dr Harold Patrick	108,070.29	00	00		108,070.29
Dr Silma Koekemoer	105,709.57	00	00		105,709.57
Total	804,787.53	00	00		804,787.53

10. Compliance Laws and Regulations

The organisation has established processes to ensure compliance with relevant and applicable legislation, regulations and prescripts and policies. A compliance Policy, Framework, Universe, and Plan is being implemented. Regular monitoring is conducted, and results are communicated to all governance structures on a regular basis.

11. Fraud and Corruption

The CIPC has an approved Fraud Prevention Plan in place. In addition, policies, systems, and processes for managing, handling, and responding to the fraud risks and incidents, in accordance with applicable legislation, have been established. Progress reports on the implementation of the plan are discussed by management and other relevant governance structures.

A fraud risk registers detailing areas in which the CIPC is exposed is in place and is reviewed regularly.

The organisation has various channels for reporting fraud and corruption. Among these is a dedicated independently managed hotline, which is available 24/7/365. The hotline is preferred by most complainants and whistle-blowers, as it provides a degree of anonymity for those who prefer to have their identity and other personal information protected.

A Case Register which provides a record of all fraud related complaints is maintained. This register is updated regularly with regard to the status or progress of the reported matters. On receipt, information is analysed and dependent on the nature and complexity, cases are allocated for investigation by internal or external resources. Investigation reports are used to determine the course of action.

12. Minimising Conflict of Interest

As a regulator, the CIPC expects and promotes the highest standard of ethical conduct from all its employees. Appropriate policies and procedures to direct and support expected behaviour are in place, including the Code of Conduct and Ethics, and the Declaration of Interest policies.

For the reporting period, an organisation-wide ethics campaign was held to create education and awareness on ethics. All employees of the CIPC are required to declare their interest in line with the approved policy. Finance and SCM-related processes address declarations by suppliers and service providers

13. Code of Conduct

The Code of Conduct and Ethics defines who we are and how we act whilst pursuing the goals of the CIPC. Our conduct is closely aligned with the ethical behaviour expected of each employee and stakeholder involved with the CIPC. The Code of Conduct and Ethics has been updated and aligned with other policies of the organisation.

14. Health, Safety, and Environmental Issues

The CIPC is committed to providing for the health & safety of its personnel, protection of its assets and minimizing its environmental footprint. The health, safety & environmental commitment plays an integral part in aligning with the CIPC strategy and achieving its institutional mandate.

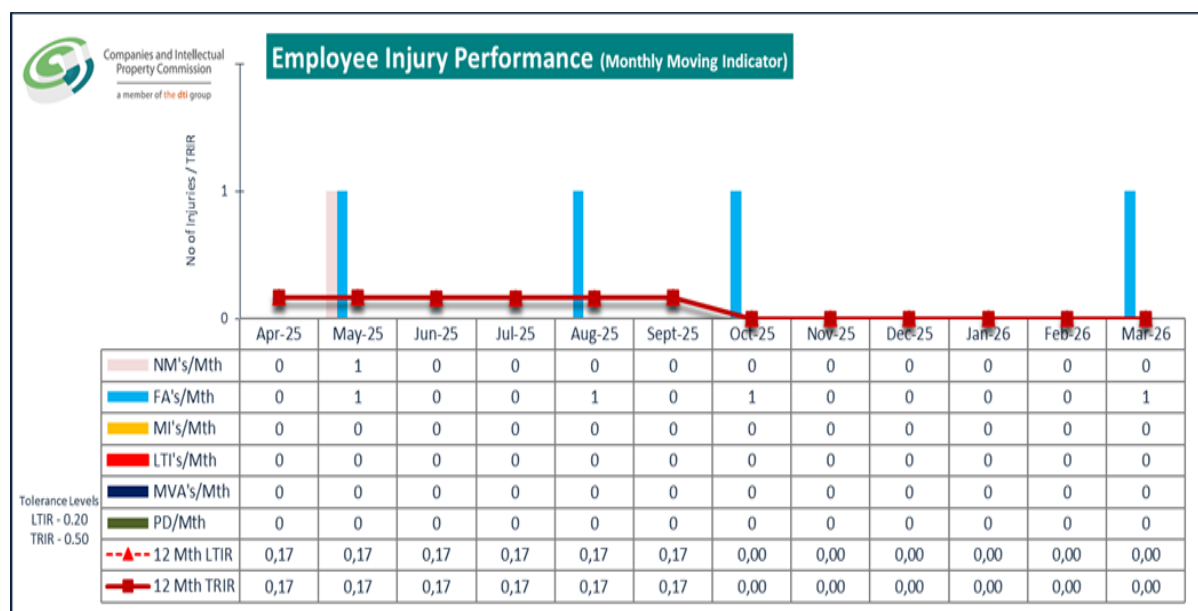
The focus on health, safety & the environment continued revolve on fostering a desirable organizational culture and improved work environments. Leadership commitment remained the guiding pillar for the set objectives; Four (4) quarterly Statutory Employee Relations (ER), Health and Safety Committee meetings were held as required by the Occupational Health and Safety (OHS) Act section 19. In addition, a survey was conducted to review the effectiveness of the committee meetings including its members and the results projected both positively.

Mandatory OHS Engagement sessions were held divisionally and the attendance exceeded 80% of the CIPC staff compliment. The awareness sessions addressed key aspects that include the CIPC OHS Policy, Risk Assessment, Incident Management & Emergency Protocols.

The OHS incident performance achievement represents the CIPC's social responsibility commitment to the wellbeing of its employees. The performance reflects a positive shift from ending the previous year with one (1) major lost-time injury (LTI), to zero (0) lost time injury for the 2025-2026 FY. The CIPC recorded no medical incidents (Tolerance level- 4), a total of 4 minor first aid injuries occurred (TL- 4), with one near miss incident recorded and no other reported incidents for the financial year.

The below graph depicts the OHS incident performance for the 2025-2026 FY and within the graph a trend analysis:

Figure C 1: Employee Injury Performance



The CIPC OHS incident performance is commendable as the tolerance level (TL) for each incident classification was not exceeded and maintained a positive year on year comparison.

No Government Enforcement Agency health & safety notices were issued against CIPC for the financial year. The CIPC maintained its valid Letter of Good Standing with the Department of Employment & Labour/ Compensation Fund.

The CIPC is commitment to maintaining a low-carbon footprint to support decarbonisation efforts against climate change. Despite the CIPC operations taking place within leased premises, the dependency of landlords has not

limited the CIPC's commitment to decarbonisation efforts. The CIPC initiated collaborative engagements with **the dtic**, to comply with green building standards and ESG reporting at **the dtic** Campus. Subsequently, the same requirements were upheld within the lease agreements of the CIPC Self-Service Centres.

The CIPC's ongoing efforts to automate core operational processes, in support of minimizing the CIPC's environmental footprint. This not only creates efficiency to client service delivery but also benefits environmental efforts (minimizing vast paper processes from/to clients, extensive printing, scanning and reduction of bulk paper waste - Cradle to grave).

The Asset Management unit has ongoing resale bids of obsolete items and electronic waste aiding in recycling decommissioned electrical equipment.

Issues/ Challenges

The Occupational Health & Safety Training Matrix remained an area of improvement in the 2025/2026 financial year. Moreover, the minimum health & safety training requirements for statutory appointees was achieved.

Forging Ahead

Environmental, Social and Governance (ESG) expectations continue to guide the CIPC's Health Safety & Environmental outlook, The below mentioned are focus areas for the 2026/2027 financial year:

- Leadership driven paradigm shift to prioritize workplace safety, employee wellbeing and sustainability as enterprise imperatives.
- Enhance the CIPC's health safety and environmental organizational culture through behavioural observations by the CIPC leadership and all other management levels.
- Promote health, safety & environmental sustainability through programmes, performance measures, initiatives and training for continuously improvement.
- Uphold the CIPC health, safety & environmental mandate of integrating with CIPC objectives, maintain a risk-based approach and maintain compliance obligations.
- Automation of core operational process and maintain a low-carbon footprint to support decarbonisation efforts against climate change. Furthermore, collaborate with the dtic to comply with green building standards and meet ESG framework requirements.

15. Company/Board Secretary

Not applicable.

16. Social Responsibility

As part of its continued commitment to social upliftment and community development, the CIPC implemented its Corporate Social Responsibility (CSR) initiatives for the 2025/26 financial year through targeted interventions aimed at supporting educational institutions and vulnerable children within the Tshwane Department of Basic Education District and the broader community.

The initiative focused on enhancing learning environments and improving the wellbeing of learners through the provision of critical resources and support to identified beneficiaries. Tshwane Pre-Vocational School received thirty-two (32) 20-litre paint containers, accompanied by direct employee volunteerism, with CIPC officials participating in the painting of the school premises to contribute towards the improvement of the learning environment. Prosperitus Secondary School was supported through the provision of 300 school chairs to assist in addressing learner seating requirements and enhancing classroom functionality.

In addition, support was extended to the Mamelodi SOS Children's Home through the donation of household and essential living items, including four television sets, 12 steam irons, school uniforms, and grocery supplies. These interventions were aimed at contributing towards the wellbeing, care, and day-to-day needs of children residing at the facility, while reinforcing the organisation's commitment to making a meaningful impact within the communities it serves.

17. Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2026 in accordance with Section 77 of the Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulation 27.1. and the Committee's approved Terms of Reference.

The Committee fulfilled its oversight responsibilities by monitoring the integrity of financial and performance reporting, the effectiveness of internal control, enterprise risk management, governance, compliance, internal and external audit, ethics, fraud prevention, information and communication technology (ICT) governance and business continuity.

During the year, the Committee reviewed the adequacy and effectiveness of the Commission's governance, risk management and internal controls system through the reports received from Management, Internal Audit and external Audit. The Committee monitored the implementation of management action plans to address findings and strengthen the control environment and is satisfied that appropriate corrective measures are being implemented.

The review of the strategic risk profile was undertaken with attention given to key and emerging risks, including cybersecurity, digital transformation, organization capacity, regulatory developments, fraud and corruption risks. These risks are being appropriately managed within the established risk management framework.

The Committee oversaw the work of Internal Audit and confirmed that the function operated independently and provided objective assurance on governance, risk management and internal controls. The Committee also considered that audit approach, findings and conclusion of the External Auditors and monitored management's response to matters raised during the audit process.

The Committee reviewed the Annual Financial Statements and the Annual Performance report for the year ended 31 March 2026 and is satisfied that they fairly present the financial position and financial performance of the Commission in accordance with the applicable reporting framework.

Based on the information and assurances received throughout the year, the Committee is satisfied that the Commission has maintained appropriate governance, risk management and internal control environment to support the achievement of its strategic objectives and to promote accountability, transparency and sound governance



Len Konar, Dr.

Chairperson of the Audit Committee

Companies and Intellectual Property Commission

31/ 07/ 2026

18. B-BBEE Compliance Performance Information

The following table has been completed in accordance with B-BBEE requirements, as per the B-BBEE Act (2013) and as determined by the Department of Trade, Industry and Competition.

Table C. 1: B-BBEE Compliance Table

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes/No	Discussion (Include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	This does not fall within the CIPC mandate.
Developing and implementing a preferential procurement policy?	Yes	The Preferential Procurement Policy is implemented at all times.
Determining qualification criteria for the sale of state-owned enterprises?	No	This does not fall within the CIPC mandate.
Developing criteria for entering into partnerships with the private sector?	Yes	A collaboration framework is in place.
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad Based Black Economic Empowerment?	No	This does not fall within the CIPC mandate.

PART D: HUMAN RESOURCE MANAGEMENT

1. Introduction

The CIPC undertook a review of job descriptions and job evaluations. The process took longer than anticipated due to engagements with organized labour. The job descriptions and the job evaluations have been completed. The automation of certain functions at the CIPC has created a challenge, as some employees are no longer fully engaged in their roles. To address this, temporary secondments are being used to ensure the full utilization of staff. During the 2025/26 financial year, the Human Resources function set key priorities aimed at aligning the workforce with the strategic objectives of the CIPC and enhancing organisational effectiveness. These priorities and their anticipated impact are outlined below:

- The discussion of the organizational strategy will lead to the development of an operational model for the CIPC
- Recruitment and Selection: the CIPC is currently filling vacant strategic positions, particularly within the ICT environment, to address ongoing challenges.
- Workforce Planning: the approved Workforce Planning strategy will be followed for all future recruitment
- Organisational Culture: the Organisational Culture project has been approved and has commenced.
- Training and Development: the CIPC skills plan addresses all the needs of the CIPC staff this is supplemented by the Personal Development Plans for employees.

Set HR priorities for the year under review and the impact of these priorities

The following are HR priorities:

- Recruitment and Selection – the recruitment unit has been capacitated to efficiently recruit the identified critical vacant positions within the set periods by the organisation.
- Vacant strategic positions have been filled in order to deal with challenges that CIPC faces.
- Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce
- Targeted recruitment to fill strategic positions that will not be affected by the Organisational Design process.
- Organisational culture, values and ethics - the organisation is in the process to establish a culture that encompasses the CIPC values and encourages teamwork and collaboration.
- Management remain committed to the management of the change and create a new culture that enables efficient service for excellent customer experience.

Policy development

The development and refinement of Human Capital policies remain a key priority. During the reporting period, consultations with Organised Labour are ongoing to ensure collaborative engagement and consensus.

Future HR plans /goals

Looking ahead, the Human Resources function has identified several strategic focus areas for the upcoming period:

Review Human Capital Policies: A comprehensive review and update of existing Human Capital policies will be undertaken to ensure alignment with legislative requirements, organisational priorities, and evolving best practices.

Development of Staff in accordance with their Performance Development Plans (PDP): Continued investment in staff development will be driven by PDPs, ensuring that training and learning opportunities are tailored to each employee's developmental needs and career progression.

Internship Programme: The CIPC will further strengthen its Internship Programme, providing structured learning experiences and practical exposure to young graduates. This initiative forms part of the organisation's broader commitment to youth development, skills transfer and building a future-ready talent pipeline.

A. Talent Management and Employee Relations

Employee Development

The CIPC remains committed to the growth and development of its workforce. During the period under review, employee development initiatives were implemented in alignment with the approved Learning and Development Framework. These initiatives were tailored to address identified skills gaps and support the overall strategic objectives of the organisation.

Employee Performance Management

The implementation of the Employee Performance Management Policy remains a key focus. We take pride in the continued enforcement of this policy across all levels, ensuring accountability, alignment of individual goals with organisational priorities, and fostering a culture of high performance

B. Employee Wellness

Employee wellness programmes

The CIPC continually strives to promote its Staff Wellness through a variety of interventions, with the ultimate goal of enhancing performance

The following key achievements were recorded during the reporting period:

- Provision of 24/7 Counselling Services: Continuous psychosocial support is made available to CIPC employees and their immediate family members through a 24/7 counselling service.
- Staff Wellness and Productivity Survey: A comprehensive survey was conducted to assess employee wellness, engagement, and productivity, particularly in the context of remote working arrangements.
- Staff Connect Engagement Session: A well-attended Staff Connect session was held, aimed at deepening staff understanding of the CIPC's strategic objectives, reinforcing the organisational culture and values, and enhancing employee engagement.
- Diversity and Inclusion Initiatives: Targeted initiatives promoting diversity and inclusion were implemented, including dedicated Women's Day and Men's Day programmes

C. Achievements and Challenges

Highlight achievements

During the period under review, the CIPC made notable progress in several areas of Human Capital Management, despite facing a number of operational challenges. Below is a summary of key achievements and constraints that impacted performance and workforce dynamics.

Achievements

Approval of key Human Capital policies that enhance governance and support operational excellence.

- Timely submission of the Employment Equity Report to the Department of Labour.
- Submission of the Work Skills Plan to FASSET.
- Awarding of 45 bursaries to qualifying employees as part of ongoing staff development.
- Two (2) CCMA cases in favour of the employer.
- One (1) Labour Court matter in favour of the employer.

Challenges faced by the public entity (CIPC)

One key challenge identified relates to the integration of organisational culture into daily operations. Strengthening cultural alignment across all staff levels is critical for advancing strategic objectives and embedding organisational values in all aspects of work.

- The ongoing automation of several business units has resulted in staff underutilisation, contributing to decreased morale in affected areas.
- A high vacancy rate persists due to the extended consultation processes required for the filling of posts below the Senior Management Services level, which has delayed recruitment timelines

2. Human Resource Oversight Statistics

The following tables summarise personnel related expenditure by programme

Table D 1: Personnel Cost by Programme / Activity /Objective, FY2025 /26

Programme/ Activity/ Objective	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Total Personnel Exp. as a % of Total Exp. (R'000)	No. of Employees	Average Personnel Cost per Employee (R'000)
Business Regulation and Reputation	298 865	206 652	69%	202	1 023
Innovation and Creativity Promotion	109 485	75 704	69%	74	1 023
Service Delivery and Access	289 987	200 514	69%	196	1 023
Total / Average	698 337	482 870		472	

The following tables summarise personnel cost by salary band

Table D 1: Personnel Cost per Salary Band, FY2025/26

Level	Personnel Expenditure R'000	% of Personnel Exp. to Total Personnel Cost R'000	No. of Employees	Average Personnel Cost per Employee R'000
Top Management	10 206	2%	4	2 504
Senior Management	8 574	2%	8	1 010
Professional Qualified	75 026	16%	70	1 010
Skilled	162 914	34%	165	1 010
Semi-Skilled	226 150	48%	225	1 010
Unskilled	-	-	-	-
Total	482 870		472	

The following tables summarise personnel performance rewards per salary band

Table D. 1: Performance Rewards, FY2025/26

Programme/ Objective	Activity/ Performance Rewards	Personnel Expenditure	% of Rewards to Total Personnel Cost
Top Management	352	10 015	4%
Senior Management	340	8 083	4%
Professional Qualified	2 959	74 768	4%
Skilled	7 052	181 867	4%
Semi-Skilled	8 068	208 137	4%
Unskilled	-	-	-
Total	18 771	482 870	

The following tables summarise personnel training costs per programme

Table D. 2: Training Costs, FY2025/26

Programme/ Activity/ Objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of Employees Trained	Avg Training Cost per Employee
Business Regulation and Reputation	156 556	2 389	0.9%	83	17
Innovation and Creativity Promotion	67 904	1 447	0.9%	36	17
Service Delivery and Access	258 411	628	0.9%	137	17
Total	482 870	4 464		256	

The following tables summarise personnel performance rewards per salary band

Table D. 3: Employment and Vacancies

Programme/Activity/Objective	2025/2026 No. of Employees	2025/2026 Approved Posts	2025/2026 No. of Employees	2025/2026 Vacancies	% of vacancies
Commissioner's Office	28	42	32	10	23,8%
Finance and Procurement	22	31	23	8	25,8%
Corporate Services	93	129	100	29	22,5%
Business Intelligence & Systems	48	61	47	14	23,0%
Innovation and Creativity Promotion	50	99	74	25	25,3%
Business Regulation & Reputation	204	278	196	82	29,5%
Total / Average	445	640	472	168	26,3%

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the organisation

Table D. 4: Occupational Bands

Occupational Bands	2025/2026 No. of Employees	2025/2026 Approved Posts	2025/2026 No. of Employees	2025/2026 Vacancies	% of Vacancies
Top Management	4	6	3	3	60%
Senior Management	8	14	8	6	42,9%
Professional Qualified	70	93	74	19	68,6%
Skilled	152	264	180	84	99,6%
Semi-Skilled	211	263	207	56	59,3%
Unskilled	0	0	0	0	0
Total	445	640	472	168	26,3%

Explanations: Detail the attempts made to fill the posts of senior management and highly skilled supervision and explain why there are no appropriate internal staff to fill the vacancies. Explain how long, at a minimum, vacancies have remained unfilled and the reasons for this. Explain measures taken to successfully attract and retain staff.

Table D. 5: Employment Changes

Provide information on changes in employment over the financial year. Turnover rates provide an indication of trends in employment profile of the public entity.

Occupational Bands	Employment at Beginning of Period	Appointments	Terminations	Employment at End of the Period
Top Management	4	0	1	3
Senior Management	8	0	0	8
Professional	70	4	3	71
Skilled	152	32	3	181
Semi-Skilled	211	13	15	209
Unskilled	0	0	0	0
Total	445	49	22	472

Table D. 6: Reasons for Staff Leaving

Reason	Number	% of Total no. of Staff Leaving
Death	3	0.6%
Resignation	10	2.1%
Dismissal	0	0%
Retirement	9	1.9%
Ill Health	0	0%
Expiry of Contract	0	0%
Other	0	0%
Total	22	4,7%

Explanations: Provide explanations for staff leaving and what attempts are made to replace these staff.

Table D. 7: Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	1
Written Warning	2
Final Written Warning	4
Dismissal	0

Table D. 8: Equity Target and Employment Equity Status – Male

Levels	MALE							
	African		Coloured		Indian		White	
Top Management	1	0	1	0	0	1	0	0
Senior Management	3	0	0	1	1		0	0
Professional Qualified	31	0	2	0	4	0	2	0
Skilled	78	12	1	0	1	0	5	4
Semi-Skilled	51	7	1	0	1	0	0	4

Levels	MALE							
	African		Coloured		Indian		White	
Unskilled	0	0	0	0	0	0	0	0
Total	164	14	5	1	7	1	7	8

Table D. 9: Equity Target and Employment Equity Status – Female

Levels	FEMALE							
	African		Coloured		Indian		White	
Top Management	1	0	0	0	0	0	0	0
Senior Management	4	0	0	1	0	0	0	0
Professional Qualified	23	1	2	1	1	0	9	0
Skilled	77	6	5	0	4	0	9	2
Semi-Skilled	133	0	7	0	1	0	13	0
Unskilled	0	0	0	0	0	0	0	0
Total	238	7	14	2	6	0	31	2

Table D. 10: Equity Target and Employment Equity Status – Disabled staff

Levels	DISABLED STAFF			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	0	0	0
Skilled	4	0	0	0
Semi-Skilled	1	2	1	1
Unskilled	0	0	0	0
Total	5	2	1	1

PART E: PFMA COMPLIANCE REPORT

This section provides guidance on the information to be included in the annual report guide relating to PFMA compliance requirements.

a) Reconciliation of irregular expenditure

Table E. 1: Reconciliation of irregular expenditure

Description	2024/25 R'000	2025/26 R'000
Opening balance	98 788	98 788
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	0	0
Less: Irregular expenditure confirmed	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recoverable and written off	0	0
Closing balance	98 788	98 788

An application was made in the previous years to National Treasury for the write-off of irregular expenditure. No response has been received to date

Table E. 2: Reconciling Notes

Description	2024/25 R'000	2025/26 R'000
Irregular expenditure that was under assessment	0	0
Irregular expenditure that relates to the prior year and identified in the current year	0	0
Irregular expenditure for the current year	0	0
Closing balance	0	0

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

Table E. 3: Details of irregular expenditure (under assessment, determination, and investigation)

Description ³	2024/25 R'000	2025/26 R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
Total	0	0

c) Details of irregular expenditure condoned

Table E. 4: Details of irregular expenditure condoned

Description	2024/25 R'000	2025/26 R'000
Irregular expenditure condoned	0	0
Total	0	0

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

Table E. 5: Details of irregular expenditure removed- (not condoned)

Description	2024/25 R'000	2025/26 R'000
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

e) Details of irregular expenditure recoverable

Table E. 6: Details of irregular expenditure recoverable

Description	2024/25 R'000	2025/26 R'000
Irregular expenditure recoverable	0	0
Total	0	0

f) Details irregular expenditure written off (irrecoverable)

Table E. 7: Details of irregular expenditure written off (irrecoverable)

Description	2024/25	2025/26
	R'000	R'000
Irregular expenditure written off	0	0
Total	0	0

1. Additional disclosure relating to Inter-Institutional Arrangements

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

Table E. 8: Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
N/A
Total

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

Table E. 9: Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2024/25	2025/26
	R'000	R'000
N/A	0	0
Total	0	0

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

Table E. 10: Disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
N/A

2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Table E. 11: Reconciliation of fruitless and wasteful expenditure

Description	2024/25 R'000	2025/26 R'000
Opening balance	0	0
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Fruitless and wasteful expenditure confirmed	0	0
Less: Fruitless and wasteful expenditure recoverable	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	0
Closing balance	0	0

b) Fruitless and wasteful expenditure (under assessment, determination, and investigation)

Table E. 12: Fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2024/25	2025/26
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
Total	0	0

c) Details of fruitless and wasteful expenditure recoverable

Table E. 13: Details of fruitless and wasteful expenditure recoverable

Description	2024/25 R'000	2025/26 R'000
Fruitless and wasteful expenditure recoverable	0	0
Total	0	0

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

Table E. 14: Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/25	2025/26
	R'000	R'000
Fruitless and wasteful expenditure written off	0	0
Total	0	0

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

Table E. 15: Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
N/A

3. Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)

a) Details of material losses through criminal conduct

Table E. 16: Details of material losses through criminal conduct

Material losses through criminal conduct	2024/25	2025/26
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
Total	0	0

b) Details of other material losses

Table E. 17: Details of other material losses

Nature of other material losses	2024/25	2025/26
	R'000	R'000
N/A	0	0
Total	0	0

c) Other material losses recoverable

Table E. 18: Other material losses recoverable

Nature of losses	2024/25	2025/26
	R'000	R'000
N/A		
Total	0	0

d) Other material losses not recoverable and written off

Table E. 19: Other material losses not recoverable and written off

Nature of losses	2024/25	2025/26
	R'000	R'000
N/A	0	0
Total	0	0

4. Information on late and / or non-payment of suppliers

Table E. 20: Information on the late and or non-payment of suppliers

Description	Number invoices	of Consolidated Value
		R'000
Valid invoices received	1130	151 448
Invoices paid within 30 days or agreed period	1094	148 189
Invoices paid after 30 days or agreed period	36	3 259
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)	0	0
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)	0	0

5. Information on Supply Chain Management

All bids are awarded through open tenders. No unsolicited bids were received for FY2025/26

Table E. 21: Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value contract R'000	of
N/A					

Table E. 22: Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value (VAT Incl)	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation (VAT Incl)
N/A						

1. Report of the auditor-general to Parliament on Companies and Intellectual Property Commission

1.1 Report on the audit of the Annual Financial Statements

1.1.1 Opinion

1. I have audited the financial statements of the Companies and Intellectual Property Commission set out on pages 115 to 189, which comprise the statement of financial position as at 31 March 2026, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Companies and Intellectual Property Commission as at 31 March 2026, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

1.1.2 Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (SAS). 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.

1.2 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 and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

1.3 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 x, forms part of my auditor's report.

1.4 Report on the annual performance report

1. 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.
2. I selected the following material performance indicators related to Programme 3: Business Regulation and Reputation 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.
 - Number of corporate education and awareness initiatives hosted or participated in
 - Number of directors investigated for delinquency
 - Number of targeted proactive pre-investigations
 - Number of compliance checklist reports published tracking trends in compliance
 - Number of public notices issue
 - Number of Quarterly Prospectus Reports
 - Number of Annual Prospectus reports
3. 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.
4. 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.
5. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
6. I did not identify any material findings on the reported performance information for the selected indicators.

1.5 Other matters

16. I draw attention to the matters 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.

1.6 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. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

23. My opinion on the financial statements, the report on the audit of the annual performance report and the report on 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 annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Internal control deficiencies

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

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

2. 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

2.1 Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

2.2 Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51 (1)(b)(i); 51 (1)(b)(ii); 51 (1)(e)(iii); 53(4); 53(2)(c); 54(2)(d); 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; 16A.7.6; 16A8.3; 16A8.4; 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31 .2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1 .1(b); 32.1.1(c); 33.1.1; 33.1 .3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 1 1 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1 (a); 2.1 (f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

3. Annual Financial Statements

3.1 Accounting Authority's Responsibilities and Approval

The annual financial statements for the year ended 31 March 2026, are prepared under Generally Recognised Accounting Practice (GRAP) and incorporate disclosures in line with the accounting policies of the entity and the requirements of the Public Finance Management Act 1999 (Act No. 1 of 1999) (PFMA).

The Accounting Authority is responsible for the preparation and integrity of the annual financial statements and related information included in the annual report. For the Accounting Authority to discharge these responsibilities, as well as those imposed in terms of the PFMA and other applicable legislation, a system of internal controls has been developed, and maintained.

The internal controls include a risk-based system approach of administrative controls and internal auditing designed to provide reasonable, but not absolute, assurance that assets are safeguarded and transactions executed and recorded under Generally Recognised Accounting Practice (GRAP), as well as the entity's policies and procedures. Trained and skilled personnel, with an appropriate segregation of duties, implement these controls. Monitoring of these controls includes a regular review of their operations by the Accounting Authority and independent oversight by the Audit Committee.

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

The Auditor-General South Africa, as external auditor, is responsible for expressing an opinion on the annual financial statements.

The annual financial statements set out on pages 115 to 189, which have been prepared on the going concern basis, were approved by the accounting authority on 30 July 2026 and were signed on its behalf by:

Adv Rory Voller

Commissioner (Accounting Authority)

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Statement of Financial Position as at 31 March 2026

	Notes	2026 R '000	2025 R '000
Assets			
Current Assets			
Receivables from exchange transactions	4	675	1 425
Prepayments	5	13 747	13 089
Cash and cash equivalents	6	935 378	713 886
		949 800	728 400
Non-Current Assets			
Prepayments	5	554	1 812
Property, plant and equipment	7	39 293	47 042
Intangible assets	8	58 560	54 677
		98 407	103 531
Total Assets		1 048 207	831 931
Liabilities			
Current Liabilities			
Operating lease liability	10	1 813	2 309
Payables from exchange transactions	11	31 038	28 045
Payables from customer deposits	12	149 178	144 525
Employee benefit obligation	13	1 545	702
Long service award obligation	14	1 730	2 287
Provisions	15	53 221	293 795
Bank credit card	6	33	19
		238 558	471 682
Non-Current Liabilities			
Operating lease liability	10	1 519	2 739
Employee benefit obligation	13	36 379	14 897
Long service awards obligation	14	12 060	11 801
		49 958	29 437
Total Liabilities		288 516	501 119
Net Assets		759 691	330 812
Accumulated surplus		759 691	330 812
Total Net Assets		759 691	330 812

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Statement of Financial Performance

	Notes	2026 R '000	2025 R '000
Revenue			
Revenue from exchange transactions			
Fees	16.1	240 668	228 737
Reversal of provision		244 000	-
Interest income	16.2	57 793	49 008
Other income	16.3	11 657	13 060
Reversal of ECL impairment		479	-
Gain on disposal of assets		31	-
Total revenue from exchange transactions		554 628	290 805
Revenue from non-exchange transactions			
Annual return fees	16.4	573 198	468 248
Total revenue	16	1 127 826	759 053
Expenditure			
Actuarial loss		(3 119)	(3 513)
Advertising		(3 965)	(7 471)
Audit fees		(5 379)	(6 284)
Bad debts		(432)	(9)
Bank charges		(6 012)	(5 295)
Communication and postage		(8 016)	(9 354)
Consulting and professional fees	17	(97 385)	(98 527)
Depreciation and amortisation	18	(29 504)	(34 840)
Employee costs	19	(491 614)	(434 163)
Impairment loss	20	-	(230)
Legal fees		(7 568)	(4 506)
Loss on disposal of assets		-	(139)
Operating leases	21	(18 908)	(28 400)
Other operating expenses	22	(21 823)	(16 423)
Surrender of surpluses		-	(132 000)
Travel and subsistence		(4 612)	(4 437)
Total expenditure		(698 337)	(785 591)
Surplus (deficit) for the year		429 489	(26 538)

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Statement of Changes in Net Assets

	Accumulated surplus R '000	Total net assets R '000
Balance at 01 April 2024	357 350	357 350
Changes in net assets		
Deficit for the year	(26 538)	(26 538)
Total changes	(26 538)	(26 538)
Balance at 01 April 2025	330 812	330 812
Changes in net assets		
GRAP 104R adjustment 01 April 2025	(610)	(610)
Net income (losses) recognised directly in net assets	(610)	(610)
Surplus for the year	429 489	429 489
Total recognised income and expenses for the year	428 879	428 879
Total changes	428 879	428 879
Balance at 31 March 2026	759 691	759 691

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Cash Flow Statement

	Notes	2026 R '000	2025 R '000
Cash flows from operating activities			
Receipts			
Fees: Exchange transactions		240 572	228 831
Annual return fees		577 851	478 195
Other income		11 657	13 060
Interest income		57 793	49 008
		887 873	769 094
Payments			
Employee costs		(468 665)	(432 160)
Suppliers		(173 098)	(169 682)
		(641 763)	(601 842)
Net cash flows from operating activities	24	246 110	167 252
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(9 660)	(16 580)
Proceeds from the sale of property, plant and equipment	7	47	263
Purchase of other intangible assets	8	(15 019)	(11 636)
Net cash flows from investing activities		(24 632)	(27 953)
Net increase/(decrease) in cash and cash equivalents		221 478	139 299
Cash and cash equivalents at the beginning of the year		713 867	574 568
Cash and cash equivalents at the end of the year	6	935 345	713 867

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Statement of Comparison of Budget and Actual Amounts

Budget on accrual basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference - Refer note 37
	R '000	R '000	R '000	R '000	R '000	

Statement of Financial Performance**Revenue**

Revenue from exchange transactions	246 405	(12 045)	234 360	240 668	6 308	
Revenue from non-exchange transactions	446 293	135 907	582 200	573 198	(9 002)	
Other income	391	172	563	11 657	11 094	N1
Interest received	50 388	5 312	55 700	57 793	2 093	
Total revenue	743 477	129 346	872 823	883 316	10 493	

Expenditure

Employee costs	(466 577)	(7 651)	(474 228)	(491 614)	(17 386)	N2
Operational expenditure	(184 469)	18 490	(165 979)	(132 420)	33 559	N3
Other administrative expenditure	(60 349)	2 421	(57 928)	(41 156)	16 772	N4
Depreciation and amortisation	(34 047)	(3 304)	(37 351)	(29 504)	7 847	N5
Assets derecognised	-	-	-	(92)	(92)	
Bad debts	-	-	-	(432)	(432)	

Total expenditure	(745 442)	9 956	(735 486)	(695 218)	40 268	
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Operating surplus	(1 965)	139 302	137 337	188 098	50 761	
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Gain on disposal of assets	-	-	-	31	31	
Actuarial gains/(losses)	-	-	-	(3 119)	(3 119)	
Reversal of ECL impairment	-	-	-	479	479	
Reversal of provision (Surrender of surpluses)	-	-	-	244 000	244 000	

	-	-	-	241 391	241 391	
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Surplus for the year	(1 965)	139 302	137 337	429 489	292 152	
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Actual amount on a comparable basis as presented in the Budget and Actual Comparative Statement	(1 965)	139 302	137 337	429 489	292 152	
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- Refer to notes 35 and 36

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference - Refer note 37
	R '000	R '000	R '000	R '000	R '000	

Statement of Financial Position

Assets

Non-Current Assets

Property, plant and equipment	11 590	(3 498)	8 092	9 660	1 568	N6
Intangible assets	23 000	(15 300)	7 700	16 086	8 386	N6
Total Assets	34 590	(18 798)	15 792	25 746	9 954	

Net Assets

Net Assets Attributable to the Controlling Entity

Reserves

Accumulated surplus	34 590	(18 798)	15 792	25 746	9 954	
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Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Significant Accounting Policies

	2026 R '000	2025 R '000
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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 under Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

The key accounting policies used in preparing these annual financial statements are listed below.

These annual financial statements have been prepared on an accrual basis of accounting under the historical cost convention as the basis of measurement, unless specified otherwise. All figures are rounded to the nearest thousand rand.

These accounting policies are consistent with the previous period, except for the changes set out in note 3 - Changes in accounting policy.

1.2 Presentation currency

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

1.3 Going concern assumption

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

1.4 Materiality

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

Assessing whether an omission or misstatement could influence users' decisions, and thus be material, requires consideration of those users characteristics. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.5 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 reported therein 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:

Other significant judgements, sources of estimation uncertainty and/or related information, have been disclosed in the relating notes.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in note 15 - Provisions.

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Significant Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty (continued)

Employee benefits

The present value of the post-employment obligation and other long-term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost or income include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The entity determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows required to settle the obligation. In determining the appropriate discount rate, the entity considers the interest rates of high-quality corporate bonds and/or the risk-free interest rate that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related liability.

Other key assumptions for the obligations are based on current market conditions. Additional information is disclosed in Notes 13 and 14.

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Significant Accounting Policies

1.6 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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

Item	Depreciation method	Average useful life
IT equipment	Straight-line	3 - 10 years
Office furniture and equipment	Straight-line	5 - 15 years
Leasehold improvements	Straight-line	Lease period

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

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.

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Significant Accounting Policies

1.7 Intangible assets

Intangible assets represent directly attributable costs associated with the acquisition, development and installation of computer software. Software which is not an integral part of related computer hardware, is classified as an intangible asset.

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.

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

- it is technically feasible to complete the asset so that it will be available for use.
- there is an intention to complete and use it.
- there is an ability to use it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

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

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

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

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

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

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

Intangible assets are derecognised:

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

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

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1.8 Financial instruments - GRAP 104: revised 2019

Effective from 1 April 2025, as set by the Minister of Finance and the relevant Directive (see note 3 - Changes in accounting policy).

Initial recognition

The CIPC 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 CIPC recognises financial assets using trade date accounting.

Classification and subsequent measurement

Financial assets

The following financial assets have been identified:

- Cash and cash equivalents
- Receivables from exchange transactions, including deposits

These financial assets are measured at amortised cost because both of the following conditions are met:

- a) These financial assets are held with the objective of collecting contractual cash flows; and
- b) The contractual terms of these financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Classification of financial liabilities

The CIPC classifies all financial liabilities as subsequently measured at amortised cost.

The following financial liabilities have been identified:

- Payables from exchange transactions
- Payables from customer deposits
- Bank credit card

Initial measurement

At initial recognition, the CIPC measures receivables from exchange transactions, payables from exchange transactions, and payables from customer deposits at their transaction price, as the initial credit period of 30 days or less is consistent with public-sector terms.

For all other financial assets and liabilities, including cash and cash equivalents and bank credit cards, which are subsequently measured at amortised cost, the entity initially measures them at fair value, plus or minus transaction costs directly attributable to the acquisition or issue of the financial asset or liability.

Write-off

The gross carrying amount of a financial asset is written off when the CIPC has no reasonable expectation of recovering the financial asset in its entirety or a proportion thereof. Upon write-off, the CIPC directly reduces the gross carrying amount by the approved amount for the write-off; the loss allowance is reduced by the portion previously recognised for that specific asset; and any remaining difference between the gross carrying amount written off and the reduction in the loss allowance is recognised immediately in surplus or deficit.

Write-offs are executed upon formal approval by the Accounting Authority.

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1.8 Financial instruments - GRAP 104: revised 2019 (continued)

The write-off of a financial asset does not necessarily extinguish the CIPC's right to recover the debt. Any subsequent recoveries of amounts previously written off are recognised in surplus or deficit in the period in which they are received.

Impairment

The CIPC performs an assessment of loss allowance for expected credit losses on all financial assets measured at amortised cost, comprising cash and cash equivalents, receivables from exchange transactions and deposits.

At each reporting date, the CIPC recognises an impairment gain or loss in surplus or deficit for the amount required to adjust the loss allowance to its required balance. This gain or loss is measured as the difference between the existing loss allowance balance and the amount determined at the reporting date in accordance with the expected credit loss model.

General approach

The CIPC applies the general approach and recognises a loss allowance for expected credit losses on cash and cash equivalents.

At each reporting date, the CIPC measures the loss allowance for these financial instruments at an amount equal to:

- 12-month expected credit losses, if the credit risk on that instrument has not increased significantly since initial recognition; or
- Lifetime expected credit losses, if the credit risk on that instrument has increased significantly since initial recognition.

Credit risk

The CIPC assesses whether the credit risk of cash and cash equivalents has increased significantly since initial recognition by comparing the risk of default at the reporting date with that at the date of initial recognition. This assessment is based on all reasonable and supportable information that is available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on the CIPC's historical loss experience and informed credit assessment, that includes forward-looking information.

The CIPC applies the rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless reasonable and supportable information demonstrates that a significant increase in credit risk has not occurred.

Default

The CIPC considers a financial asset to be in default when the counterparty is unlikely to pay its obligation to the CIPC in full or when the financial asset is more than 90 days past due.

Low credit risk

The CIPC considers a financial asset to have low credit risk when the counterparty's external credit rating is equivalent to the globally understood definition of 'investment grade'.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the counterparty;
- A breach of contract, such as a default or being more than 90 days past due;
- It is probable that the counterparty will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

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1.8 Financial instruments - GRAP 104: revised 2019 (continued)

Simplified approach

The CIPC applies the simplified approach and recognises a loss allowance for expected credit losses on receivables from exchange transactions. The CIPC always measures the loss allowance for these instruments at the amount of lifetime expected credit losses.

Measurement of expected credit losses

The CIPC 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.

The methods and assumptions used to measure expected credit losses, including the approaches applied to receivables and the forward-looking information incorporated, are disclosed in the financial instruments note.

Derecognition

Derecognition of financial assets

The CIPC derecognises a financial asset only when:

- The contractual rights to the cash flows from the financial asset expire, are settled or waived; or
- The CIPC transfers to another party substantially all of the risks and rewards of ownership of the financial asset.

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

Derecognition of financial liabilities

The CIPC removes a financial liability from its statement of financial position when it is extinguished — that is, when the obligation specified in the contract is discharged, cancelled, expires or waived.

Gains and losses

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

Offsetting

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

1.9 Financial instruments - GRAP 104: Previous policy applied in comparative period

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

A financial asset is:

- cash;

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1.9 Financial instruments - GRAP 104: Previous policy applied in comparative period (continued)

- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may vary due to changes in prevailing market interest rates.

Liquidity risk is the risk an entity faces when it has difficulty meeting obligations associated with financial liabilities settled by delivering cash or other financial assets.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

A financial asset is past due when a counterparty fails to make a payment as contractually due.

Classification

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

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost

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

Class	Category
Payables from customer deposits	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost

Initial recognition

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

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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Significant Accounting Policies

1.9 Financial instruments - GRAP 104: Previous policy applied in comparative period (continued)

Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at amortised cost.

Impairment and uncollectibility of financial assets

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

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced either directly or through an allowance account. The amount of the loss is recognised in surplus or deficit.

If an impairment loss decreases due to a verifiable event after recognition, reverse the loss directly or adjust the allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The entity derecognises a financial asset only when:

- the contractual rights to the financial asset's cash flows expire, are settled or are waived;

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

Financial liabilities

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

Presentation

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

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Significant Accounting Policies

1.10 Leases

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

Operating leases - lessee

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

1.11 Cash and cash equivalents

Cash comprises cash on hand, bank balances and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

1.12 Prepayments

Prepaid expenses are payments made in advance for the contractual future performance of services, receipt of goods or other assets. If the period of the prepayment spans more than one financial period, these amounts are recorded as assets until the related contract terms are met and the goods, services, or assets are received.

1.13 Impairment of cash-generating assets

At each reporting date, the entity reviews its non-financial (cash generating) assets for signs of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use, and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time, value for money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss occurs when an asset or CGU's carrying amount exceeds its recoverable amount. Impairment losses are recognised in surplus and deficit.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount do not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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Significant Accounting Policies

1.14 Impairment of non-cash-generating assets

Cash-generating assets are resources utilised to produce commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the asset's cost.

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

The carrying amounts of the entity's non-financial (non-cash generating) assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the entity will estimate the asset's recoverable service amount. The recoverable service amount of an asset is the greater of its value in use, and its fair value less costs to sell. In assessing value in use, the present value of the asset's remaining service potential must be determined. The present value of the asset's remaining service potential is determined by using the depreciated replacement cost approach. Under this approach, the present value of an asset's remaining service potential is determined to be its depreciated replacement cost. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset's used condition.

When the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss and is recognised in surplus and deficit. An impairment loss recognised in prior years for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. If this is the case, the asset's carrying amount is increased to its recoverable amount. That increase is a reversal of an impairment loss.

Designation

At initial recognition, the entity designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is based on an entity's objective for using the asset.

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

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

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

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

The entity operates in order to fulfill its legislated mandate and not for profit. Assets are therefore designated as non-cash generating assets.

1.15 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.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 27.

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Significant Accounting Policies

1.16 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period that increases net assets, other than increases resulting from contributions from owners.

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

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Interest income

Interest income comprises interest income on funds invested. Interest income is recognised on a time-proportion basis using the effective interest rate method.

Revenue from fees

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

- (a) the amount of revenue can be measured reliably;
- (b) the economic benefits or service potential associated with the transaction will flow to the entity;
- (c) the stage of completion of the transaction at the reporting date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed through an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over that period unless there is evidence that another method better represents the stage of completion. When a specific act is much more significant than any other act, 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, taking into consideration the total time that the transaction has been in process and the probability of the customer continuing with the application.

Advance payments on customer accounts are only recognised as revenue on the rendering of services. Customer accounts that have insufficient funds are raised as receivables.

Measurement

Revenue is measured at the fair value of the consideration received or receivable.

Trade receivables from exchange transactions

Exchange revenue is measured at the fair value of the consideration received or receivable. Exchange revenue comprises finance income and other operating income and is recognised when it is probable that future economic benefits will flow to the CIPC, and these benefits can be measured reliably. Accounts receivable arising from these transactions are categorised as financial assets at amortised cost.

Companies and Intellectual Property Commission

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Significant Accounting Policies

1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received or receivable by an entity, that represent an increase in net assets, other than increases relating to contributions from owners.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without providing a commensurate return of value in exchange, or transfers value to another party without receiving an equivalent consideration.

Non-exchange revenue comprises annual return revenue.

Revenue from annual return fees

Non-exchange revenue comprises annual return revenue. Revenue from annual return fees is measured at fair value. Fair value is deemed to be the transaction cost and is based on the annual return fee as prescribed in the annual return table as set out in Annexure 2 of the Companies Regulations, 2011.

Trade receivables from non-exchange transactions

Annual return fees are recognised only when the entity has filed an annual return, since this is when the initial recognition criteria are met. The filing and payment of the annual return constitute a single transaction, as these transactions must happen simultaneously to file a successful annual return and are measured at fair value.

Transfers

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

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Significant Accounting Policies

1.18 Employee benefits

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 (those payable within 12 months after the service is rendered, such as salaries, bonuses, and non-monetary benefits such as medical care) 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 (receivable) to the extent that the receivable 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 accumulated paid absences as the additional amount it expects to pay for unused entitlement accumulated at the end of the reporting period.

Post-employment benefits: Distinction between defined contribution plans and defined benefit plans

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. If contributions to a defined contribution plan are not expected to be settled within twelve months after the reporting period, they should be discounted at the specified rate.

Post-employment benefits: Defined benefit plans

Recognition and measurement

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

The entity determines the net defined benefit liability (asset) with sufficient regularity that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

1.18 Employee benefits (continued)

Post-retirement medical aid benefit

The entity provides a post-retirement medical aid benefit to retirees.

The entitlement to the post-retirement medical aid benefit is based on the employee remaining in service until retirement age and completing of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

In-service members employed after 01 July 2013 are not eligible for a post-employment benefit.

Independent qualified actuaries carry out valuations of these obligations.

An annual charge to income is made to cover these liabilities.

The amount recognised as a liability for other long-term employee benefits is the present value of the defined benefit obligation at the reporting date.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability, the entity recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date.

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost.
- interest cost.
- actuarial gains and losses.
- past service cost.
- the effect of any curtailments or settlements

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

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1.18 Employee benefits (continued)

Assumptions about medical costs account for estimated future changes in the cost of medical services, arising from both inflation and specific changes in medical costs.

Other long-term employee benefits

Long service awards

For other long-term employee benefits, the entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- (a) service cost;
- (b) net interest on the net defined benefit liability; and
- (c) remeasurements of the net defined benefit liability.

The entity provides long service awards to current employees.

The entitlement to long service awards is based on the employee remaining in uninterrupted service of the entity and is payable upon the completion of each five-year anniversary of employment at the entity. The expected costs of these benefits are accrued over the period of each five-year anniversary.

A long Service Award cannot be awarded to an individual who has not yet reached their anniversary date, unless the employee is about to retire at age 65. A pro-rata payment will be made to retiring employees who are 65 years of age.

Independent qualified actuaries carry out valuations of these obligations.

The amount recognised as a liability for other long-term employee benefits is its present value at the reporting date.

1.19 Capital commitments

Items are classified as capital commitments when the entity has committed to future capital expenditure transactions that will normally result in cash outflows.

Disclosures are required in respect of such unrecognised contractual commitments.

Commitments represent capital goods/services that have been ordered, but no delivery has taken place at the reporting date, and for which delivery is non-cancellable or only cancellable at significant cost.

1.20 Fruitless and wasteful expenditure

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

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

1.21 Irregular expenditure

Irregular expenditure, as defined in section 1 of the PFMA, is expenditure other than unauthorised expenditure, incurred in contravention of or that is not under a requirement of any applicable legislation.

Irregular expenditure is accounted for as expenditure in the statement of financial performance and where relevant a receivable is raised in the statement of financial position.

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1.22 Budget information

The approved budget covers the fiscal period from 2025/04/01 to 2026/03/31 and pertains only to the Companies and Intellectual Property Commission (CIPC).

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

Comparative information is not required.

1.23 Related parties

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

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. Because of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be 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.

1.24 Events after reporting date

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

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

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

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

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
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2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, 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:
GRAP 104 (as revised): Financial Instruments	01 April 2025	The impact of the change is set out in note 3 - Changes in accounting policy.

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2026 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 2023 Improvements to the Standards of GRAP 2023	No effective date	Impact is currently being assessed
GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	No effective date	Impact is currently being assessed

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
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3. Changes in accounting policy

The annual financial statements have been prepared in accordance with 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 CIPC applied the revised Standard of GRAP on Financial Instruments (GRAP 104, revised 2019) for the first time. The revised Standard became effective for the CIPC on 1 April 2025.

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, replacing the previous incurred-loss model.

Transitional provisions

The CIPC 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 had already been derecognised as of the date of initial adoption.

Despite the requirement to apply the Standard of GRAP on Financial Instruments (GRAP104) (2019) retrospectively, the CIPC was not required to restate prior periods.

The CIPC did not restate prior periods, and recognised any difference between the previous carrying amount and the carrying amount at the beginning of the reporting period that includes the date of initial adoption in the opening accumulated surplus on 1 April 2025.

Classification and measurement – transitional elections

At the date of initial adoption, the entity:

- Assessed its management model for managing financial assets on the basis of the facts and circumstances existing at that date. The resulting classification was applied retrospectively, irrespective of the CIPC's management model in prior reporting periods.

All financial assets held by the CIPC, comprising cash and cash equivalents, receivables from exchange transactions and deposits, are held within a management model whose objective is to collect contractual cash flows. The contractual terms of each of these financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Both conditions for amortised cost classification are therefore met, and all financial assets continue to be classified at amortised cost under GRAP 104 (revised 2019). No reclassification between measurement categories arose on adoption.

Impairment – Expected credit losses (ECL)

The CIPC applied the impairment requirements retrospectively in accordance with GRAP 3.

As the CIPC did not restate comparative information, applying the impairment requirements retrospectively means the CIPC measured impairment losses using expected credit losses as of the date of adoption (1 April 2025). The CIPC recognised any difference between the previous loss allowance and the loss allowance at the beginning of the reporting period, including the date of initial adoption, in the opening accumulated surplus of the annual reporting period.

Under the previous standard, an impairment allowance of R12 thousand was recognised against receivables from exchange transactions, based on incurred losses for which objective evidence of impairment existed. No impairment was recognised on cash and cash equivalents under the previous standard, as no objective evidence of impairment had been identified. On adoption of GRAP 104 (revised 2019), the CIPC is required to assess expected credit losses on all financial assets measured at amortised cost, irrespective of whether objective evidence of impairment exists at the reporting date.

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Significant Accounting Policies

1.8 Financial instruments - GRAP 104: revised 2019 (continued)

The write-off of a financial asset does not necessarily extinguish the CIPC's right to recover the debt. Any subsequent recoveries of amounts previously written off are recognised in surplus or deficit in the period in which they are received.

Impairment

The CIPC performs an assessment of loss allowance for expected credit losses on all financial assets measured at amortised cost, comprising cash and cash equivalents, receivables from exchange transactions and deposits.

At each reporting date, the CIPC recognises an impairment gain or loss in surplus or deficit for the amount required to adjust the loss allowance to its required balance. This gain or loss is measured as the difference between the existing loss allowance balance and the amount determined at the reporting date in accordance with the expected credit loss model.

General approach

The CIPC applies the general approach and recognises a loss allowance for expected credit losses on cash and cash equivalents.

At each reporting date, the CIPC measures the loss allowance for these financial instruments at an amount equal to:

- 12-month expected credit losses, if the credit risk on that instrument has not increased significantly since initial recognition; or
- Lifetime expected credit losses, if the credit risk on that instrument has increased significantly since initial recognition.

Credit risk

The CIPC assesses whether the credit risk of cash and cash equivalents has increased significantly since initial recognition by comparing the risk of default at the reporting date with that at the date of initial recognition. This assessment is based on all reasonable and supportable information that is available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on the CIPC's historical loss experience and informed credit assessment, that includes forward-looking information.

The CIPC applies the rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless reasonable and supportable information demonstrates that a significant increase in credit risk has not occurred.

Default

The CIPC considers a financial asset to be in default when the counterparty is unlikely to pay its obligation to the CIPC in full or when the financial asset is more than 90 days past due.

Low credit risk

The CIPC considers a financial asset to have low credit risk when the counterparty's external credit rating is equivalent to the globally understood definition of 'investment grade'.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the counterparty;
 - A breach of contract, such as a default or being more than 90 days past due;
 - It is probable that the counterparty will enter bankruptcy or other financial reorganisation; or
 - The disappearance of an active market for a security because of financial difficulties.
-

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Annual Financial Statements for the year ended 31 March 2026

Significant Accounting Policies

1.8 Financial instruments - GRAP 104: revised 2019 (continued)

Simplified approach

The CIPC applies the simplified approach and recognises a loss allowance for expected credit losses on receivables from exchange transactions. The CIPC always measures the loss allowance for these instruments at the amount of lifetime expected credit losses.

Measurement of expected credit losses

The CIPC 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.

The methods and assumptions used to measure expected credit losses, including the approaches applied to receivables and the forward-looking information incorporated, are disclosed in the financial instruments note.

Derecognition

Derecognition of financial assets

The CIPC derecognises a financial asset only when:

- The contractual rights to the cash flows from the financial asset expire, are settled or waived; or
- The CIPC transfers to another party substantially all of the risks and rewards of ownership of the financial asset.

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

Derecognition of financial liabilities

The CIPC removes a financial liability from its statement of financial position when it is extinguished — that is, when the obligation specified in the contract is discharged, cancelled, expires or waived.

Gains and losses

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

Offsetting

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

1.9 Financial instruments - GRAP 104: Previous policy applied in comparative period

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

A financial asset is:

- cash;

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Annual Financial Statements for the year ended 31 March 2026

Significant Accounting Policies

1.9 Financial instruments - GRAP 104: Previous policy applied in comparative period (continued)

- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may vary due to changes in prevailing market interest rates.

Liquidity risk is the risk an entity faces when it has difficulty meeting obligations associated with financial liabilities settled by delivering cash or other financial assets.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

A financial asset is past due when a counterparty fails to make a payment as contractually due.

Classification

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

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost

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

Class	Category
Payables from customer deposits	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost

Initial recognition

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

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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Significant Accounting Policies

1.9 Financial instruments - GRAP 104: Previous policy applied in comparative period (continued)

Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at amortised cost.

Impairment and uncollectibility of financial assets

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

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced either directly or through an allowance account. The amount of the loss is recognised in surplus or deficit.

If an impairment loss decreases due to a verifiable event after recognition, reverse the loss directly or adjust the allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The entity derecognises a financial asset only when:

- the contractual rights to the financial asset's cash flows expire, are settled or are waived;

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

Financial liabilities

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

Presentation

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

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Annual Financial Statements for the year ended 31 March 2026

Significant Accounting Policies

1.10 Leases

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

Operating leases - lessee

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

1.11 Cash and cash equivalents

Cash comprises cash on hand, bank balances and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

1.12 Prepayments

Prepaid expenses are payments made in advance for the contractual future performance of services, receipt of goods or other assets. If the period of the prepayment spans more than one financial period, these amounts are recorded as assets until the related contract terms are met and the goods, services, or assets are received.

1.13 Impairment of cash-generating assets

At each reporting date, the entity reviews its non-financial (cash generating) assets for signs of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use, and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time, value for money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss occurs when an asset or CGU's carrying amount exceeds its recoverable amount. Impairment losses are recognised in surplus and deficit.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount do not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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Significant Accounting Policies

1.14 Impairment of non-cash-generating assets

Cash-generating assets are resources utilised to produce commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the asset's cost.

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

The carrying amounts of the entity's non-financial (non-cash generating) assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the entity will estimate the asset's recoverable service amount. The recoverable service amount of an asset is the greater of its value in use, and its fair value less costs to sell. In assessing value in use, the present value of the asset's remaining service potential must be determined. The present value of the asset's remaining service potential is determined by using the depreciated replacement cost approach. Under this approach, the present value of an asset's remaining service potential is determined to be its depreciated replacement cost. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset's used condition.

When the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss and is recognised in surplus and deficit. An impairment loss recognised in prior years for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. If this is the case, the asset's carrying amount is increased to its recoverable amount. That increase is a reversal of an impairment loss.

Designation

At initial recognition, the entity designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is based on an entity's objective for using the asset.

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

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

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

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

The entity operates in order to fulfill its legislated mandate and not for profit. Assets are therefore designated as non-cash generating assets.

1.15 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.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 27.

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Significant Accounting Policies

1.16 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period that increases net assets, other than increases resulting from contributions from owners.

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

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Interest income

Interest income comprises interest income on funds invested. Interest income is recognised on a time-proportion basis using the effective interest rate method.

Revenue from fees

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

- (a) the amount of revenue can be measured reliably;
- (b) the economic benefits or service potential associated with the transaction will flow to the entity;
- (c) the stage of completion of the transaction at the reporting date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed through an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over that period unless there is evidence that another method better represents the stage of completion. When a specific act is much more significant than any other act, 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, taking into consideration the total time that the transaction has been in process and the probability of the customer continuing with the application.

Advance payments on customer accounts are only recognised as revenue on the rendering of services. Customer accounts that have insufficient funds are raised as receivables.

Measurement

Revenue is measured at the fair value of the consideration received or receivable.

Trade receivables from exchange transactions

Exchange revenue is measured at the fair value of the consideration received or receivable. Exchange revenue comprises finance income and other operating income and is recognised when it is probable that future economic benefits will flow to the CIPC, and these benefits can be measured reliably. Accounts receivable arising from these transactions are categorised as financial assets at amortised cost.

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Significant Accounting Policies

1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received or receivable by an entity, that represent an increase in net assets, other than increases relating to contributions from owners.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without providing a commensurate return of value in exchange, or transfers value to another party without receiving an equivalent consideration.

Non-exchange revenue comprises annual return revenue.

Revenue from annual return fees

Non-exchange revenue comprises annual return revenue. Revenue from annual return fees is measured at fair value. Fair value is deemed to be the transaction cost and is based on the annual return fee as prescribed in the annual return table as set out in Annexure 2 of the Companies Regulations, 2011.

Trade receivables from non-exchange transactions

Annual return fees are recognised only when the entity has filed an annual return, since this is when the initial recognition criteria are met. The filing and payment of the annual return constitute a single transaction, as these transactions must happen simultaneously to file a successful annual return and are measured at fair value.

Transfers

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

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Notes to the Annual Financial Statements

					2026 R '000	2025 R '000
3. Changes in accounting policy (continued)						
Reconciliation of impairment allowances/provisions to opening loss allowances – at the date of initial adoption						
1 April 2025						
Class of instrument	Notes	GRAP 104 (2009) category	GRAP 104 (2019) category	Closing impairment allowance / provision under GRAP 104 (2009) and GRAP 19 (immediately before adoption)	Difference recognised in opening accumulated surplus/(deficit)	Opening loss allowance under revised GRAP 104 at date of initial adoption
Receivables from exchange transactions		Amortised cost	Amortised cost	(12)	(610)	(622)

The closing impairment allowance of R12 thousand under GRAP 104 (2009) relates to the provision against receivables from exchange transactions recognised immediately before the date of adoption. No impairment allowance existed for cash and cash equivalents under the previous standard.

The opening loss allowance under GRAP 104 (revised 2019) of R622 thousand represents the ECL as determined at the date of initial adoption, and relates to receivables from exchange transactions (including deposits).

The difference between the closing impairment allowance under GRAP 104 (2009) and the opening loss allowance under GRAP 104 (revised 2019) was recognised in the opening accumulated surplus at 1 April 2025.

Summary of effect on accumulated surplus/net assets

As a result of applying GRAP 104 (revised 2019), the entity recognised a net decrease of R 610 thousand in opening accumulated surplus at 01 April 2025, comprising:

- R Nil from changes in classification or measurement categories; and
- An decrease of R 610 thousand from applying the expected-credit-loss impairment requirements rather than the previous incurred-loss model.

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	2026 R '000	2025 R '000
4. Receivables from exchange transactions		
Receivables from exchange transactions		
Trade receivables	85	528
Staff receivables	359	642
Patent Corporation Treaty (PCT) receivables	169	62
Other receivables	204	205
Allowance for impairment	(142)	(12)
	675	1 425

Split between non-current and current portions

Due to the nature of the receivables, they are generally due immediately upon recognition and are therefore past due. Amounts past due but not impaired is as follows:

Split between financial instruments and non-financial instruments

Carrying amount of financial instruments	675	1 425
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Split of the carrying amount of financial instruments into categories

Financial assets measured at amortised cost	675	1 425
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Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in note 30 Financial Instruments - Risk Management and Other Disclosures.

5. Prepayments

Prepaid expenses:

Software, licences and maintenance	14 301	14 901
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March 2026

Prepayments	Current 13 747	Non-current 554	Total 14 301
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March 2025

Prepayments	Current 13 089	Non-current 1 812	Total 14 901
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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	25 943	21 454
Call account-Corporation for Public Deposits (CPD)	848 403	672 017
Collection accounts	61 032	20 415
Bank credit card	(33)	(19)
	935 345	713 867
Current assets	935 378	713 886
Current liabilities	(33)	(19)
	935 345	713 867
Call account: Interest was earned at a rate of 7.0% (2025: 8.0%) during the financial year.		
No cash and cash equivalent balances are restricted.		
The total amount of undrawn facilities available for future operating activities and commitments	1 467	1 481
Split between financial instruments and non-financial instruments		
Carrying amount of financial instruments	935 345	713 867
Split of the carrying amount of financial instruments into categories		
Financial assets measured at amortised cost	935 345	713 867

Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in note 30 - Financial Instruments - Risk Management and Other Disclosures.

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Notes to the Annual Financial Statements

Figures in Rand thousand

7. Property, plant and equipment

	2026			2025		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
IT equipment	137 337	(98 841)	38 496	130 953	(84 779)	46 174
Office furniture and equipment	6 073	(5 700)	373	6 596	(5 943)	653
Leasehold improvements	1 181	(757)	424	973	(758)	215
Total	144 591	(105 298)	39 293	138 522	(91 480)	47 042

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals	Derecognition	Depreciation	Total
IT equipment	46 174	9 262	(13)	(91)	(16 836)	38 496
Office furniture and equipment	653	4	(3)	(1)	(280)	373
Leasehold improvements	215	394	-	-	(185)	424
	47 042	9 660	(16)	(92)	(17 301)	39 293

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Notes to the Annual Financial Statements

Figures in Rand thousand

7. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Derecognition	Depreciation	Impairment	Total
IT equipment	59 815	7 794	(402)	(29)	(20 774)	(230)	46 174
Office furniture and equipment	905	36	-	-	(288)	-	653
Leasehold improvements	11	454	-	-	(250)	-	215
	60 731	8 284	(402)	(29)	(21 312)	(230)	47 042

Other information

No items of property, plant and equipment are pledged as security

Refer to note 28 for commitments relating to property, plant and equipment

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

General expenses	7	186
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Companies and Intellectual Property Commission

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Notes to the Annual Financial Statements

Figures in Rand thousand

8. Intangible assets

	2026			2025		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	115 192	(56 632)	58 560	120 349	(65 672)	54 677

Reconciliation of intangible assets - 2026

	Opening balance	Additions	Amortisation	Total
Computer software	54 677	16 086	(12 203)	58 560

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Derecognition	Amortisation	Total
Computer software	56 570	11 636	(1)	(13 528)	54 677

Other information

Intangible assets with indefinite lives:

Intangible assets with indefinite useful lives: 18 516 17 728

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	2026 R '000	2025 R '000
8. Intangible assets (continued)		
Intangible assets with a carrying value of R18,5 million (2025: 17,7 million) were assessed at year end as having indefinite useful lives.		
Development relating to these assets are still ongoing and expected to continue for the medium term.		
Due to its specialised nature, management has no plans to replace these intangible assets for the foreseeable future and therefore assessed their useful lives as indefinite.		
9. Changes in accounting estimates		
Property, plant and equipment		
Management reviewed the estimated useful lives of property, plant and equipment at the end of the annual reporting year as required by GRAP 17. The useful lives of certain assets were deemed to be longer and the effect of the reassessment, assuming the assets are held until the end of their useful lives, will result in future depreciation increasing by:		
Reassessment of property, plant and equipment useful lives	4 109	832
Intangible assets		
Management reviewed the estimated useful lives of intangible assets at the end of the annual reporting year as required per GRAP 31. The useful lives of certain assets were deemed to be longer and the effect of the reassessment, assuming the assets are held until the end of their useful lives will result in future amortisation increasing by:		
Reassessment of intangible assets useful lives	2 792	-

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
10. Operating lease liability		
Current liabilities	1 813	2 309
Non-current liabilities	1 519	2 739
	3 332	5 048
Lease accruals arise from the straight lining of operating lease expenditure over the term of the lease.		
Refer to note 21 for details of operating lease expenditure and note 25 for operating lease commitments.		
11. Payables from exchange transactions		
Trade payables	9 856	7 443
Accruals: Remuneration related	7 625	7 293
Accruals: Trade payables	13 557	13 309
	31 038	28 045
Split between financial instruments and non-financial instruments		
Carrying amount of financial instruments	31 038	28 045
Split of the carrying amount of financial instruments into categories		
Financial liabilities measured at amortised cost	31 038	28 045
12. Payables from customer deposits		
Customer balances	149 178	144 525

Deposits are received from customers for future transactions. These are non-interest bearing and are recognised as revenue when the customer transacts with the CIPC.

Deposits received that have not been utilised for a period of 3 years from the receipt date, are recognised as other income.

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	2026 R '000	2025 R '000
13. Employee benefit obligation		
Defined benefit plans - General information		
Post-retirement medical aid benefit		
The CIPC offers in-service members the opportunity of belonging to one of several medical schemes, most of which offer a range of options pertaining to levels of cover.		
Upon retirement, an employee may continue membership of the medical scheme. Upon a member's death-in-service or death-in-retirement, the surviving dependents may continue membership of the medical scheme.		
Members must have belonged to a medical aid scheme for at least one year and must achieve at least 15 years of service to be eligible. For retirement on ill-health grounds, the minimum service period is 10 years. The benefit is forfeited on resignation and other withdrawals.		
In-service members employed before 01 July 2013 will receive a post-employment subsidy of 75% of the contribution payable should they be a member of a medical scheme at retirement.		
All continuation members and their eligible dependents receive a 75% subsidy. Upon a member's death-in-service or death-in-retirement the surviving dependents will continue to receive the same subsidy.		
Post-employment subsidies are subject to a maximum of R 1 810 (2025: R925) per member per month for a single member and R 3 620 (2025: R1 850) per member per month for a member with dependents, for the year ending 31 March 2026.		
In-service members employed after 01 July 2013 are not eligible for a post-employment subsidy.		
The entity wholly funds the defined benefit plan and it operates within the CIPC remuneration framework. All contributions are funded by CIPC operations.		
Plan amendments are as follows: The maximum monthly subsidy was increased during the year from R925 to R1 810 for a single member and from R1 850 to R3 620 for a member with dependents.		

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
13. Employee benefit obligation (continued)		
The amounts recognised in the statement of financial position are as follows:		
Carrying value		
Present value of the defined benefit obligation-wholly unfunded	(37 924)	(15 599)
Non-current liabilities	(36 379)	(14 897)
Current liabilities	(1 545)	(702)
	(37 924)	(15 599)
Changes in the present value of the defined benefit obligation are as follows:		
Opening balance	(15 599)	(11 514)
Service cost	(787)	(342)
Interest cost	(2 949)	(1 532)
Remeasurements	(3 370)	(2 709)
Past service cost	(16 319)	-
Payments from the plan	1 100	498
	(37 924)	(15 599)
Net expense recognised in the statement of financial performance are as follows:		
Service cost	17 106	342
- Current service cost	787	342
- Past service cost	16 319	-
- Plan amendment	16 319	-
Net interest on the net defined benefit liability (asset)	2 949	1 532
Remeasurements of the net defined benefit liability (asset)	3 370	2 709
- Actuarial gains and losses arising from:	3 370	2 709
- Changes in financial assumptions	4 717	2 337
- Experience adjustments	(1 347)	372
	23 425	4 583
Key assumptions used		
Assumptions used at the reporting date:		
Discount rates used	9,70 %	11,50 %
Medical cost trend rates	6,40 %	7,60 %
Inflation rate	4,40 %	5,60 %

The discount rate has been determined using the risk-free rate, compiled by the South African Reserve Bank for a 10 year duration.

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	2026 R '000	2025 R '000
13. Employee benefit obligation (continued)		
Sensitivity analysis		
Healthcare cost trends		
Assumed healthcare cost trends have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects on the value of the obligation:		
2026	One percentage point increase	One percentage point decrease
Discount rate	34 172	42 343
Expected retirement age	34 303	41 921
Age rating	41 146	34 943
2025	One percentage point increase	One percentage point decrease
Discount rate	14 153	17 288
Expected retirement age	14 027	17 385
Age rating	17 110	14 245

The CIPC expects to contribute R1,6 million to its defined benefit plan in the 2026/27 financial year.

Defined contribution plan: pension fund

The CIPC offers its employees a defined benefit plan through the Government Employees Pension Fund (GEPF). Contributions to the pension plan in respect of service in a particular year are included in the employees' total cost of employment and are charged to the statement of financial performance in the year to which they relate, as part of the cost of employment.

The CIPC has no legal or constructive obligation in respect of normal retirements to pay further contributions if the GEPF does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not the financial statements of CIPC.

The total economic entity contribution to such schemes	33 650	32 186
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Annual Financial Statements for the year ended 31 March 2026

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	2026 R '000	2025 R '000
14. Long service awards obligation		
Long service awards		
Employees qualify for a long service award in the month following each five-year anniversary date of uninterrupted service to the CIPC.		
Long service awards are paid as follows:		
Years of service	Amount	
5	R6 000	
10	R11 000	
15	R16 000	
20	R21 000	
25	R26 000	
30	R31 000	
35	R36 000	
40	R41 000	
A Long Service Award cannot be awarded to an individual who has not yet reached their anniversary date, unless the employee is about to retire at age 65. A pro-rata payment will be made to retiring employees who are 65 years of age.		
Long service awards are limited to current in-service employees and therefore there is no expectation that the benefit will affect the amount and timing of the entity's future cash flow.		
The amounts in the financial statements arising from other long-term employee benefits are:		
Long service awards: Current liability	1 730	2 287
Present value of the other long-term benefit obligation - wholly unfunded		
Long service awards: Non-current liability	12 060	11 801
Present value of the other long-term benefit obligation - wholly unfunded		
	13 790	14 088
Detail of movement in Long service award		
Current service cost	784	709
The current service cost is calculated at the beginning of the year allowing for one year's interest using the discount rate at the start of the year.		
Past service cost	-	474
<u>2025</u>		
The long service awards were increased in the prior year effective 1 January 2025. The effect of the increase was taken account of as a past service cost which was calculated as at 1 January 2025 using a discount rate of 9.3% and an inflation rate of 3.8%.		
Interest cost	1 311	1 304
The interest expense associated with the liabilities is determined by applying the discount rate established at the beginning of the year, taking into account anticipated benefit payments throughout the year.		
Actuarial (gains) losses	(251)	804
A gain or loss arises in a particular year as a result of a change in actuarial assumptions and/or a difference between expected experience and actual experience. The discount rate used is 9.1% (2025:9.5%).		
Benefits paid	(2 142)	(1 363)
Payments relating to Long service awards made during the year.		
	(298)	1 928

The basis on which the discount rate has been determined is as follows:

The basis of the assumption used is the Nominal Bond Curve, as compiled by the Johannesburg Stock Exchange of South Africa, at the duration of the liabilities of 6 years.

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000				
15. Provisions						
Reconciliation of provisions - 2026						
	Opening Balance	Additions	Utilised during the year	Utilised or forfeited during the year	Reversed during the year	Total
Leave pay benefits	28 384	24 095	-	(22 848)	-	29 631
Surrender of surpluses	244 000	-	-	-	(244 000)	-
Performance bonuses	21 411	20 950	(18 771)	-	-	23 590
	293 795	45 045	(18 771)	(22 848)	(244 000)	53 221

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised during the year	Utilised or forfeited during the year	Reversed during the year	Total
Leave pay benefits	29 239	22 221	-	(23 076)	-	28 384
Surrender of surpluses	112 000	244 000	-	-	(112 000)	244 000
Performance bonuses	21 070	16 698	(16 357)	-	-	21 411
	162 309	282 919	(16 357)	(23 076)	(112 000)	293 795

Leave pay benefits

In terms of the CIPC leave pay policy, employees are entitled to accumulated leave pay benefits not taken within a leave cycle, provided that any leave benefits, excluding capped leave amounting to R5,5 million (2025: R6,2 million) which accrued before 01 July 2000, not taken within a period of six months after the end of the leave cycle is forfeited.

Surrender of surpluses

In the prior year, the CIPC provided for R244 million of its accumulated surpluses to be surrendered to the National Treasury as calculated in terms of section 6 of the National Treasury Instruction No. 12 of 2020/2021, taking into consideration the previously approved surpluses by the National Treasury.

Based on Paragraph 2.1(b) of Instruction No. 03 of 2025/2026 issued by the National Treasury in August 2025, the CIPC is not required to surrender surpluses to National Treasury.

The full amount of the 2024/2025 provision was therefore reversed as the CIPC is not required to transfer surpluses to the National Treasury.

Performance bonuses

Merit awards are based on the results of staff performance evaluations and may be adjusted based on the actual audited percentage of organisational performance against key performance indicators.

The actual expense paid during the 2025/2026 financial year relating to the 2024/2025 provision amounted to R18,8 million. The difference was accepted as immaterial and therefore the comparatives were not restated.

Companies and Intellectual Property Commission

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
16. Revenue		
Fees	240 668	228 737
Reversal of provision	244 000	-
Other income	11 657	13 060
Interest income	57 793	49 008
Annual return fees	573 198	468 248
Reversal of ECL impairment	479	-
Gain on disposal of assets	31	-
	1 127 826	759 053

The amount included in revenue arising from exchanges of goods or services are as follows:

Fees	240 668	228 737
Other income	11 657	13 060
Interest income	57 793	49 008
	310 118	290 805

16.1 Fees

Corporate information	29 579	28 217
Company registration and maintenance	136 465	127 601
Data sales	3 367	4 739
Intellectual property registration and maintenance	70 602	67 478
Cooperatives registration and maintenance	655	702
	240 668	228 737

16.2 Interest income

Interest received	57 793	49 008
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16.3 Other income

Other exchange transactions	1 117	112
Patent Corporation Treaty (PCT) income	50	50
Recognition of customer balances	10 490	12 898
	11 657	13 060

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

16.4 Annual return fees

Annual return fees*	573 198	468 248
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*Included in annual return fees are penalties levied for returns submitted more than 30 business days after the due date.

17. Consulting and professional fees

Specialist information technology consultants, licences and services	79 551	79 379
Management consultants	17 834	19 148
	97 385	98 527

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
18. Depreciation and amortisation		
Property, plant and equipment	17 301	21 312
Intangible assets	12 203	13 528
	29 504	34 840
19. Employee related costs		
Basic	354 823	322 158
Group life cover	3 420	2 928
Internships	8 744	12 086
Long service bonus	2 096	2 379
Medical contributions	30 190	12 446
Other benefits*	17 573	13 897
Overtime	1 834	1 897
Parking allowance	420	387
Performance bonus	20 950	16 698
Pension contributions	33 650	32 186
Service bonus	13 853	13 406
Skills Development Levy	4 061	3 695
	491 614	434 163

* Other benefits include leave, acting allowances, compensation fund payment and other allowances.

20. Impairment loss

Impairment

Property, plant and equipment	-	230
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2025

During the year 67 Uninterrupted Power Supply (UPS) units were identified as broken. The units were sent to the supplier for repair.

The issue with the units was assessed as an electronic component failure and the supplier informed the CIPC that it cannot obtain replacement components.

All 67 units were impaired to their residual value of R1 rand as the recoverable amount is deemed to be such at year end.

The recoverable service amount of the asset was based on its value in use.

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
21. Operating lease charges		
Premises	13 681	22 520
Equipment	1 440	1 325
Offsite storage facility	3 787	4 555
	18 908	28 400
22. Other operating expenses		
Agency support staff	774	-
Audit and Risk committee fees	812	721
Bursaries	2 067	1 674
Conferences and venues	4 356	2 814
Derecognition of assets - Refer note 23	92	30
Donations	129	200
Entertainment and refreshments	1 203	600
Flowers	23	23
Insurance and courier services	6	294
Internet and network costs	1 475	1 449
Publications, printing and stationery	2 779	1 951
Repairs and maintenance	7	186
Resettlement costs	56	386
Security and cleaning	2 956	2 878
Subscriptions and membership fees	624	384
Training	4 464	2 059
Uniforms	-	774
	21 823	16 423

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
23. Derecognition of assets		
IT equipment	91	29
Office furniture and equipment	1	-
Computer software	-	1
	92	30

IT equipment2026

Five laptops with a carrying value of R91 thousand were derecognised as they were stolen whilst in the possession of staff. All instances of theft were reported to the South African Police Service.

Two items of fully depreciated IT equipment with an original cost of R9 thousand were derecognised as they were stolen whilst in the possession of staff.

2025

Two laptops with a carrying value of R29 thousand were derecognised as they were stolen whilst in the possession of staff. Both cases were reported to the South African Police Service.

Fully depreciated IT equipment with an original cost of R2 thousand were derecognised as they were identified as broken and no future economic benefits or service potential were expected from its use. The derecognition relates to a biometric scanner and a headset.

Office furniture and equipment2026

Five items of furniture and equipment with a carrying value of R1 thousand were derecognised as it could be located during the asset verification process. These relates mainly to operator chairs.

2025

No items of office furniture and equipment were derecognised.

Leasehold improvements2026

Fully depreciated leasehold improvements with an original cost of R185 thousand were derecognised as no future economic benefits or service potential was expected from its use. The derecognition relates to leasehold improvements at the Johannesburg SSC for which the lease ended.

2025

No items of leasehold improvements were derecognised.

Computer software2026

Fully depreciated Software with an original cost of R21 million were derecognised as no future economic benefits or service potential was expected from its use.

2025

Software with a net-book value of R1 thousand and an original cost of R377 thousand were derecognised as no future economic benefits or service potential was expected from its use.

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
24. Cash generated from operations		
Surplus (deficit)	429 489	(26 538)
Adjustments for:		
Depreciation and amortisation	29 504	34 840
(Gain) /Loss on the sale of assets	(31)	139
Impairment deficit	-	230
Bad debts	432	9
Movements in operating lease assets and accruals	(1 716)	3 081
Movements in employee benefit obligation	22 325	4 085
Movements in provisions	(240 574)	131 486
Movement in other long-term employee benefit obligation	(298)	1 928
Opening retained earnings adjustment (GRAP104R)	(610)	-
Derecognition of assets	92	30
Assets purchased in the prior year paid in the current year	-	8 296
Purchase of assets not yet paid for	(1 067)	-
Changes in working capital:		
Receivables from exchange transactions	318	(168)
Prepayments	600	5 810
Payables from exchange transactions	2 993	(5 923)
Customer deposits	4 653	9 947
	246 110	167 252

25. Operating lease commitments

	0-1 Years	2-5 Years	5 years plus	Total
March 2026				
The dtic Campus - Office	13 132	13 789	-	26 921
The dtic Campus - Parking	139	-	-	139
Batho Pele House: Johannesburg	704	3 026	-	3 730
Norton Rose House: Cape Town	351	370	-	721
Pavilion Mall: Durban	185	-	-	185
Suncardia Mall: Pretoria	812	3 359	-	4 171
AGS Records Management - Offsite file storage	6 695	26 780	2 232	35 707
Iron mountain - Backup storage facility	86	93	-	179
Altron - Printers	1 312	2 186	-	3 498
	23 416	49 603	2 232	75 251
March 2025				
The dtic Campus - Office	12 506	26 921	-	39 427
The dtic Campus - Parking	277	139	-	416
Hollard Street: Johannesburg	327	-	-	327
Norton Rose House: Cape Town	332	721	-	1 053
Pavilion Mall: Durban	144	-	-	144
Suncardia Mall: Pretoria	170	-	-	170
AGS Records Management - Offsite file storage	6 695	26 780	13 505	46 980
Iron Mountain - Backup storage facility	80	179	-	259
Dido - Printers	363	-	-	363
	20 894	54 740	13 505	89 139

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
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25. Operating lease commitments (continued)

The dtic Campus - Office

The offices are based at 77 Meintjies Street, in Sunnyside, Pretoria. The lease term is five years from 01 April 2023 to 31 March 2028. The rental escalates at the Consumer Price Index rate annually. A CPI rate of five percent was used to calculate the annual increase and future commitments.

The dtic Campus - Parking

Relates to the lease of parking bays at the dtic campus. The lease term is 24 months from 01 October 2024 to 30 September 2026. The lease rental is not subject to annual escalation.

Batho Pele House: Johannesburg - Offices

The offices are located at 91 Commissioner Street, Johannesburg. The lease term is 60 months from 16 December 2025 to 15 December 2030. The rental escalates at 7% per annum.

Hollard Street: Johannesburg - Offices

The offices were located in Hollard Street, Johannesburg. The lease term was 14 months from 01 September 2024 to 12 December 2025. The lease ended during the year.

Norton Rose House: Cape Town - Offices

The office is located at Norton Rose House, Cape Town. The lease term is five years from 01 April 2023 to 31 March 2028. The rental escalates at 5.5% per annum.

Pavilion Mall: Durban - Kiosk

The kiosk is based at Pavilion Mall, Durban. The lease term is 24 months from 16 September 2024 to 15 September 2026. The rental escalates at 7% per annum.

Suncardia Mall: Pretoria - Offices

The offices are located at Suncardia Mall, Pretoria. The lease term is 60 months from 01 August 2025 to 31 July 2030. The rental escalates at 7% per annum.

AGS Records Management - Offsite file storage

The lease is for an off-site file storage facility. The lease term is ten years from 21 July 2021 to 20 July 2031. The commitment is based on the maximum estimated storage space which may be utilised by the CIPC, with the expense based on the actual storage space utilised and which results in differing monthly costs.

Iron Mountain - Backup storage facility

The lease is for a backup storage facility. The lease term is five years from 09 March 2023 to 08 March 2028. The lease rental escalates at 8% per annum.

Altron - Printers

Operating lease for printers at the CIPC offices in Pretoria. The lease term was 36 months from 01 December 2025 to 30 November 2028. The lease expense does not escalate annually.

Dido - Printers

Relates to a lease term extension for printers at the CIPC offices in Pretoria. The lease term was 14 months from 01 October 2024 to 30 November 2025 and did not contain an escalation clause. The lease term ended during the year.

26. Taxation

Income Tax

The entity is not liable for income tax in terms of section 10(1)(a) of the Income Tax Act, as amended.

Value-Added tax

The entity is exempt from value-added taxation in terms of a Tax Authorities' directive.

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	2026 R '000	2025 R '000
27. Contingencies		
Legal fees		
Cost order	629	-

During the year, a cost order was brought against CIPC. The cost order is the result of CIPC revoking the licence of a Business Rescue Practitioner, a decision that was contested and led to the cost order being issued.

The CIPC is disputing the value of the cost order. The maximum liability is R629 Thousand. The actual amount and timing of the outflow is unknown.

Surrender of surpluses

Accumulated surplus	-	240 763
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Surplus for 2025/26

Based on Paragraph 2.1(b) of Instruction No. 03 of 2025/2026 issued by the National Treasury, the CIPC is not required to surrender its surpluses to National Treasury. As such, a contingent liability is not disclosed.

Surplus for 2024/25

A declaration of the cash surplus as of 31 March 2025 was submitted to the National Treasury, together with an application to retain such surpluses in terms of section 53(3) of the PFMA and National Treasury instruction No 12 of 2020/2021.

The National Treasury approved the request for retention and as such the CIPC did not surrender surpluses relating to the 2023/24 financial year to the National Treasury.

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	2026 R '000	2025 R '000
28. Planned capital programmes		
Head Office and Self-service centres		
The following capital programmes were approved and contracted:		
• Furniture and equipment	483	-
• Investment in ICT systems for improved service delivery: Hardware and Software	14 881	4 140
	15 364	4 140
The following capital programmes were approved but not yet contracted:		
• Furniture and equipment	4 692	4 950
• Leasehold improvements	4 300	1 140
• Investment in ICT systems for improved service delivery: Hardware and Software	25 059	24 360
	34 051	30 450
Total capital commitments		
Approved and contracted	15 364	4 140
Approved but not yet contracted	34 051	30 450
	49 415	34 590
29. Patent Corporation Treaty (PCT) Trust Account		
Funds held in trust to which the entity is not entitled, are accounted for separately and deposited into a separate bank account.		
PCT creditors	96	87
Funds received from South African clients to be paid to the World Intellectual Property Organisation (WIPO) and the International Searching Authority (ISA).		
Balance in the PCT bank account	96	87

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Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
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30. Financial Instruments - Risk Management and Other Disclosures**Significance of financial instruments for financial position and financial performance****Statement of financial position****Carrying amounts of financial assets****Class of financial instrument 2026**

	Notes	At amortised cost	Total
Receivables from exchange transactions	4	675	675
Cash and cash equivalents	6	935 378	935 378
Total carrying amounts		936 053	936 053

Class of financial instrument 2025

	Notes	At amortised cost	Total
Receivables from exchange transactions	4	1 425	1 425
Cash and cash equivalents	6	713 886	713 886
Total carrying amounts		715 311	715 311

Included in Receivables from exchange transactions is a deposit of R200 thousand. The ECL calculation for the deposit was performed using the general approach.

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		2026 R '000	2025 R '000
30. Financial Instruments - Risk Management and Other Disclosures (continued)			
Carrying amounts of financial liabilities			
Class of financial instrument 2026			
	Notes	At amortised cost	Total
Payables from exchange transactions	11	31 038	31 038
Payables from customer deposits	12	149 178	149 178
Bank credit card	6	33	33
Total carrying amounts		180 249	180 249
Class of financial instrument 2025			
	Notes	At amortised cost	Total
Payables from exchange transactions	11	28 045	28 045
Payables from customer deposits	12	144 525	144 525
Bank credit card	6	19	19
Total carrying amounts		172 589	172 589

Nature and extent of risks arising from financial instruments

The main risks arising from the CIPC's activities are liquidity risk, credit risk and interest rate risk.

This note presents information on the CIPC's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risks. The Accounting Authority and executive management are responsible for establishing and overseeing the CIPC's risk management framework.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will default on its obligations to the CIPC, thereby causing financial loss. Credit risk primarily consists of cash deposits, cash equivalents, and receivables from exchange transactions. The CIPC only deposits cash with major banks with high-quality credit standing and limits exposure to any one counterparty.

Credit risk on Receivables from exchange transactions is managed through ongoing monitoring of outstanding balances.

Regardless of the qualitative or quantitative assessment performed, the CIPC applies the rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the CIPC has reasonable and supportable information demonstrating that a significant increase in credit risk has not occurred.

The rebuttable presumption is not applied to staff receivables. Staff receivables consist mostly of bursary debt and are interest-exempt. Staff normally settle the receivable within 12 months. Should the staff member resign, the outstanding receivable is deducted from their final salary. If the final salary is insufficient to cover the outstanding debt, the remaining balance is paid by the pension fund.

There have been no significant changes in the CIPC's exposure to credit risk or in its objectives, policies, and processes for managing credit risk during the reporting period.

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
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30. Financial Instruments - Risk Management and Other Disclosures (continued)

Methods, assumptions and information used to measure ECL

The ECL was determined by an independent actuarial firm, at both the transition date (1 April 2025) and the reporting date (31 March 2026). The methods, inputs and assumptions applied to each class of financial asset are set out below.

Receivables from exchange transactions — simplified approach

The CIPC applies the simplified approach to all receivables from exchange transactions and measures the loss allowance at lifetime expected credit losses from initial recognition.

Trade receivables: Trade receivables arise exclusively from card failures and system anomalies, where the CIPC rendered a statutory service but the customer's card payment was subsequently reversed or not received. No voluntary credit has been extended. The likelihood of recovery is very low once a card transaction cannot be reversed through the bank, and that no interest or late-payment fees are levied. Given that more than 95% of the outstanding balance exceeds 12 months past due, a 100% ECL rate has been applied across all ageing buckets at both reporting dates.

Staff receivables: Staff receivables represent amounts owed by current and former employees, including bursary and study loans, salary overpayments, lost and damaged asset recoveries, and unpaid leave. An individual assessment approach is applied, with employees grouped into categories based on the recovery mechanism in place. The ECL rate per category is derived from the probability of resignation before full recovery and the probability of a shortfall at exit. These probabilities are based on judgement, informed by general South African public sector employment statistics. No interest is charged on staff receivable balances. A 100% ECL is applied to former employees where no salary deduction or pension settlement process is in place.

Income receivables: These relate to bank chargebacks and represent card payments that were initially settled into revenue but were subsequently reversed by the bank. All outstanding items have exceeded the typical bank dispute resolution period of 60 to 180 days without successful recovery. An individual assessment approach is applied, and a 100% ECL rate has been applied to the total outstanding balance.

Deposit - general approach

Deposit counterparties have been assessed at the reporting date. Loss allowances are measured at 12-month ECL. The same assumptions were applied consistently across both reporting dates.

Treatment of interest and discounting

No interest, finance charges or late-payment fees are levied on any of the receivable categories. The effect of discounting is assessed as immaterial for receivables, given that the total impairment allowance on receivables is well below the materiality threshold.

For the non-interest-bearing deposit, the ECL is discounted using the prime lending rate at the contract start date (11.00%), applied consistently across both reporting dates. Management confirmed that the deposit will be requested for refund during the 2026/27 financial year, giving a remaining contractual term of one year at 31 March 2026.

Low credit risk

The CIPC considers a cash and cash equivalents balance to have low credit risk when the financial institution's external credit rating is equivalent to the globally understood definition of 'investment grade'. At the reporting date, all banking institution counterparties carry a Moody's long-term deposit rating of Ba2.

Definition of default

Trade receivables: The CIPC considers trade receivables to be in default when they are 12 months past due, which is consistent with the rebuttable presumption in GRAP 104 (revised 2019).

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	2026 R '000	2025 R '000
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30. Financial Instruments - Risk Management and Other Disclosures (continued)

Staff receivables: Default occurs when no recovery mechanism is in place (i.e. the employee has exited without a pension settlement process being initiated and no salary deduction is active).

Cash and deposits: The CIPC considers a financial asset to be in default when the counterparty is unlikely to pay its obligation in full or when the financial asset is more than 90 days past due.

Grouping of instruments for ECL measurement

Receivables are grouped on the basis of shared credit risk characteristics as follows:

Trade receivables are grouped as a single homogeneous portfolio. All balances share the same credit risk characteristics: they arise from card payment failures on pre-paid statutory services, have no repayment terms, and carry a uniformly very low likelihood of recovery.

Staff receivables are grouped by recovery mechanism category (active employees with salary deductions running, active employees where deductions have not yet commenced, active employees with lost or damaged asset recoveries, and former employees with no recovery mechanism). Within each category, the credit risk drivers respond similarly to changes in employment conditions.

Income receivables are grouped as a single portfolio of bank chargebacks that have exceeded the dispute resolution window.

Cash and cash equivalents and deposits are assessed individually per counterparty, as each financial institution presents distinct credit risk characteristics based on its external credit rating and financial condition.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows have occurred. At the reporting date, the following financial assets are assessed as credit-impaired:

A deposit of R200 thousand paid to a government-related entity that has been in formal business rescue since 2023. The counterparty's financial distress constitutes significant financial difficulty, and the deposit has been outstanding since May 2018 without resolution. A CCC rating proxy has been applied, giving a loss rate of 16.299% (2025: 29.644%).

Staff receivables of R20 thousand relating to a former employee where no recovery mechanism is in place. The former employee has repeatedly refused to present themselves to finalise the pension settlement. A 100% ECL has been applied.

All trade receivables of R84 thousand, of which more than 95% exceed 12 months past due and where recovery through the banking system has been exhausted. A 100% ECL has been applied.

All income receivables (bank chargebacks) of R4 thousand, where all items have been outstanding for between 396 and 1,492 days and the bank dispute resolution process has been exhausted. A 100% ECL has been applied.

Forward-looking information

For receivables, the actuaries assessed whether a forward-looking macroeconomic adjustment could be derived that is reasonable and supportable. This assessment requires a minimum of five years of monthly ageing data and at least 1,000 unique debtors over the five-year period to establish a statistically reliable correlation with macroeconomic variables. Only annual year-end snapshots were available, and the number of debtors is insufficient to meet the calibration threshold. Accordingly, no macroeconomic overlay has been applied to receivables.

Write-off policy

Refer to the accounting policy note for the CIPC's write-off policy regarding the indicators used to conclude that there is no reasonable expectation of recovery.

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	2026 R '000	2025 R '000
30. Financial Instruments - Risk Management and Other Disclosures (continued)		
Quantitative and qualitative information about amounts arising from expected credit losses		
Changes in loss allowance and gross carrying amount		
2026		
Financial assets - Receivables from exchange transactions	note 4	
Reconciliation of loss allowance		
		Lifetime ECL, Total simplified approach (receivables)
Loss allowance at the beginning of the year		573
Net remeasurement of loss allowance		(460)
Loss allowance at the end of the year		113

The significant decrease in the loss allowance during 2026 is primarily attributable to a reduction in gross trade receivable exposure from R534 thousand at 1 April 2025 to R84 thousand at 31 March 2026, resulting from write-offs and the clearing of aged balances.

Refer to the "Reconciliation of gross carrying amount" below, for the relating significant changes in the gross carrying amount.

Financial assets - Deposit	Note 4		
Reconciliation of loss allowance			
		12-month expected credit losses (ECL)	Total
Loss allowance at the beginning of the year		48	48
Net remeasurement of loss allowance		(19)	(19)
Loss allowance at the end of the year		29	29

No comparative is presented as GRAP 104 (2009) was applied in 2025 and no ECL was recognised on this deposit under the previous standard. The increase in the loss allowance reflects the shorter remaining contractual term and updated for the counterparty in business rescue.

2025

Financial assets - Receivables from exchange transactions	Note 4		
Reconciliation of loss allowance			
		2025	Total
Loss allowance at the beginning of the year		9	9
Net remeasurement of loss allowance		3	3
Loss allowance at the end of the year		12	12

The 2025 comparative represents the provision for credit losses under GRAP 104 (2009) on an incurred-loss basis. No restatement was performed.

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	2026 R '000	2025 R '000
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30. Financial Instruments - Risk Management and Other Disclosures (continued)**Credit risk exposure**

For purposes of determining the credit loss allowances, the CIPC determines the credit risk grade of each financial asset at the end of the reporting period. These ratings are determined externally through rating agencies for cash and deposits, and internally for receivables where external ratings are not available.

Cash and cash equivalents — credit quality based on external credit ratings

Financial institution	External credit rating 2026	Gross carrying amount 2026	ECL loss allowance 2026	Net carrying amount 2026	Net carrying amount 2025
CPD - SARB	Ba2	848 403	-	848 403	672 017
ABSA Bank	Ba2	25 943	-	25 943	21 454
Nedbank	Ba2	60 614	-	60 614	20 008
First National Bank	Ba2	418	-	418	407
		935 378	-	935 378	713 886

The 2025 comparative is presented under note 31, Risk Management - pre-revised GRAP 104. No ECL was recognised in 2025, and the net carrying amounts equal the gross carrying amounts.

Deposit - credit quality based on external credit ratings

Counterparty	External rating	Loss rate %	Gross Carrying amount 2026	ECL 2026	Net carrying amount 2026
Government related entity (business rescue)	CCC	14,7	200	29	171

The deposit of R200 thousand was paid in May 2018 and has remained outstanding. The counterparty has been in formal business rescue since 2023. Management confirmed that the deposit does not bear interest and will be requested for refund during the 2026/27 financial year. The ECL is discounted at the prime lending rate at the contract start date (11.00%).

Receivables from exchange transactions - credit risk exposure (simplified approach)

Receivables are grouped on the basis of shared credit risk characteristics as set out in the credit risk management practice. The gross carrying amount, weighted average ECL rate and loss allowance at 31 March 2026 are as follows:

Receivable category	Gross carrying amount 2026	ECL rate %	ECL 2026	Net Carrying amount 2026
Trade receivables	85	100,0	85	-
Staff receivables	328	7,0	24	304
Income receivables	4	100,0	4	-
Total 2026	417		113	304

The staff receivable gross carrying amount of R328 thousand includes a balance of R2 thousand relating to a former employee whose debt was fully settled in April 2026. This settlement occurred after the reporting date but before the financial statements were approved and constitutes a post-balance-sheet confirming event. Accordingly, no ECL provision is required on this balance at 31 March 2026.

The 2025 comparative is presented under GRAP 104 (2009) with the impairment provision of R12 thousand determined on an incurred-loss basis. No restatement was performed.

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	2026 R '000	2025 R '000
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30. Financial Instruments - Risk Management and Other Disclosures (continued)

The maximum exposure to credit risk of such financial instruments is presented in the table below:

The following table presents the CIPC's maximum exposure to credit risk. The maximum exposure is the net carrying amount after deducting the ECL loss allowance, without taking account of collateral or other credit enhancements. The CIPC holds no collateral or other credit enhancements against any financial asset.

Controlling entity

Financial instrument class	2026		2025	
	Carrying amount exposed to credit risk	Maximum exposure to credit risk	Carrying amount exposed to credit risk	Maximum exposure to credit risk
Cash and cash equivalents (bank balances)	6 935 378	935 378	713 886	713 886
Receivables from exchange transactions	4 304	304	1 225	1 225
Deposit	4 171	171	200	200
	935 853	935 853	715 311	715 311

The CIPC holds no collateral and no other credit enhancements against any of the above financial assets.

The 2025 comparative is presented note 31, Risk Management - pre-revised GRAP 104 with no ECL recognised; the carrying amount equals the maximum exposure.

Liquidity risk

Liquidity risk is the risk that the CIPC will encounter difficulties in meeting its obligations as they fall due. The CIPC manages liquidity risk through an ongoing review of future commitments and cash flow forecasts. Surplus cash is invested with the Corporation for Public Deposits.

The CIPC manages liquidity by only spending according to its approved budget, which is funded through fees and annual return revenue. Cash that is not needed immediately is invested with the Corporation for Public Deposits. Creditors are paid within 30 days of receipt of invoice.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

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	2026 R '000	2025 R '000	
30. Financial Instruments - Risk Management and Other Disclosures (continued)			
Maturity analysis of contractual undiscounted cash outflows – non-derivative financial liabilities			
2026			
	Less than 1 year	Total	Carrying amount
Current liabilities			
Bank credit card	33	33	33
Payables from exchange transactions	31 038	31 038	31 038
Payables from customer deposits	149 178	149 178	149 178
2025			
	Less than 1 year	Total	Carrying amount
Current liabilities			
Bank credit card	19	19	19
Payables from exchange transactions	28 045	28 045	28 045
Payables from customer deposits	144 525	144 525	144 525

All financial liabilities within the scope of GRAP 104 (revised 2019) are current and due within one year. The CIPC is required to settle its obligations within 30 days from the date of invoice. The carrying amount approximates the contractual undiscounted cash flows as the effect of discounting is immaterial.

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	2026 R '000	2025 R '000
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30. Financial Instruments - Risk Management and Other Disclosures (continued)**Market risk****Interest rate risk**

The CIPC's exposure to interest risk is managed by investing, on a short-term basis, in current accounts and the Corporation for Public Deposits (CPD) to ensure maximum interest on surplus funds in accordance with the prescribed legislation. The risk arises when interest rates decline, as this reduces the interest income on invested funds. The entity manages its interest rate risk by investing its funds only in accounts at financial institutions that accrue interest at market-related rates. In accordance with National Treasury Regulation (section 31.3.3), all surplus funds are deposited in the call account with the Corporation for Public Deposits (CPD).

The CIPC has no interest-bearing financial liabilities within the scope of GRAP 104 (revised 2019). Changes in market interest rates would not have an impact on the statement of financial performance in respect of financial liabilities.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Interest rate profile

The interest rate profile of interest-bearing financial assets is disclosed in note 6.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate of 1% (100 basis points), which represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The analysis includes only the CPD account as interest earned on other accounts is immaterial.

Tabular sensitivity analysis

	2026 Increase	2026 Decrease	2025 Increase	2025 Decrease
Increase or decrease in rate:				
Impact on surplus or deficit:				
Cash and cash equivalents: CPD	7 501	(7 833)	6 032	(5 978)

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	2026 R '000	2025 R '000
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31. Risk management - pre-revised GRAP 104**Financial risk management**

The main risks arising from the CIPC's activities are liquidity risk, credit risk and market risk.

Financial assets that potentially subject the CIPC to concentrations of credit risk consist mainly of cash and cash equivalents. The entity's cash and short-term deposits are placed with high-quality financial institutions as well as the South African Reserve Bank. Credit risk concerning trade receivables is limited, because most of the entity's revenue transactions are carried out on a pre-paid basis. The entity's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of the receivables. Accordingly, the entity has no significant concentration of credit risk.

Liquidity risk

The CIPC's risk to liquidity stems from the funds available to cover future commitments. Considering the CIPC's current funding structures and available cash resources, the CIPC regards this risk as low.

The entity manages liquidity risk through an ongoing review of future commitments and cash flow forecasts.

The table below analyses the entity's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2026	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Bank credit card	33	-	-	-
Payables from exchange transactions	31 038	-	-	-
Payables from customer deposits	149 178	-	-	-
At 31 March 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Bank credit card	19	-	-	-
Payables from exchange transactions	28 045	-	-	-
Payables from customer deposits	144 525	-	-	-

Credit risk

Credit risk primarily consists of cash deposits, cash equivalents, and trade receivables. The CIPC only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2026	2025
Cash and cash equivalents	935 378	713 886
Receivables from exchange transactions	675	1 425

The maximum exposure to credit risk for financial assets at the reporting date by credit rating category was as follows:

Cash and cash equivalents: Ba2 and government
Receivables from exchange transactions: Unrated.

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	2026 R '000	2025 R '000
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31. Risk management - pre-revised GRAP 104 (continued)**Market risk****Interest rate risk**

The CIPC's exposure to interest risk is managed by investing, on a short-term basis, in current accounts and the Corporation for Public Deposits (CPD), to ensure maximum interest on surplus funds within the prescribed legislation. The risk arises when there are interest rate changes downward, as this will reduce the interest income on invested funds. The entity manages its interest rate risk by only investing its funds in accounts at financial institutions wherein the accounts accrue interest at market related interest rates. In terms of National Treasury Regulation (section 31.3.3), all surplus funds are deposited in the call account – Corporation for Public Deposits (CPD).

The CIPC is exposed to interest rate changes in respect of returns on its investments with financial institutions.

A change in the market interest rate would have increased / (decreased) the surplus for the year by the amounts below:

March 2026

	Change in interest rate	Increase in the surplus for the year upward	Decrease in the surplus for the year downward change
Cash and cash equivalents	1,00 %	7 501	(7 833)

March 2025

	Change in interest rate	Increase in the surplus for the year upward	Decrease in the surplus for the year downward change
Cash and cash equivalents	1,00 %	6 032	(5 978)

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	2026 R '000	2025 R '000
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32. Related parties**The dtic****2026**

The dtic seconded an employee to CIPC for the financial year.

The remuneration relating to the secondment was borne in full by the dtic.

The dtic utilised CIPC workstations for the financial year. The related depreciation cost to CIPC for the period 01 April 2025 - 31 March 2026 amounts to R15 thousand. The dtic was not charged for the use of the workstations.

2025

The dtic seconded an employee to CIPC during the financial year.

The remuneration relating to the secondment during the financial year was borne in full by the dtic.

The dtic is utilising CIPC workstations from 15 February 2025. CIPC is not charging dtic for use of the workstations. The related depreciation cost to CIPC for the period 15 February 2025 - 31 March 2025 amounts to R3 thousand.

The above transactions constitute non-arm's length transactions.

National Gambling Board

The CIPC seconded its Head of Strategy to the National Gambling Board from 01 August 2025 - 31 March 2026.

The remuneration relating to the secondment was borne in full by the CIPC.

The above transaction constitutes a non-arm's length transaction.

The dtic group

The CIPC forms part of the dtic portfolio and the related entities are included in the table below. The CIPC did not transact with any of the dtic group entities during the current year.

Income (Disclosure of information)

The CIPC registry services are rendered free of charge to other National and Provincial government departments and entities. The total amount for such services cannot be quantified.

Name	Relationship
Department of Trade, Industry and Competition (dtic)	Controlling department
B-BBEE Commission	Member of the dtic group
Companies Tribunal	Member of the dtic group
Competition Commission	Member of the dtic group
Competition Tribunal	Member of the dtic group
Export Credit Insurance Corporation of South Africa	Member of the dtic group
Industrial Development Corporation	Member of the dtic group
International Trade Administration Commission	Member of the dtic group
National Consumer Commission (NCC)	Member of the dtic group
National Consumer Tribunal (NCT)	Member of the dtic group
National Credit Regulator (NCR)	Member of the dtic group
National Empowerment Fund (NEF)	Member of the dtic group
National Gambling Board (NGB)	Member of the dtic group
National Lotteries Commission (NLC)	Member of the dtic group
National Metrology Institute of South Africa	Member of the dtic group
National Regulator for Compulsory Specifications (NRCS)	Member of the dtic group
South African Bureau of Standards (SABS)	Member of the dtic group
South African National Accreditation System (SANAS)	Member of the dtic group

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	2026 R '000	2025 R '000
32. Related parties (continued)		
Commission for Conciliation Mediation & Arbitration (CCMA)		National sphere of government
Community Schemes Ombud Services (CSOS)		National sphere of government
Compensation Fund (under Department of Labour)		National sphere of government
Co-operative Bank Development Agency (CBDA)		National sphere of government
Cross Border Road Transport Agency (CBRTA)		National sphere of government
Department of Agriculture, Land Reform and Rural Development		National sphere of government
Department of Employment and Labour (DOEL)		National sphere of government
Department of Home Affairs (National)		National sphere of government
Department of International Relations and Co-operation (DIRCO)		National sphere of government
Department of Justice (DOJ)		National sphere of government
Department of Mineral Resources and Energy (DMR)		National sphere of government
Department of Planning, Monitoring and Evaluation (DPME)		National sphere of government
Department of Public Enterprise		National sphere of government
Department of Public Service (DPSA)		National sphere of government
Department of Science & Technology (DST)		National sphere of government
Department of Small Business Development (DSBD)		National sphere of government
Department of Social Development (DSD)		National sphere of government
Department of Water & Sanitation (DWS)		National sphere of government
Development Bank of SA (DBSA)		National sphere of government
Financial Reporting Standards Council		National sphere of government
Financial Sector Conduct Authority (FSCA)		National sphere of government
National Home Builders Registration Council (NHBC)		National sphere of government
National Nuclear Regulator (NNR)		National sphere of government
National Prosecuting Authority (NPA)		National sphere of government
National Small Business Chamber (NSBC)		National sphere of government
National Treasury		National sphere of government
Office of the President		National sphere of government
Parliament of the Republic of South Africa		National sphere of government
Payment Association of South Africa (PASA)		National sphere of government
Pension Funds Adjudicator (PFA)		National sphere of government
Private Security Industry Regulatory Authority (PSIRA)		National sphere of government
Property Practitioners Regulatory Authority		National sphere of government
Proudly South Africa (PSA)		National sphere of government
Public Service Commission (PSC)		National sphere of government
Road Accident Fund (RAF)		National sphere of government
Road Traffic Management Corporation (RTMC)		National sphere of government
SA Police Services - HAWKS and IPID		National sphere of government
SA Reserve Bank (SARB)		National sphere of government
SA Revenue Services (SARS)		National sphere of government
SA Social Security Agency (SASSA)		National sphere of government
State Institute Technology Agency (SITA)		National sphere of government
State Security Agency (National and Provincial)		National sphere of government
Statistics SA		National sphere of government
Technology Innovation Agency		National sphere of government
Transnet		National sphere of government
Unemployment Insurance Fund (UIF)		National sphere of government

Related parties are identified as being those parties that control or have significant influence over the CIPC and those parties that are controlled or significantly influenced by the CIPC.

Related party transactions

Rent paid to related party		
Department of Trade, Industry and Competition (the dtic)	13 452	17 379

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	2026 R '000	2025 R '000			
32. Related parties (continued)					
Remuneration of management					
Management class: Executive management					
2026					
	Emoluments	Performance	Acting allowance	Travel	Total
Name and designation					
Adv Rory Voller - Commissioner	2 840	-	-	71	2 911
Ms Hamida Fakira-du-Toit - Executive: Corporate Services	731	-	-	-	731
Resigned: 31 July 2025					
Mr Lungile Dukwana - Chief Strategy Executive Seconded to NGB 01 August 2025 - 31 March 2026	2 279	121	-	-	2 400
Mr Phineas Mogale - Executive: Business Intelligence	2 534	102	-	18	2 654
Mr Muhammed Jasat - Chief Financial Officer	2 015	107	-	2	2 124
Mr Mpho Mathose - Chief Audit Executive Acting Executive BRR 01 January 2026 - 31 March 2026	1 870	99	45	1	2 015
Ms Nomonde Maimela - Executive: Innovation and Creativity	2 719	146	-	100	2 965
Ms Bathabile Kaphuma - Head: Risk, Governance and Compliance	2 096	112	-	-	2 208
Ms Zama Mtshali - Acting Executive: Corporate Services	1 500	87	104	-	1 691
01 August 2025 - 31 March 2026					
Ms. FN Mdletshe - Acting Chief Strategy Executive	447	90	-	-	537
01 August 2025 - 31 October 2025					
Ms DP Kganakga - Acting Chief Audit Executive	516	-	-	-	516
01 January 2026 - 31 March 2026					
	19 547	864	149	192	20 752

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	2026 R '000	2025 R '000			
32. Related parties (continued)					
2025					
	Emoluments	Performance	Other long-term benefits	Travel	Total
Name and designation					
Adv Rory Voller - Commissioner	2 726	-	-	82	2 808
Ms Hamida Fakira-du-Toit - Executive: Corporate Services	2 218	84	-	-	2 302
Mr Lungile Dukwana - Chief Strategy Executive	2 188	111	-	2	2 301
Mr Phineas Mogale - Executive: Business Intelligence	2 376	90	-	2	2 468
Mr Muhammed Jasat - Chief Financial Officer	1 899	96	-	1	1 996
Mr Mpho Mathose - Chief Audit Executive	1 762	89	-	3	1 854
Ms Nomonde Maimela - Executive: Innovation and Creativity	2 561	130	11	93	2 795
Ms Bathabile Kaphuma - Head: Risk, Governance and Compliance	1 975	100	-	-	2 075
	17 705	700	11	183	18 599

The total remuneration of executive management is included in employee costs (refer to note 19).

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	2026 R '000	2025 R '000
33. Irregular and Fruitless and Wasteful Expenditure		
*Refer to reconciling notes in the annual report		
No instances of irregular expenditure were identified during the current and prior year. No losses have occurred during the current and prior financial year due to fruitless or wasteful expenditure.		
Refer to reconciling notes in the annual report for details of prior year Irregular, Fruitless and Wasteful expenditure.		
34. Gifts and donations		
The acceptance or granting of a gift, donation or sponsorship is managed in terms of Section 76 of the Public Finance Management Act, 1999 (Act 1 of 1999). Gifts and donations received by employees during the year under review were:		
Small gifts received by staff	3	3
Corporate social responsibility: donations to schools	129	200
35. Reconciliation between the budget and the cash flow statement		
Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:		
Operating activities		
Actual amount as presented in the budget statement	429 489	26 538
Basis and timing differences	(183 379)	140 714
Net cash flows from operating activities	246 110	167 252
Investing activities		
Actual amount as presented in the budget statement	(25 746)	(19 920)
Basis and timing differences	1 114	(8 033)
Net cash flows from investing activities	(24 632)	(27 953)
Net cash generated from operating, investing and financing activities	221 478	139 299

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	2026 R '000	2025 R '000
36. Reconciliation between the budget and the statement of financial performance		
Reconciliation of the actual expenditure per the Statement of comparison of Budget and Actual Amounts to the Statement of Financial Performance:		
Operational expenditure		
Bank charges	6 012	5 295
Communication and postage	8 016	9 354
Consulting and professional fees	97 385	98 527
Internet and network costs	1 475	1 449
Membership fees	624	384
Operating lease charges	18 908	28 400
	132 420	143 409
Other administrative expenditure		
Advertising	3 965	7 471
Agency support staff	774	-
Audit and Risk committee fees	812	721
Audit fees	5 379	6 284
Bursaries	2 067	1 674
Conferences and venues	4 356	2 814
Donations	129	200
Entertainment and refreshments	1 203	600
Flowers	23	23
Insurance and courier services	6	294
Legal fees	7 568	4 506
Maintenance and repairs	7	186
Publications, printing and stationery	2 779	1 951
Resettlement cost	56	386
Security and cleaning	2 956	2 878
Training	4 464	2 059
Travelling and subsistence	4 612	4 437
Uniforms	-	774
	41 156	37 258

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Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
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37. Budget differences

Material differences between the budget and actual amounts

Budget narrations are provided for variances above R3 million and 3%.

N1 - Other income

The variance of R11,1 million over the budgeted income relates mainly to the prescription of customer deposits balances for which no transactions have been processed against, and are older than three years. The CIPC did not budget for such income due to the uncertainty of the amount which will be unutilised by customers during each financial year.

N2 - Employee costs

The variance of R17,4 million, translated to 3.7% above the budgeted expenditure is primarily due to changes to the terms of the Employee Benefit Obligation resulting in past service costs of R16,3 million.

N3 - Operational expenditure

The variance of R33,6 million, translated to 20.2% savings in the budgeted expenditure is attributed mainly to the following:

- Savings in consulting and professional fees amounting to R22,9 million is due to a lower than anticipated IT consulting hours being billed, as well as IT consulting hours being capitalised to intangible assets.
- Lease rentals on operating lease expenditure being R4,5 million lower than budget as a result of unwinding of lease liabilities in the current year

N4 - Other administrative expenditure

The variance of R16,7 million, translated to 29.0% savings in the budgeted expenditure is attributed mainly to the change in the way of working at CIPC, and relates mainly to the following:

- Underspending of R2,8 million in advertising expenditure due to planned advertising campaigns not commencing during the year
- Savings of R2,9 million in travelling and subsistence expenditure due to cost-saving measures implemented
- Savings of R1,6 million in legal fees due to lower than expected litigations during the year
- Savings of R3,2 million in conferences and venue expenditure due to cost-saving measures implemented

N5 - Depreciation and amortisation

The variance of R7,8 million, translated to 13.3% below budgeted expenditure is primarily due to useful life adjustments resulting in a lower depreciation expense in the current year.

N6 - Capital expenditure

The variance of R10 million translated to 63% above budgeted capital expenditure is attributed to downward adjustments to intangible assets budget during the budget adjustment as the expectation was that certain planned capital projects would not commence. However, the projects commenced during the second half of the financial year resulting in development costs being capitalised.

Changes from the approved budget to the final budget

The changes between the approved and final budget are the result of amended forecasts of revenue and expenditure which occur during the year.

Companies and Intellectual Property Commission

Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements

	2026 R '000	2025 R '000
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38. Prior period error

Depreciation and amortisation

During the current financial year, it was discovered that the depreciation was overstated by R18 thousand.

The financial impact of the error amounts to an understatement of R18 thousand in the 2025/2026 depreciation expense with a corresponding overstatement of the 2024/2025 depreciation expenditure.

Management did not restate the prior year's financial figures as the value of the error is considered trivial.

39. Events after the reporting date

Management is not aware of any matters or circumstances as at the end of the financial year, not otherwise dealt within the annual financial statements, that significantly affect the financial position of the CIPC or the results of its operations.

40. Going concern

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

PART G – SERVICE DELIVERY AND ORGANISATIONAL ENVIRONMENT STATISTICS

1. Service Delivery Statistics

The following section highlights the impact of the service delivery environment, including the performance of core CIPC services, issues of compliance and enforcement, customer engagement, and key CIPC strategies.

Applications, Registrations and Amendments

In general, trends have been either positive or consistent across most service domains relating to volumes of applications, registrations and amendments processed. This suggests that there is growing - or at least stable - demand for CIPC services as shown in Table G. 1: CIPC Key Services – Volumes over the past 5 years

Table G 1: CIPC Key Services – Volumes over the past 5 years

CIPC Services	2021/22	2022/23	2023/24	2024/25	2025/26
Patent Applications	12 479	14 330	10 029	10 303	11 860
Patent Registrations	7 834	7 397	6 075	6 120	6 212
Patent Renewals	47 803	45 387	42 434	47 754	47 851
Design Applications	1 555	1 782	1 325	1 443	1 560
Design Registrations	1 825	1 544	1 275	1373	940
Design Renewals	8 712	7 322	7 108	7 955	7 563
Copyright in Film Applications	56	17	14	8	10
Copyright in Film Registrations	46	9	1	19	12
Trade Mark Applications	42 138	38 224	38 919	31 638	50 355
Trade Mark Registrations	14 941	35 208	31 395	20 835	26 657
Trade Mark Renewals	26 651	26 550	28 302	22 074	29 087
Name Reservations	570 907	467 823	531 810	649 353	532 834
Company Registrations	469 983	404 095	402 559	488 355	515 892
Co-operatives Registrations	4 483	6 253	6 315	5 622	5 412

CIPC Services	2021/22	2022/23	2023/24	2024/25	2025/26
Director Amendments	167 627	149 816	116 029	205 149	225 376
Member Amendments	27 010	22 937	15 816	15 271	14 443
Auditor Changes	33 316	22 393	23 907	36 118	8545
Company Name Changes	57 666	53 983	To be updated	43 635	60 080
Company Financial Year End Changes	5 387	5 286	5807	5 584	4 784
Business Rescue Proceedings Commenced (Active Cases)	373	249	191	N/A	361
BBBEE Certificates	339 931	357 583	431 711	293 377	118 146

Table G. 2: CIPC Key Services – Average Turnaround Times (days) below depicts the average speed at which listed services were processed over the past five years.

Table G 2: CIPC Key Services – Average Turnaround Times

CIPC Services	2021/22	2022/23	2023/24	2024/25	2025/26
Patent Applications	2	2	2	2	2
Patent Registrations	44	44	20	20	25.5
Patent Renewals	3	2	2	1	1.5
Design Applications	2	2	2	2	2
Design Registrations	44	44	44	44	9
Design Renewals	2	2	2	2	2
Copyright in Film Applications	1	2	1	1	1
Copyright in Film Registrations	32	2	1	1	12
Trade Mark Applications	3	3	3	2	2
Trade Mark Registrations	132	180	180	180	180
Trade Mark Renewals	2	3	3	2	2
Name Reservations	1	1	1	2	1
Company Registrations	1	1	1	1	1
Co-Operative Registrations	1	1	1	5	1
Director Amendments Manual	2	3	2	2	1

CIPC Services		2021/22	2022/23	2023/24	2024/25	2025/26
Director (Electronic)	Amendments	1	2	1	Instant	Instant
Member (Manual)	Amendments	1	1	1	1	1
Member (Electronic)	Amendments	2	1	1	1	1
Auditor Changes (Manual)		1	3	3	2	2
Auditor (Electronic)	Changes	1	1	1	1	
Company Name Changes		Instant	Instant	Instant	Instant	Instant
Company Share Changes		Instant	Instant	Instant	Instant	Instant
Company Financial Year End Changes Electronic		Instant	Instant	Instant	Instant	Instant
Companies and CC Address Changes		Instant	Instant	Instant	Instant	Instant
Memorandum of Incorporation (MOI) Amendments (JSE, E-Mail)		Instant	Instant	Instant	Instant	Instant
Location of Company Records		Instant	Instant	Instant	Instant	Instant
Company and Voluntary De-Registration		Instant	Instant	Instant	Instant	Instant
Company Liquidations		Instant	Instant	Instant	Instant	Instant
Company Re-instatement		Instant	Instant	Instant	Instant	Instant
Company and CC Commencement of Business Rescue Proceedings		Instant	Instant	Instant	Instant	Instant
Annual Returns Filings		Instant	Instant	Instant	Instant	Instant
AFS Filings		Instant	Instant	Instant	Instant	Instant
BBBEE Certificate		Instant	Instant	Instant	Instant	Instant

Patents

Patents Applications

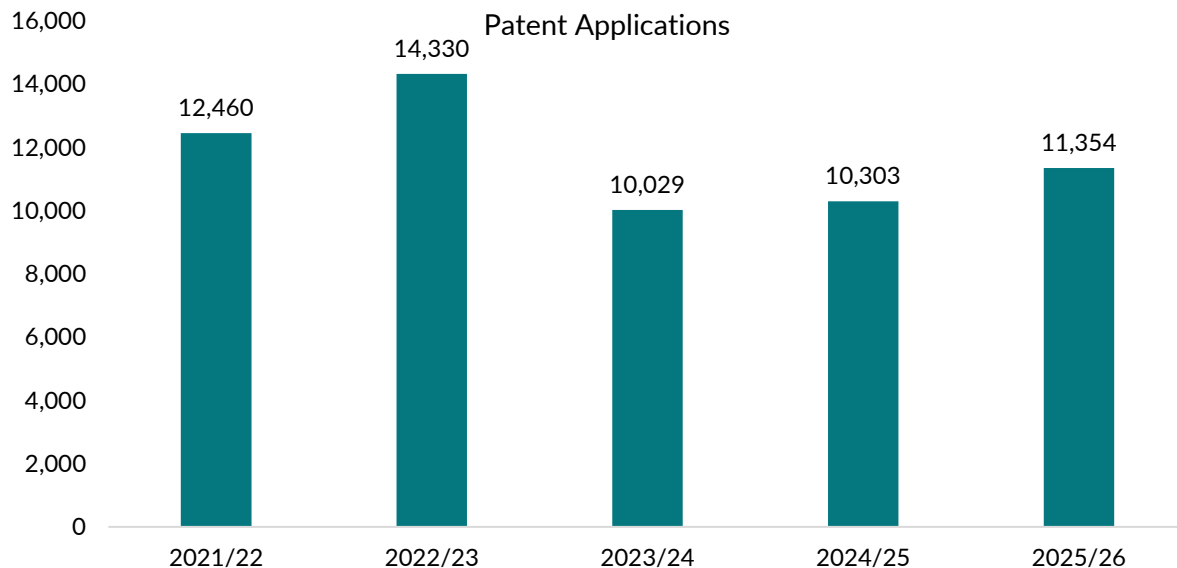


Figure G 1: Patent Applications

Figure G 1: Patent Applications depicts prior to 2023/24, a high number of patent applications filed, main contributor to this increase was applications filed by first-time foreign applicants, claiming no priority. This trend may indicate exploitation of inherent loopholes within the South African Patent Depository System, within which the merits of patent applications are not assessed¹². In order to curb the abuse of the system a practice note was implemented, outlining the requirements for requesting expedited acceptance of patent applications³.

As a result, significant decrease in the number of applications filed was observed. However, in the a notable increase in the number of patent applications has been observed over the past three financial years. The data shows that in the 2025/26 financial year approximately 80% (9,083.2) of applications were complete filings, including 4,995.76 (44%) submitted via the Patent Cooperation Treaty (PCT) system and 4,087.44 (36%) direct national filings, while 2,270.8 (20%) were provisional applications. This structured breakdown provides a rich dataset for analyzing innovation trends, technological development, and SA's integration into global IP systems.

The high proportion of complete applications enhances the quality and reliability of patent datasets, enabling advanced analytics such as patent landscaping, sectoral innovation mapping, and competitiveness assessments. In particular, PCT filings support internationally comparable analysis of technological flows, while national filings provide insight into domestic innovation capacity and industrial development trends aligned with the Industrial Policy Action Plan (IPAP).

The presence of a significant proportion of provisional filings further strengthens the analytical value of the dataset by serving as an early indicator of emerging innovation activity. In line with CIPC's digital transformation and data governance mandates, these filings contribute to predictive analytics capabilities that support anticipatory policy design.

There has been a concomitant consistency in average turnaround times for granting Patents once notices of acceptance have been published in the Patents Journal, with 20 days TAT. On the other hand, Patent renewal average turnaround times has remained constant at 2 days from 2022-2023 over the corresponding period, decreasing to 1 day in 2024/25. The high average turnaround time in the former regard could be attributed to the utilisation of manual processes.

Patents Registrations

¹ <https://www.bbrief.co.za/2023/04/20/registrar-of-patents-takes-steps-to-prevent-patent-system-abuse-in-south-africa/>

² <https://www.cipc.co.za/?p=17839>

³ https://www.cipc.co.za/wp-content/uploads/2023/04/Practice-Notice_21-of-2023-2.pdf

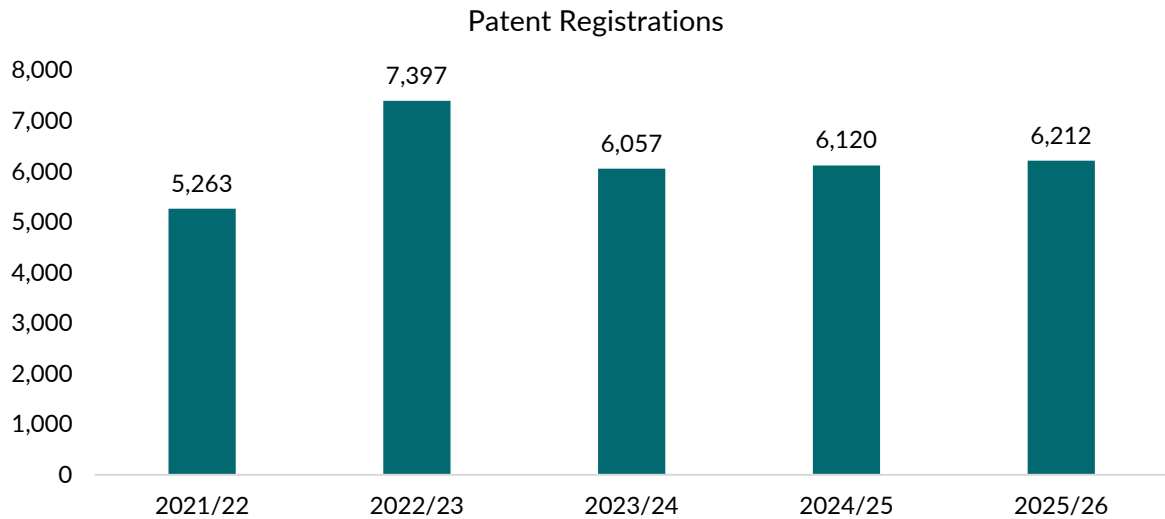


Figure G 2: Patent Registrations

Figure G. 2: Patent Registrations depicts Patent registrations continued to demonstrate resilience during the 2025/26 financial year, with 6,212 patents registered compared to 6,120 in 2024/25. Although the year-on-year increase was modest, it reflects a continuation of the recovery observed after the decline experienced in 2023/24. The sustained registration volumes indicate that The CIPC maintained its capacity to process patent applications efficiently while continuing to facilitate the protection of intellectual property rights within South Africa's innovation ecosystem.

Over the five-year reporting period, patent registrations exhibited a cyclical pattern, increasing from 5,263 in 2021/22 to a peak of 7,397 in 2022/23 before declining to 6,057 in 2023/24. The subsequent increases recorded in 2024/25 and 2025/26 demonstrate that registration activity has stabilised following this period of adjustment. While current registration volumes remain below the exceptional levels recorded in 2022/23, the consistency achieved over the last two financial years points to a more balanced level of demand and a mature, stable patent registration environment. The trend further demonstrates The CIPC's ongoing role in enabling innovation, safeguarding intellectual property assets and supporting an environment that promotes technological advancement, investment and economic development through the effective administration of the patents registration system.

Patents Renewals

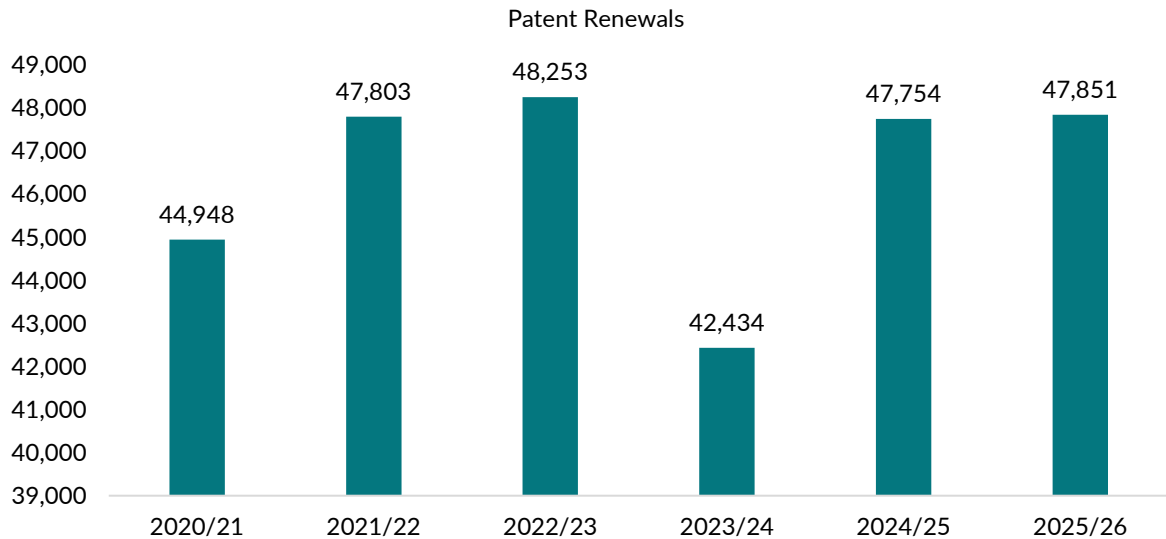


Figure G 3: Patent Renewals

Figure G. 3: Patent Renewals demonstrates a fluctuating trend in the volumes of patent renewals over a 5-year period. Following the decline recorded in 2023/24, patent renewals recovered to 47 754 in 2024/25 and remained stable at 47 851 in 2025/26. The recovery in renewal volumes suggests continued retention of patent protections by rights holders despite fluctuations in new patent application activity during the same period.

The consistently high renewal volumes across the period indicate the ongoing commercial value of registered patents and sustained utilisation of the intellectual property framework. The decline recorded in 2023/24 may have reflected broader economic pressures and cost containment measures affecting patent holders, while the subsequent recovery suggests improved stability within the innovation and business environment.

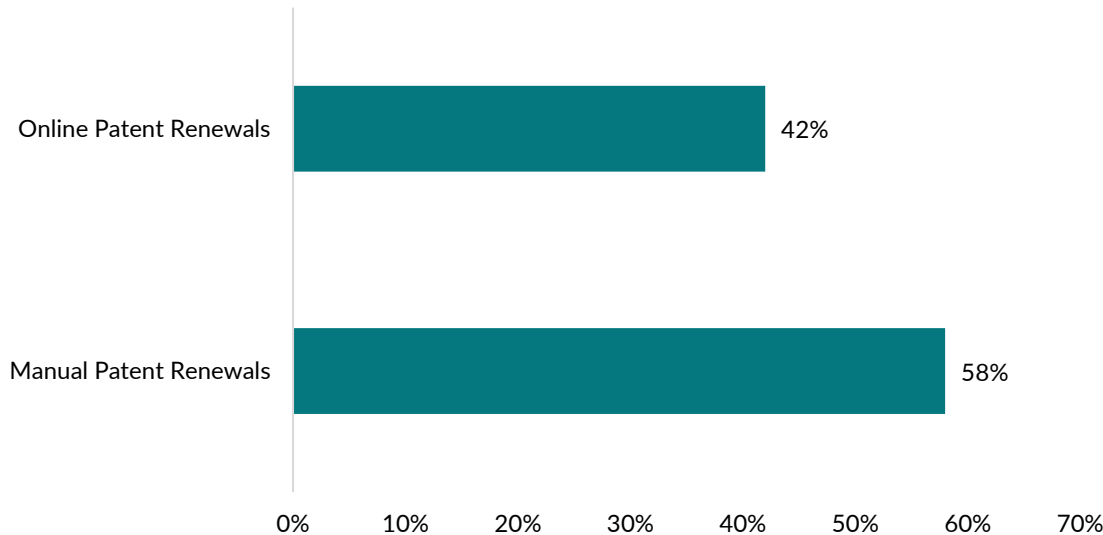


Figure G 4: Electronic vs Manual Patent Renewals

Figure G. 4: Electronic vs Manual Patent Renewals, depicts the split between the electronic and manual patent renewals throughout the 2025/26 financial year. During 2025/26, manual patent renewals accounted for 58% of total patent renewals processed by the CIPC, while online patent renewals contributed 42%. The continued reliance on manual renewals indicates that a significant portion of users still utilise traditional filing channels despite the availability of digital platforms.

The level of online renewals nevertheless reflects gradual adoption of digital services within the patents environment, supporting improved accessibility and convenience for users. The distribution between manual and online renewals highlights the ongoing transition towards digital service delivery and the importance of continued system enhancements, stakeholder awareness, and user support to encourage increased utilisation of online platforms.

Local vs Foreign Applications

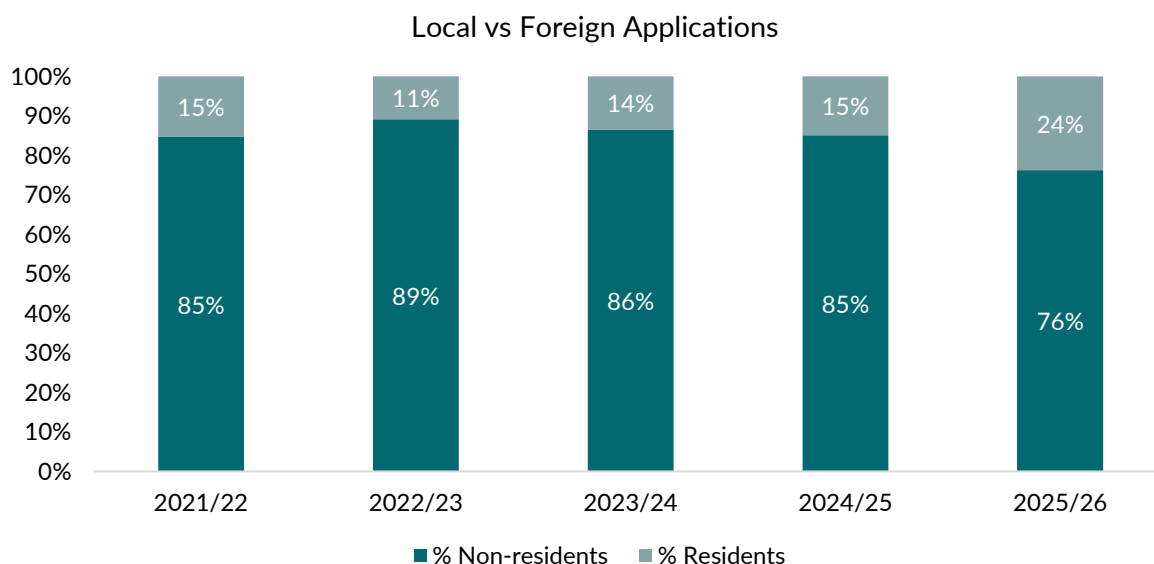


Figure G 5: Local vs Foreign Applications

Figure G 5: Local vs Foreign Applications depicts the split between the local and foreign patent applications over the past 5 years. Between 2021/22 and 2025/26, patent application activity at the CIPC remained largely driven by foreign applicants, although the share of local applications increased over the latter years. In 2021/22, foreign applications accounted for 85 per cent of total filings, amounting to 10 567 applications, while local applications represented 15 per cent with 1 912 applications lodged.

Foreign applications increased further to 12 778 in 2022/23, contributing 89 per cent of total filings, while local applications declined to 1 552, representing 11 per cent. Thereafter, foreign filings declined to 8 853 in 2023/24 and 8 764 in 2024/25, accounting for 86 per cent and 85 per cent of total applications respectively. During the same period, local applications remained relatively stable at 1 384 and 1 539 applications.

In 2025/26, foreign applications declined significantly to 7 039, reducing the share of non-resident filings to 76 per cent. In contrast, local applications increased to 2 187, contributing 24 per cent of total patent applications, which represented the highest local participation recorded during the five year period.

The increase in local filings reflects improving participation by domestic innovators and businesses within the intellectual property system. However, the sustained decline in foreign applications may indicate changing international filing patterns and broader global economic pressures. In response, the CIPC continues to strengthen the accessibility and efficiency of the intellectual property registration environment to support both local innovation and continued international participation.

Designs

Design Applications

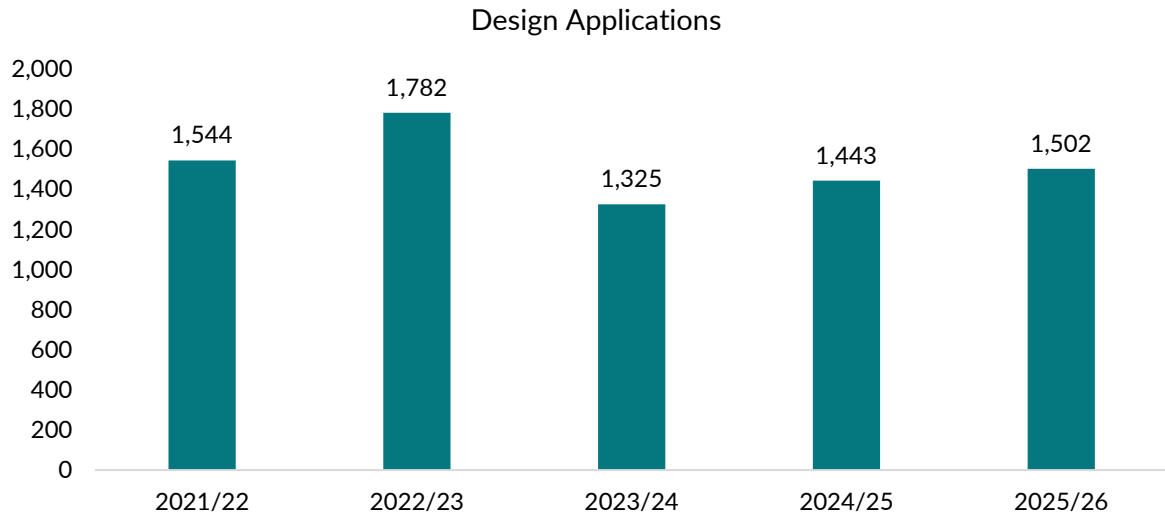


Figure G 6: Design Applications

As shown in **Figure G. 6: Design Applications**, fluctuating performance over the five year period under review. Applications increased from 1 544 in 2021/22 to 1 782 in 2022/23, representing the highest volume recorded during the period. Thereafter, applications declined to 1 325 in 2023/24 before recovering gradually to 1 443 in 2024/25 and 1 502 in 2025/26.

Of the 1,502 design applications received in the 2025/2026 financial year, 75.2% were classified as aesthetic designs and 24.8% as functional designs, which reveals important structural insights about the nature and direction of innovation activity in SA. The dominance of aesthetic designs indicates that a significant portion of applicants are focused on the visual appearance of products such as shape, pattern, configuration, or ornamentation rather than their technical functionality. This trend is typically associated with consumer-driven industries like fashion, packaging, furniture, and product design, where differentiation in the marketplace is achieved through visual appeal and branding rather than technological advancement. It suggests a strong emphasis on market-facing innovation, where firms compete on design, user experience, and product identity.

The dominance of aesthetic designs aligns with policy instruments such as the Industrial Policy Action Plan and SMME development strategies, which emphasize market-facing innovation, product differentiation, and competitiveness in consumer-oriented sectors. At the same time, the relatively lower share of functional designs highlights a gap in engineering-driven, design-based innovation, which is critical for industrial upgrading and is strongly supported by the dtic IP Policy (2018) and the Medium-Term Development Plan (2024–2029) through their focus on technology development, localisation, and innovation-led growth.

Design Registrations and Renewals

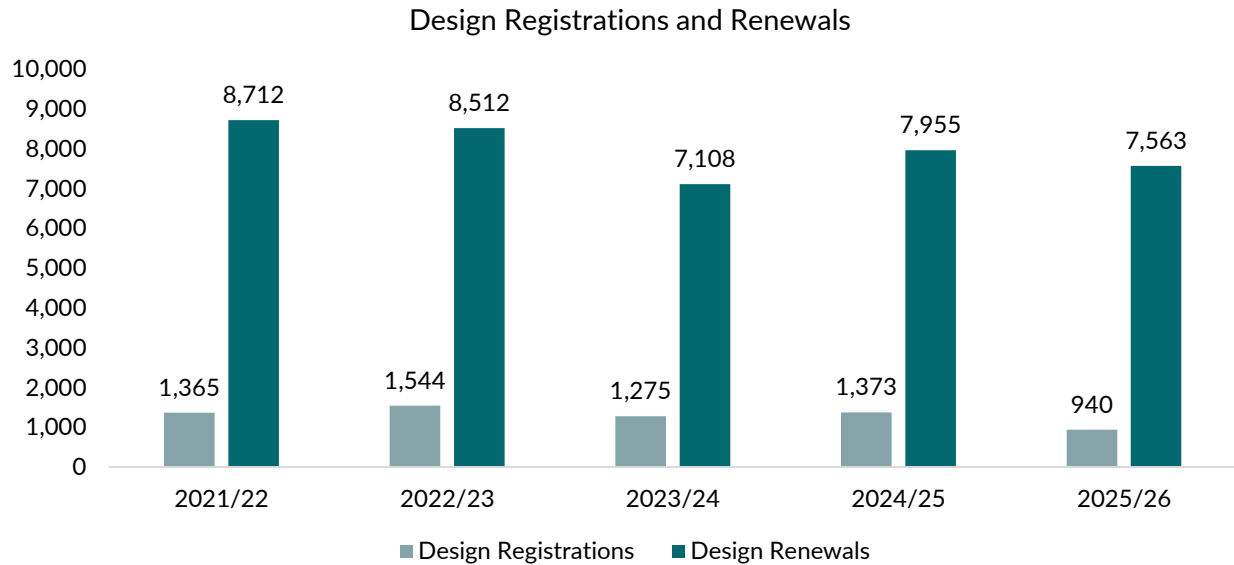


Figure G 7: Design Registrations and Renewals

Figure G.7: Design Registrations and Renewals demonstrate the trends in design renewals and registrations over the past five years. Design registrations increased from 1 365 in 2021/22 to 1 544 in 2022/23, before declining to 1 275 in 2023/24. Registrations recovered marginally to 1 373 in 2024/25, before declining significantly to 940 in 2025/26.

Design renewals remained consistently higher than registrations throughout the period. Renewals declined from 8 712 in 2021/22 to 8 512 in 2022/23 and further to 7 108 in 2023/24. Thereafter, renewals increased to 7 955 in 2024/25 before declining slightly to 7 563 in 2025/26. The consistently high renewal volumes indicate continued retention of existing design protections within the intellectual property environment, while the decline in registrations during 2025/26 may reflect lower conversion of applications into registrations during the reporting period.

Additionally, Figure G 7: Design Registrations and Renewals illustrates the volume of design registrations and renewals processed between 2021/22 and 2025/26, demonstrating the balance between new design protections and the maintenance of existing rights. Across the five-year period, renewals consistently outnumbered registrations with renewals remaining above 7 000 each year. This suggests that a significant portion of design activity is focused on sustaining established intellectual property assets rather than filing new applications.

After reaching 8 712 in 2021/22 and 8 512 in 2022/23, renewals declined to 7 108 in 2023/24, then recovered to 7 955 in 2024/25 before easing slightly to 7 563 in 2025/26. The relative stability above 7 000 renewals indicate that businesses continue to remain core design assets that retain commercial and strategic value. Overall, this trend highlights a portfolio consolidation phase. The sharper decline in registrations compared to renewals suggests that while new design activity has reduced, rights holders are prioritising the retention of existing designs that contribute to ongoing market positioning and revenue generation.

Manual vs Online Renewals

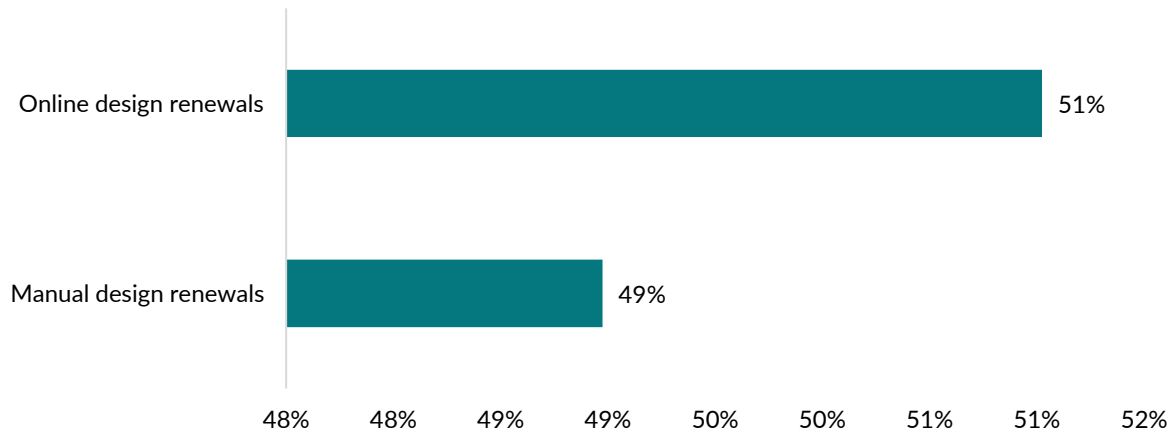


Figure G 8: Manual vs Online Renewals

Figure G 8: Manual vs Online Renewals presents the distribution of patent renewals by submission method, showing a continued preference for manual processes alongside growing adoption of online channels. In 2025/26, the CIPC processed 7 563 Design Renewals, which is slightly less than the number processed in 2024/25 (7 955). Ninety-nine percent (99%) of Design Renewals were processed within the set service delivery standard turnaround time of two (2) working days at an average turnaround time of two (2) working days.

Further, 3 704 Design Renewals were processed manually. Of these, ninety-nine percent (99%) were processed within the set service delivery standard turnaround time at an average turnaround time of 2 days.

Furthermore, 3 859 Design Renewals were processed electronically (online). Of these, ninety-nine percent (99%) were processed within the set service delivery standard turnaround time at an average turnaround time of 2 days.

Copyright in Film

Copyright in Film Applications

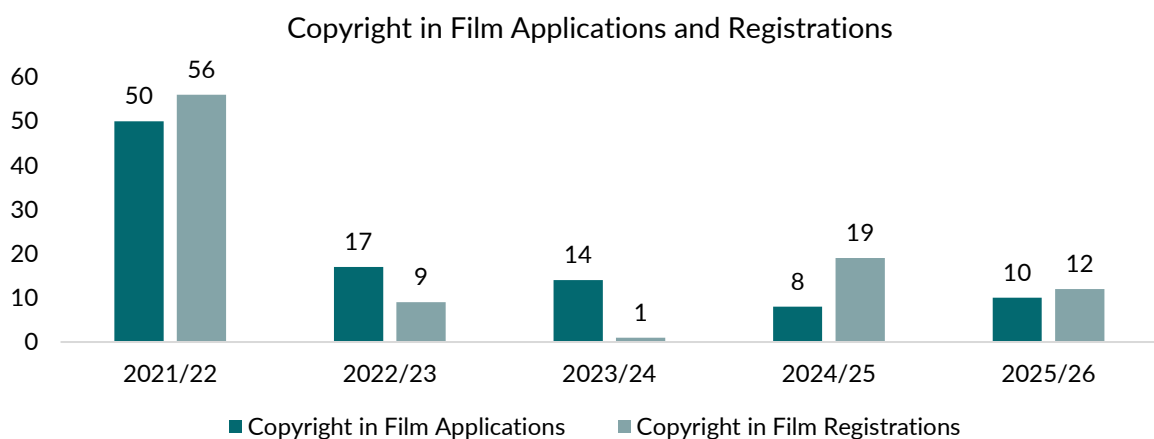


Figure G 9: Copyright in Film Applications and Registrations

Copyright in Film applications have fluctuated over the past five years as shown in **Figure G. 9 Copyright in Film Applications and Registrations**. However, overall, over the period in question, Copyright in Film Applications have been declining. In both instances, the same is true for Copyright in Film Registrations.

Film applications decreased sharply from 50 in 2021/22 to 17 in 2022/23, before declining further to 14 in 2023/24 and 8 in 2024/25. A marginal recovery was recorded in 2025/26, with applications increasing to 10.

Similarly, copyright in film registrations declined substantially from 56 in 2021/22 to 9 in 2022/23 and further to 1 registration in 2023/24. However, registrations increased notably to 19 in 2024/25 before declining again to 12 in 2025/26.

The trends indicate reduced filing and registration activity within the copyright in film environment over the period under review. The fluctuations in registrations, particularly the increase recorded in 2024/25 despite lower application volumes, may reflect the finalisation of applications submitted in prior years or variations in processing timelines within the registration environment.

Trade Marks

Trade Mark Applications

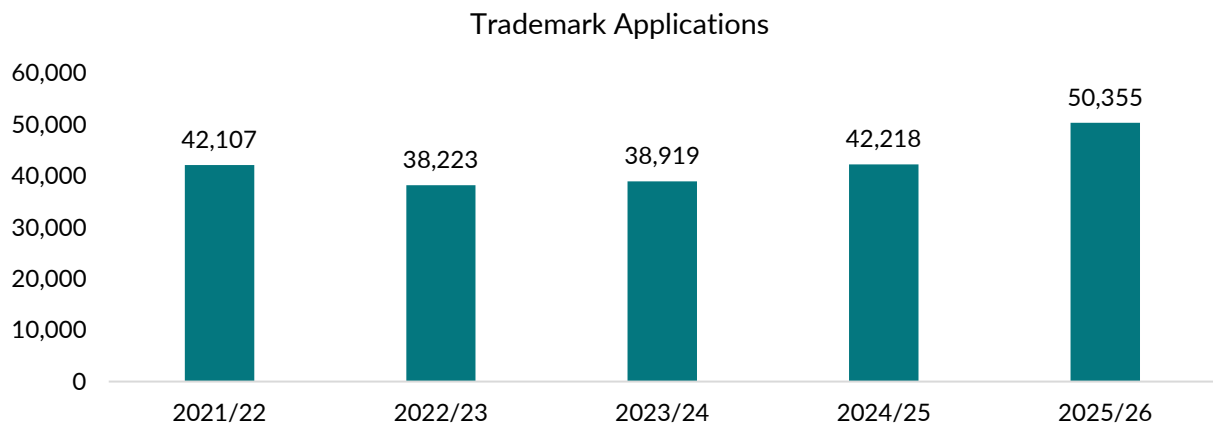


Figure G 10: Trade Mark Applications

Figure G 10: Trade Mark Applications depicts that Trade Mark applications have seen a significant increase over the past five years. Notably, filings in the 2025/26 financial year reached a record high with 50 355 applications filed. The increase represents a 19.2% increase in trade mark applications filed. This expansion is driven almost entirely by domestic applicants, who increased filing activity. In spite of the increase in trade mark applications, Ninety-one percent (91%) of Trade Mark Applications were processed within the published service delivery standard turnaround time of three (3) working days.

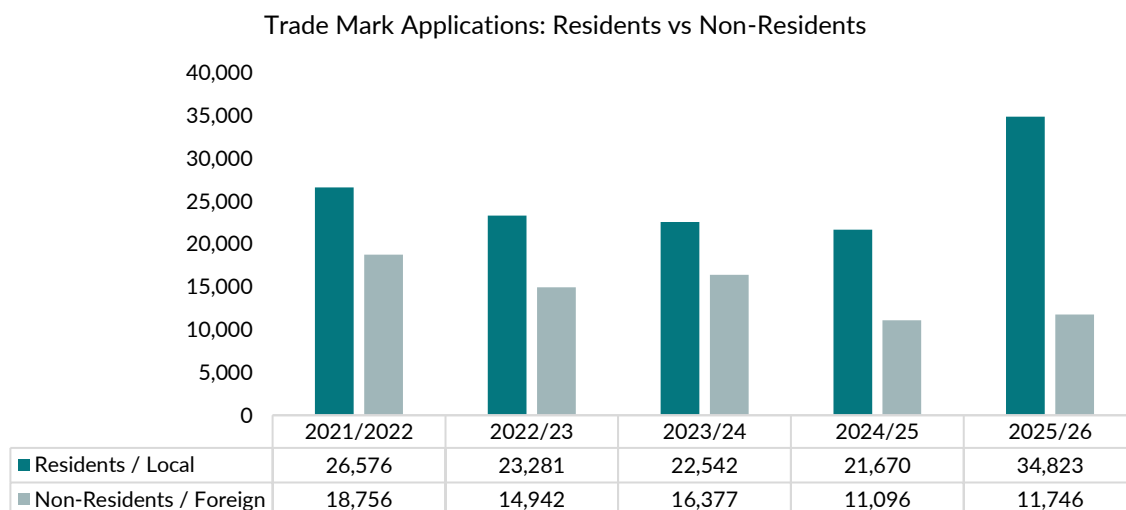


Figure G 11: Trade Mark Applications: Residents vs Non-Residents

Figure G. 11: Trade Mark Applications: Residents vs Non-Residents demonstrates the aforementioned increase in local applications, where domestic filings are increasingly driving overall trademark activity. Local applications remained consistently higher than foreign applications throughout the period, despite declining from 26 576 in 2021/22 to

21 670 in 2024/25. A substantial recovery was recorded in 2025/26, where local applications increased sharply to 34 823. Foreign applications, on the other hand, reflected a sustained downward trend over the period.

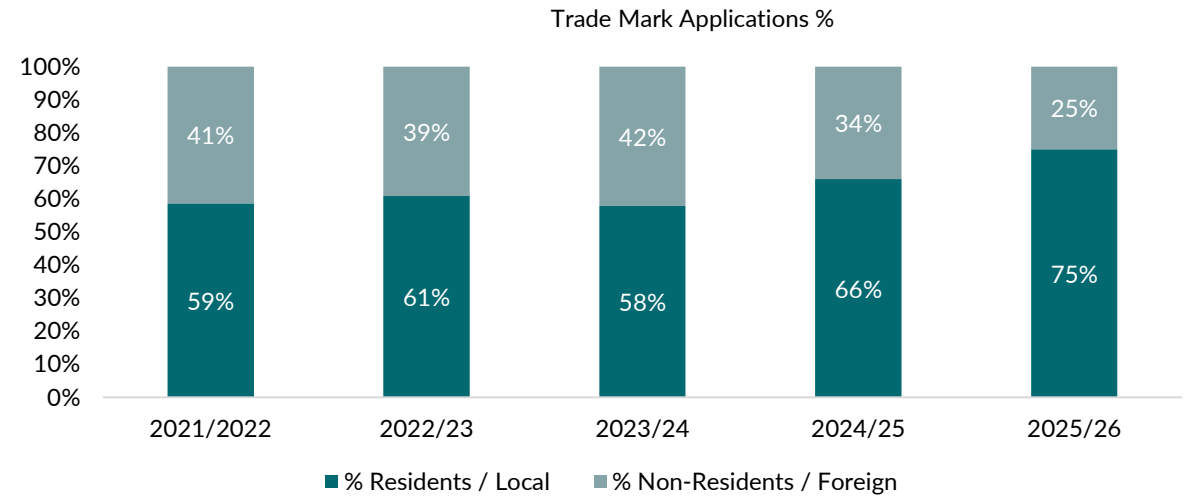


Figure G 12: Trade Mark Applications: Residents vs Non-Residents, % Comparison

The widening gap between local and foreign applications in 2025/26, as seen in **Figure G 12: Trade Mark Applications: Residents vs Non-Residents, % Comparison** indicates that trademark activity within the CIPC is becoming increasingly domestically driven. This trend demonstrates growing confidence among local businesses in formal brand protection and reflect increased entrepreneurial activity, business registration growth, expansion of small enterprises, and greater participation in the formal economy. The significant increase in local filings also demonstrates heightened awareness of intellectual property protection as a strategic business tool within competitive markets.

In contrast, the sustained decline in foreign applications over the period may suggest broader global economic uncertainty, changing international filing strategies, and shifts in cross border investment and commercial activity. Lower foreign filing volumes may also reduce opportunities for international market participation and cross jurisdictional intellectual property activity within the local registration environment. The increasing concentration of local applications further has operational implications for the trademark registration environment, as sustained growth in domestic filings is likely to increase volumes entering the processing pipeline.

Trade Mark Registrations

Figure G. 13 Trade Mark Registration Certificates and Renewals remained consistently higher than trademark registration certificates over the five year period under review. Applications declined from 42 107 in 2021/22 to 38 223 in 2022/23, before increasing gradually to 38 919 in 2023/24 and 42 218 in 2024/25. A significant increase was recorded in 2025/26, where applications rose sharply to 50 355. In contrast, registration certificates increased substantially from 14 941 in 2021/22 to 35 208 in 2022/23, before declining steadily to 26 657 in 2025/26.

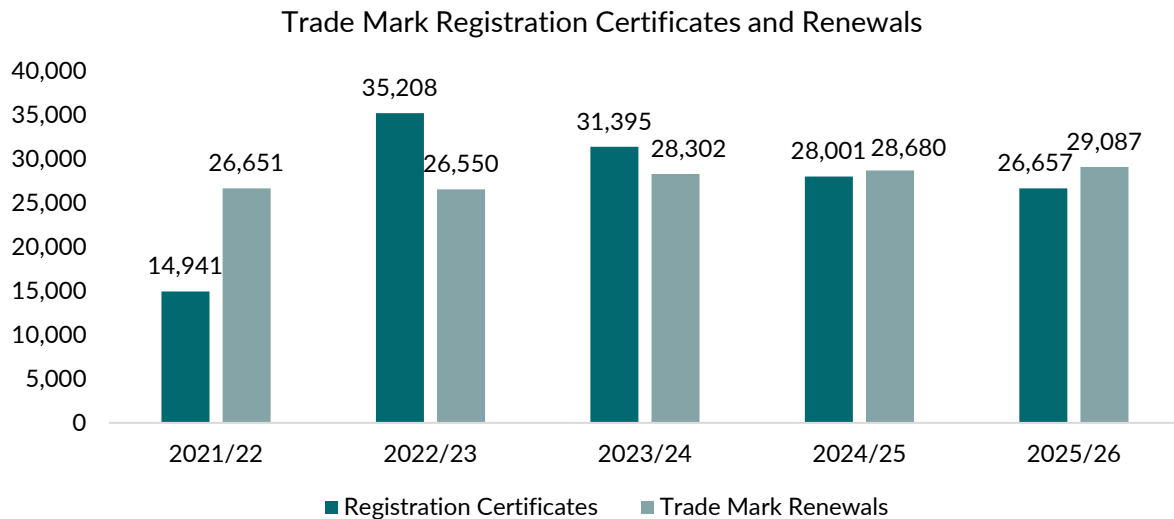


Figure G 13: Trade Mark Registration Certificates and Renewals

In 2025/26, 26 657 Trade Mark Registration certificates were issued, a significant decrease from the amount issued in 2024/25 (28 001). Ninety-six percent (96%) of Trade Mark registration certificates were issued within the published service delivery standard turnaround time of 180 working days, at an average turnaround time of 180 working days.

Trade Mark Official Actions Issued

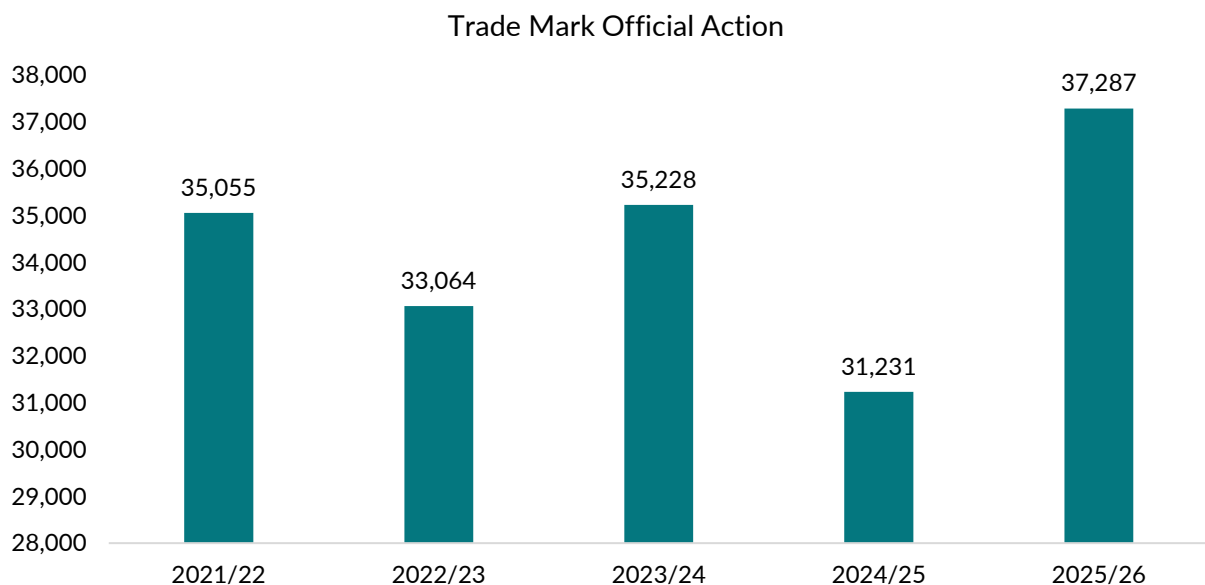


Figure G 14: Trade Mark Official Actions

Figure G. 14 Trade Mark Official Actions at the CIPC reflected fluctuating examination activity over the five year period under review. Official actions declined from 35 055 in 2021/22 to 33 064 in 2022/23, before increasing to 35 228 in 2023/24. Thereafter, official actions decreased to 31 231 in 2024/25, followed by a significant increase to 37 287 in 2025/26, representing the highest level recorded during the period.

The increase in official actions during 2025/26 indicates intensified examination and processing activity following the sharp increase in application volumes during the same period. The fluctuations recorded over the period further

suggest varying operational demands within the examination process as application volumes progressed through different stages of assessment and compliance review.

Company Registrations and Close Corporations

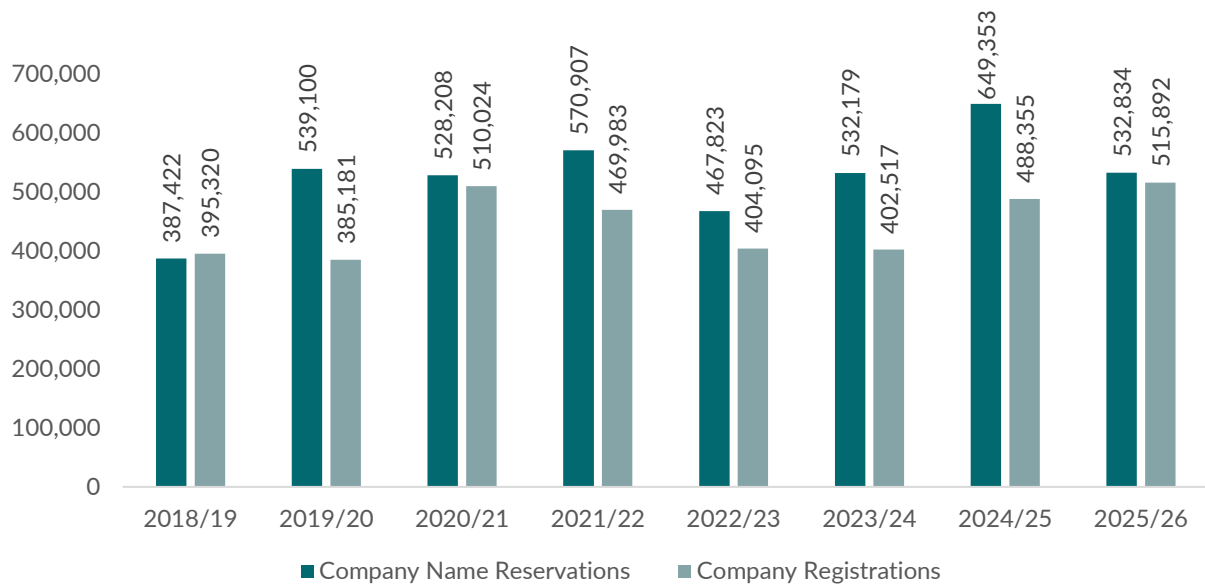


Figure G 15: Name Reservations and Company Registrations

Name Reservations

Figure G 15: Name Reservations and Company Registrations depicts that there has been a generally increasing trend with regards to the number of company name reservations over the past five years as depicted in above. However, name reservations significantly decreased in 2025/26, where 532 843 company name reservations were filed compared to 649 353 in 2024/25. Despite the fluctuations, the consistently high volume of company name reservations throughout the period demonstrates sustained interest in establishing and formalising businesses within the economy. As company name reservations are often a precursor to business registration, the trend suggests ongoing entrepreneurial activity and a continued willingness among individuals and organisations to participate in the formal sector.

From an economic perspective, the peak observed in 2024/25 indicates a heightened business confidence and increased investment intentions, while the subsequent moderation could reflect broader market adjustments or economic uncertainty. Overall, the sustained demand for company name reservations points to a resilient entrepreneurial ecosystem and supports the development of a more formal, competitive, and growth-oriented economy.

Company Registrations

Figure G 15: Name Reservations and Company Registrations also presents a declined in company registrations from 469,983 in 2021/22 to 404,095 in 2022/23 and remained relatively stable at 402,517 in 2023/24. Thereafter, registrations increased significantly to 488,355 in 2024/25 and reached a five-year high of 515,892 in 2025/26. The initial decline may have been influenced by economic uncertainty, changing market conditions, or reduced entrepreneurial activity, while the subsequent recovery suggests improving business confidence and a more favourable environment for enterprise development.

The upward trend observed from 2024/25 onwards indicates growing participation in the formal economy and increased interest in establishing new businesses. As company registrations are a key indicator of entrepreneurial activity and private sector growth, the sustained increase may reflect enhanced economic opportunities, improved access to business registration services, and greater confidence in future market prospects. From an economic perspective, rising company registrations contribute positively to employment creation, investment, innovation, and economic diversification.

Co-operatives Registration

Figure G 16: Co-operative Registrations demonstrates a relatively stable base in 2022/23 and 2023/24, a downward trend in co-operative registration numbers followed between 2024/25 and 2025/26. In 2025/26, one-hundred percent (100%) of co-operative registrations were processed within the published service delivery standard turnaround time of three (3) working days at an average turnaround time of one (1) working day.

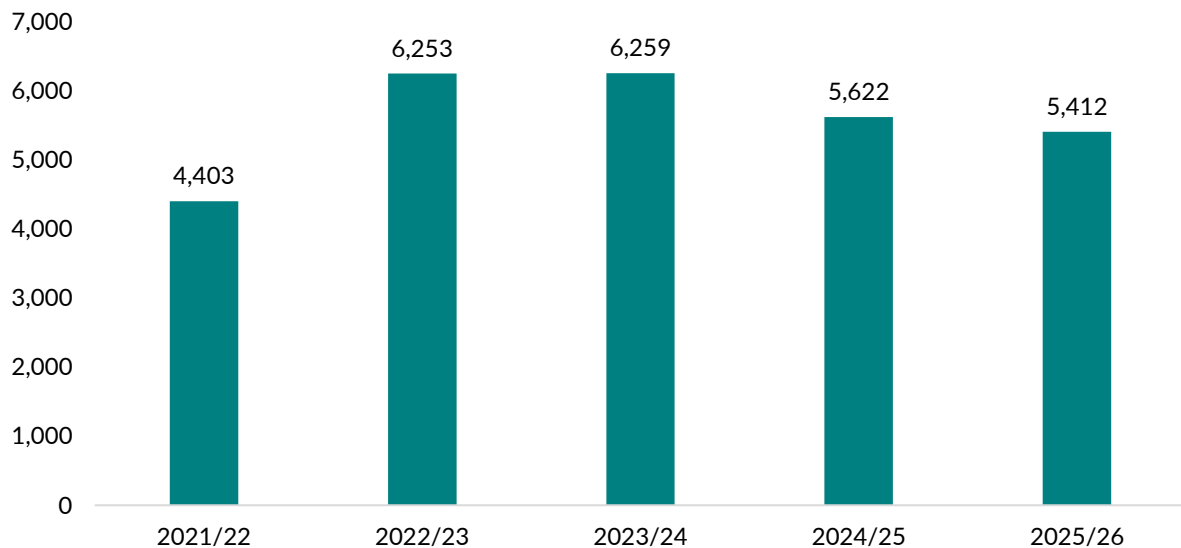


Figure G 16: Co-operative Registrations

Co-operative registrations remained resilient over the five year reporting period despite a gradual moderation in volumes during the latter years. Registrations increased significantly from 4,403 in 2021/22 to 6,253 in 2022/23 and remained relatively stable at 6,259 in 2023/24, reflecting sustained demand for the registration of co-operatives. This was followed by a decline to 5,622 registrations in 2024/25 and 5,412 in 2025/26, indicating a moderation in registration activity while volumes remained above those recorded at the beginning of the reporting period.

Notwithstanding the decline in registration volumes, The CIPC continued to deliver a consistently high standard of service. During the 2025/26 financial year, 100% of co-operative registration applications were processed within the published Service Delivery Standard of three working days, with an average turnaround time of one working day. This performance demonstrates the organisation's ability to maintain efficient and timely service delivery while supporting the establishment of co-operatives as vehicles for inclusive economic participation and enterprise development.

Compliance and Enforcement

Annual Returns

As depicted in Table G 5: Annual Returns Filings below, Annual Return Gross Filings increased by 397699 filings, equating to an over 27% increase compared to 2024/25.

Table G 5: Annual Return Filings

CIPC Services	2021/22	2022/23	2023/24	2024/25	2025/26
Annual Returns Gross Filings	1 644 287	1 570 204	1 860 488	1 445 720	1 843 419
Annual Returns in time Filings	827 790	811 709	892 168	805 301	931 872

Annual Financial Statements

Table G. 6: Annual Financial Statements and Figure G. 18 Annual Financial Statements Received and Reviewed depict the volume of Annual Financial Statements filed and reviewed between 2021/22 and 2025/26.

Table G. 6: Annual Financial Statements

	2021/22	2022/23	2023/24	2024/25	2025/26
AFS Received	15,736	12,362	12,632	11,554	11,206
AFS Reviewed	729	461	499	513	529

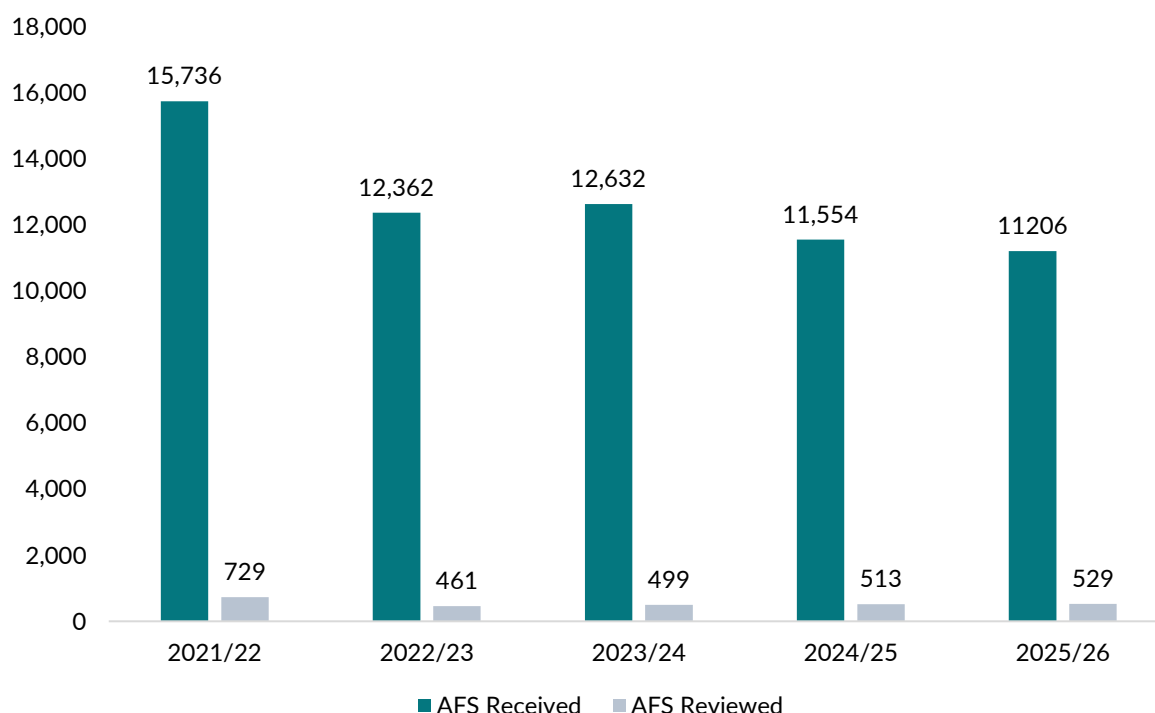


Figure G 17: Annual Financial Statements Received and Reviewed

During the 2025/26 financial year, The CIPC received 11,206 Annual Financial Statements (AFS), continuing the gradual decline in filing volumes observed over the five-year period. This trend may indicate changing compliance behaviour, a reduction in the number of entities required to submit AFS, or increased reliance on alternative reporting requirements under the Companies Act. Despite the lower submission volumes, 529 AFS were reviewed, the highest number over the reporting period, demonstrating a strengthened focus on regulatory oversight and risk-based compliance monitoring.

The increase in reviews, despite fewer AFS submissions, reflects a shift towards targeted regulatory interventions rather than volume driven reviews. This approach enables The CIPC to concentrate its oversight on higher risk filings, thereby enhancing the quality and integrity of financial reporting while promoting compliance with statutory reporting obligations.

2025/26 YEAR-END XBRL OVERVIEW

ANNUAL FILING STATISTICS SUMMARY:

- Total number of filings since implementation of XBRL = **98 839**
- Total number of unique filings since implementation of XBRL = **31 540**
- Total number of filings for March 2026 = **867**
- Total number of filings for March 2026 = **1041**
- IFRS-Full filings since implementation of XBRL = **50 644**
- IFRS-SME filings since implementation of XBRL = **47 939**

- GRAP filings since pilot implementation of GRAP = **110**
- Co-operative filings since pilot implementation of Co-ops = **32**
- Not applicable = **102**

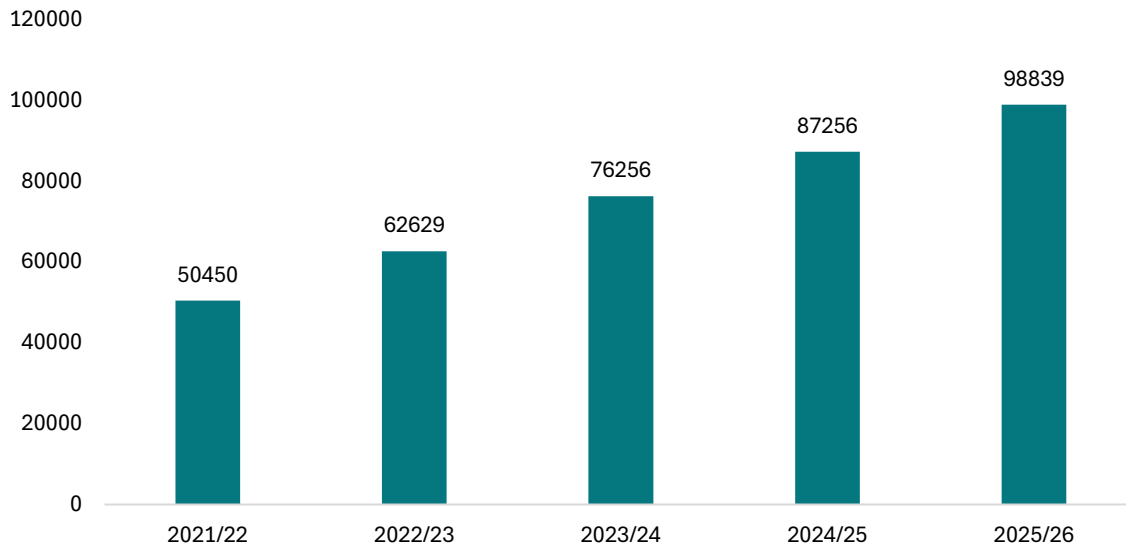


Figure G 18: XBRL Filings Comparison, 2021/22-2025/26

The CIPC recorded 98,839 XBRL filings during the 2025/26 financial year, signifying the highest volume achieved over the five year reporting period. This represents a continued upward trajectory in the adoption of XBRL, reflecting growing compliance with digital financial reporting requirements and the increasing utilisation of electronic filing channels by regulated entities.

XBRL filings increased consistently over the five year period, rising from 50,450 in 2021/22 to 62,629 in 2022/23, 76,256 in 2023/24, 87,256 in 2024/25 and 98,839 in 2025/26. The sustained year on year growth demonstrates the continued maturity of digital financial reporting and supports The CIPC's digital transformation agenda by improving the quality, accessibility and standardisation of financial information for regulatory oversight and analysis.

Reportable Irregularities Table

Table G 3: Reportable Irregularities

2025/26 Reportable Irregularities	Q1	Q2	Q3	Q4
Opening Balance	205	223	203	205
Cases Received	23	17	28	35
Closed Cases	5	37	27	13
Closing Balance	223	203	205	227

Reportable Irregularities 5 Year Trend

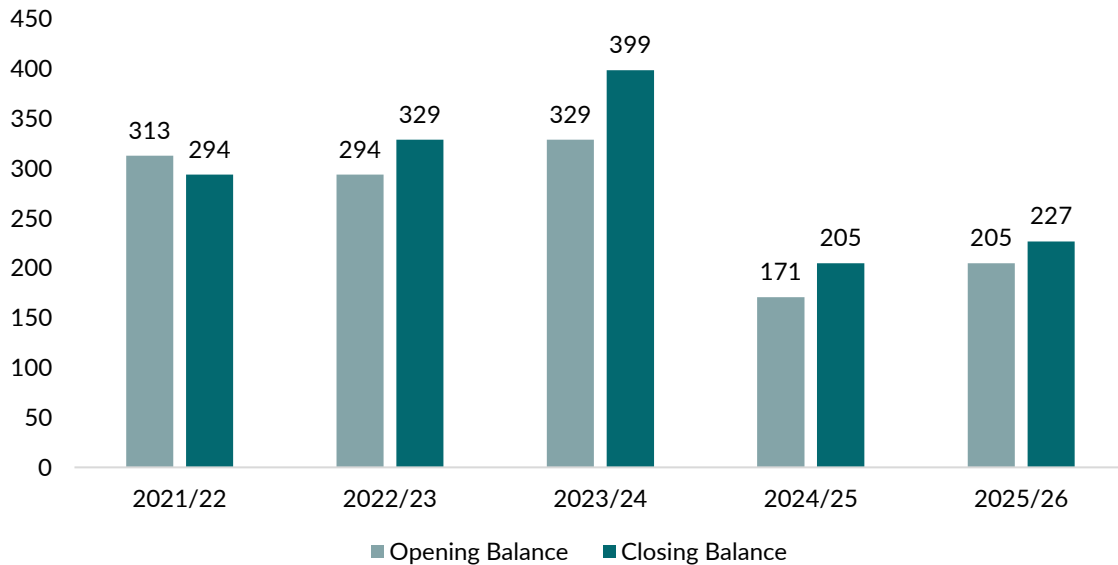


Figure G 19: Reportable Irregularities Trend

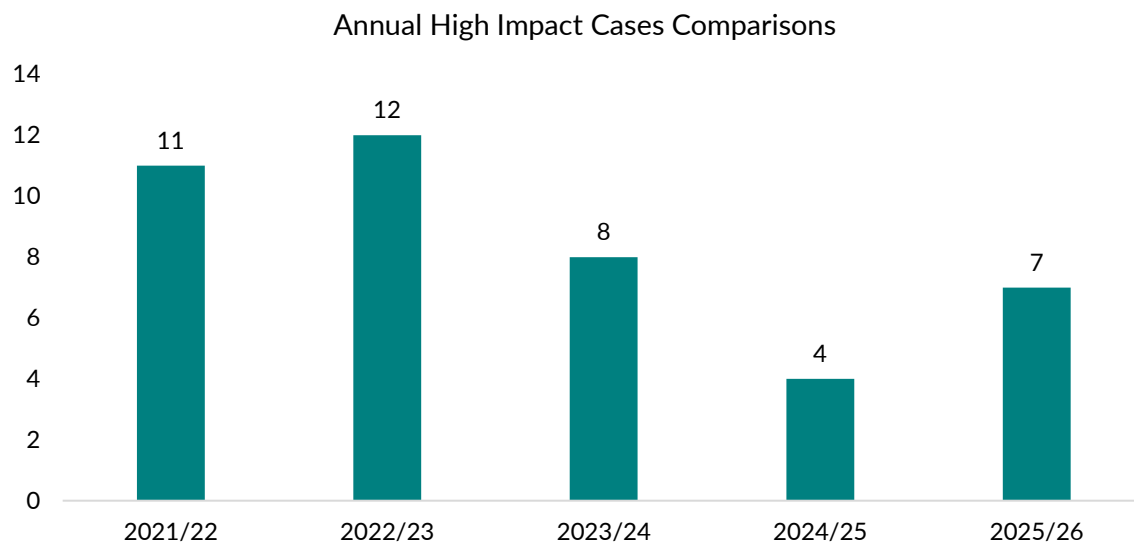
During the 2025/26 financial year, The CIPC commenced the year with an opening balance of 205 matters and concluded with a closing balance of 227 matters. The increase in the closing balance indicates that the number of matters carried forward exceeded those finalised during the reporting period, reflecting continued demand for regulatory intervention and sustained pressure on case management capacity.

Over the five year reporting period, both the opening and closing balances fluctuated. The opening balance declined from 313 in 2021/22 to 171 in 2024/25 before increasing to 205 in 2025/26. Similarly, the closing balance increased from 294 in 2021/22 to a peak of 399 in 2023/24, reduced to 205 in 2024/25, and rose to 227 in 2025/26. These fluctuations reflect changes in caseload volumes and the ongoing management of matters carried over between financial years.

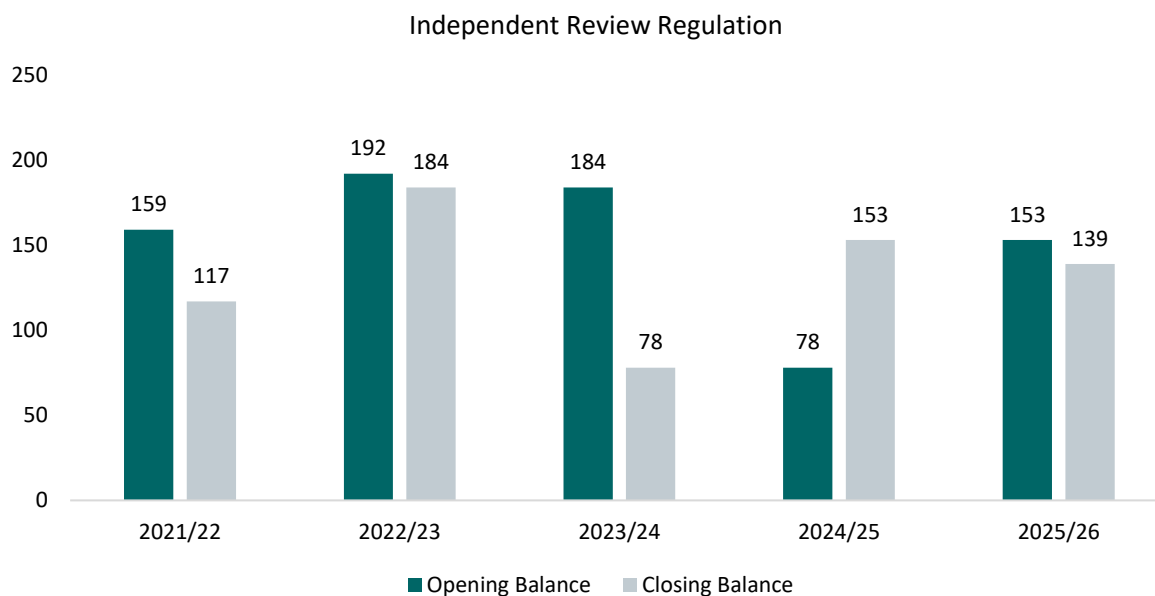
High Profile Companies under Investigation

Table G 4: High Impact Cases

High Impact Cases/High Profile Cases
2025/26
Islamic State of Africa NPC - Entity was directed through Corporate Legal to desist from using the registered name and use its registration number; the entity was issued a Compliance Notice by CCDR unit for BO Non-compliance
AFRICAN RAINBOW CAPITAL INVESTMENTS LTD - The matter was referred by the Financial Sector Conduct Authority (FSCA) and relates to a Section 23 potential contravention as well as JSE listing requirements (compliance about offers to the public)
AYO Technology Solutions Ltd - Pro-active matter, following their listing suspension by the JSE for failure to submit AFSs on time.
MC Mining - Pro-active matter. Parliament (DA) Inquiry
Cast Products South Africa - Pro-active matter. Dtic enquiry. Complainant: National Union of Mineworkers. Potential reckless trading, director misconduct or misrepresentation of state of business affairs. IDC investments exposure risk.
Ms Yakhe Kwinana, Mr Yakub Bhikhu Cases - Updated Disqualified Director Register in terms of section 69(13) of the Companies Act, 2008. iro Mr Yakub Ahmed Suleman Bhikhu sole director of Homix (Pty) Ltd 2012/176951/07convicted by the Pretoria Regional Court on 81 counts of criminal offences.
Ms Yakhe Kwinana, SAICA's Disciplinary Committee (DC) found Ms Kwinana guilty on 13 of 14 charges relating to serious professional misconduct & the Gauteng Division of the High Court confirmed SAICA DC ruling.
Nova Propgrow Group Holdings Limited-Engagements planned with NPA and a case to the High Court for a declaratory order being pursued with the High Court.

Comparison of High Impact / High Profile Cases*Figure G 20: High Impact Cases Comparisons*

The number of high impact cases remained relatively high during 2021/22 and 2022/23, increasing slightly from 11 to a peak of 12 cases. Thereafter, a declining trend was observed, with cases reducing to 8 in 2023/24 and reaching a low of 4 in 2024/25. In 2025/26, high impact cases increased to 7, representing a 75% increase from the previous year. Despite this increase, the number of high impact cases remained below the levels recorded during the first two years, indicating an overall improvement in managing and mitigating high impact matters over the five year period.

Independent Review: Regulation 29, Year-on-year Comparison*Figure G 21: Independent Review: Regulation 29*

The CIPC recorded an opening balance of 153 independent review applications and closed the year with a closing balance of 139 applications. The reduction in the year end balance reflects progress in processing matters during

the reporting period and demonstrates continued efforts to manage the independent review caseload despite ongoing inflows of new applications.

Over the five year reporting period, the opening and closing balances fluctuated, with the opening balance peaking at 192 in 2022/23 before declining to 78 in 2024/25 and increasing to 153 in 2025/26. Similarly, the closing balance increased from 117 in 2021/22 to 184 in 2022/23, declined to 78 in 2023/24, rose to 153 in 2024/25 and reduced to 139 in 2025/26. The overall trend reflects ongoing management of the independent review portfolio, with year end balances generally remaining below opening balances, indicating sustained progress in resolving matters.**Prospectuses**

Table G 5: Prospectuses Lodged

Company Name		2025/26 PROSPECTUSES LODGED		
		Prospectus	Final Prospectus	Current Status
MONARCH LIMITED	EP47	Supplement	Registered	Supplement Registered Prospectus
OPPORTUNITY CAPITAL INVESTMENTS RF LIMITED		Final	Registered	Registered
PK INVESTMENTS LIMITED		Draft	Registered	Registered
ECCLESTON LIMITED	EP48	Final	Registered	Registered
APEX CAPITAL PARTNERS LIMITED		Draft	Pending	Pending
APEX CAPITAL PARTNERS LIMITED		Draft	Registered	Registered
OPPORTUNITY CAPITAL INVESTMENTS RF LIMITED		Final	Registered	Registered
WESTBROOKE DYNAMIC OPPORTUNITIES FUND II PLC	UK	Final	Registered	Registered
PK INVESTMENTS LIMITED		Final	Registered	Registered
ADVANCED INVESTMENT HOLDINGS LIMITED		Final	Registered	Registered
DIGIDEEDS LIMITED		Draft	Registered	Registered
APEX CAPITAL PARTNERS LIMITED		Supplement	Registered	Supplement Registered Prospectus
DIGIDEEDS LIMITED		Final	Registered	Registered
SENWES LIMITED		Draft	Registered	Registered
VANDER BILT LIMITED	EP 51	Final	Registered	Registered
SENWES LIMITED		Final	Registered	Registered
FR PLUS HOLDINGS LIMITED		Draft	Registered	Registered
FR PLUS ASSETS LIMITED		Draft	Registered	Registered
OPPORTUNITY CAPITAL INVESTMENTS (RF) LIMITED		Final	Registered	Registered
ERIDANUS LIMITED	VC1	Draft	Registered	Registered
CEDERBURG LIMITED	EP52	Supplement	Registered	Supplement Registered Prospectus

2025/26 PROSPECTUSES LODGED			
Company Name	Prospectus	Final Prospectus	Current Status
OPPORTUNITY CAPITAL INVESTMENTS (RF) LIMITED	Final	Registered	Registered
ERIDANUS VC1 LIMITED	Final	Registered	Registered
OPPORTUNITY CAPITAL INVESTMENTS (RF) LIMITED	Final	Registered	Registered
CEDERBURG EP52 LIMITED	Supplement	Approved	Pending
FR PLUS HOLDINGS LIMITED	Final	Registered	Registered
CEDERBURG EP52 LIMITED	Supplement	Approved	Pending
FR PLUS HOLDINGS LIMITED	Final	Registered	Registered
WESTBROOKE PRIVATE EQUITY UK FUND I	Final	Review	Pending
ALBA MU EP54 LIMITED 2025//844752/06 NO 4 OF 2026	Final	Review	Pending
NOVA GROWTH 1 LIMITED	Final	Registered	Registered
WESTBROOKE PRIVATE EQUITY UK FUND	Final	Registered	Registered
ALBA MU EP54 LIMITED	Final	Registered	Registered

Comparison of the Number of Prospectuses Lodged

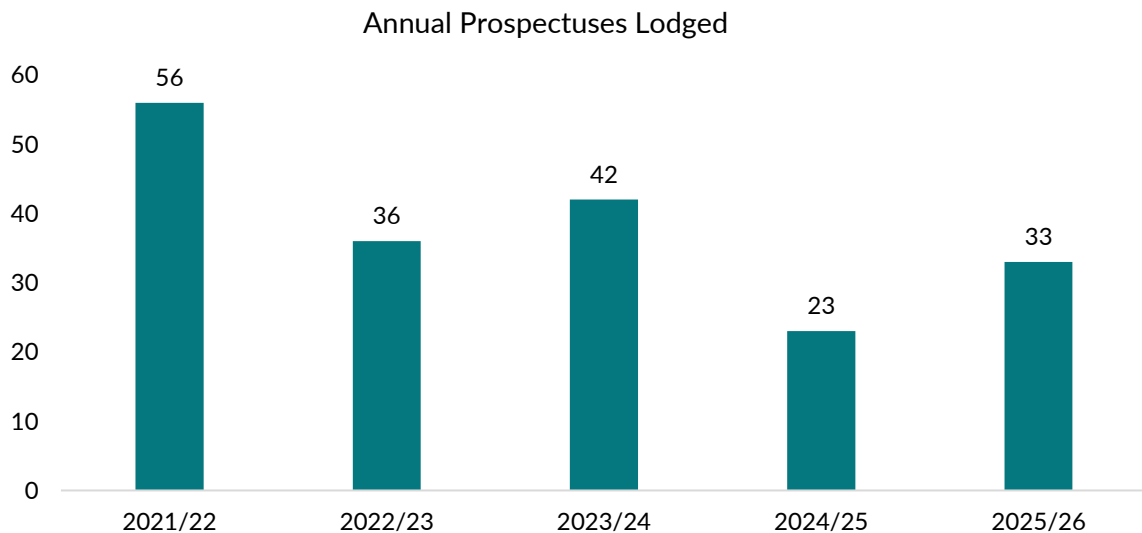


Figure G 22: Comparisons of Number of Prospectuses Lodged

During the 2025/26 financial year, the CIPC recorded 33 prospectuses lodged, representing an increase from 23 lodged in 2024/25 and indicating a recovery in prospectus activity. Although lodgments remained below the peak of 56 recorded in 2021/22, the increase suggests renewed utilisation of the prospectus registration process following the decline experienced in the previous financial year.

Over the five year reporting period, prospectus lodgments fluctuated, decreasing from 56 in 2021/22 to 36 in 2022/23, increasing to 42 in 2023/24, before declining to 23 in 2024/25. The upward movement recorded in

2025/26 reflects an improvement in lodgment activity and demonstrates continued demand for The CIPC's regulatory services in support of corporate fundraising and capital market activities.

Statistics for Cases

Table for statistics for Cases is a summary of the statistics of cases per quarter during 2022/23, while Table G. 7: Case Register and Allegations, below, is a summary of cases and allegations over a five-year period.

Table G 6: Case Register and Allegations

	2021/22	2022/23	2023/24	2024/25	2025/26
Cases Received	451	248	325	478	2577
Cases Escalated	273	86	57	88	73
Cases Closed	27	143	180	325	519
Cases Pending	151	19	88	65	1985

Annual Comparison of Statistics for Cases

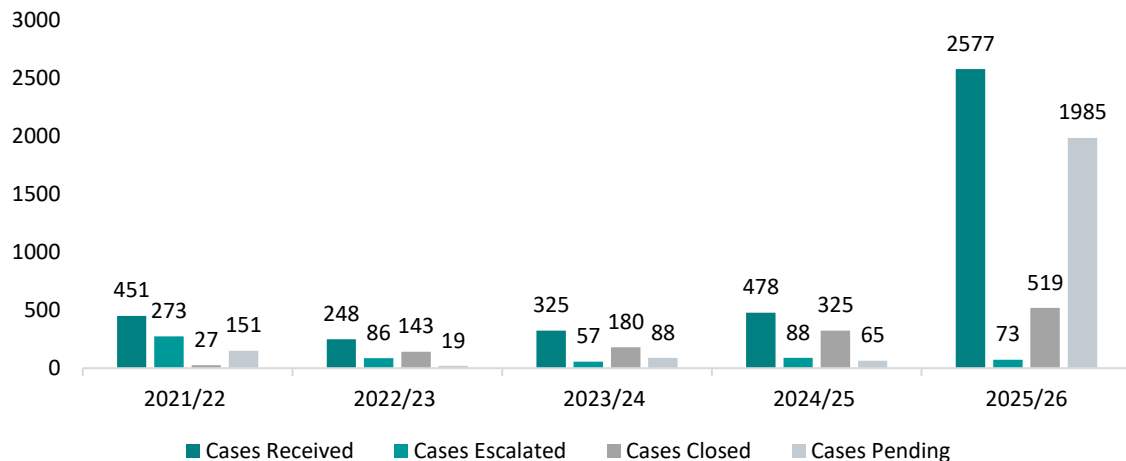


Figure G 23: Annual Comparison of Statistics for Cases

During the 2025/26 financial year, The CIPC experienced a significant increase in its case management workload, with 2,577 cases received, substantially higher than the volumes recorded over the previous four financial years. While 519 cases were successfully closed, representing the highest number of case closures over the five year period, the sharp increase in new cases resulted in 1,985 cases remaining pending at year end. This reflects the pressure placed on investigative and enforcement capacity by the unprecedented growth in case volumes.

Over the five year period, the number of cases received remained relatively stable between 248 and 478 cases before increasing sharply in 2025/26. In contrast, the number of cases escalated declined steadily from 273 in 2021/22 to 73 in 2025/26, indicating that a greater proportion of matters were resolved without requiring escalation. Despite the record number of case closures during the year, the exceptional increase in incoming cases outpaced processing capacity, contributing to the substantial growth in the pending case register.

Case Register and Allegations, 2021/22 – 2025/26

Table G 7: Types of Contraventions

Type of Contravention	Count
Section 76 Directors misconduct	119
Section 71 Unauthorized removal of director	114
Section 66 Unauthorized appointment of director	96
Section 22 Reckless trading	45
Section 70(6) Resigned as director but still appears on company records	32
Section 26 Access to company records	27
Unauthorized changes of a member	26
Co operatives mismanagement	21
Section 30 Financial Statements not prepared	20
Company records not updated	15
Section 215 False information filed	14
Section 23 Use and publication of company names	12
Section 15 Inconsistent with the MOI	9
Shareholders rights	4
Section 61 Shareholders meeting not held	2
Section 45 Financial Assistance	1
Section 214 False financial statements	0
Grand Total	557

For the 2025/26 financial period, a total of 557 allegations relating to potential contraventions of the Companies Act and governance related matters was recorded. Allegations relating to directors' misconduct in terms of Section 76 accounted for the highest number of reported cases at 119, followed closely by 114 allegations of the unauthorised removal of directors in terms of Section 71 and 96 allegations relating to the unauthorised appointment of directors under Section 66. Collectively, these allegations demonstrate that governance and director related matters remained the predominant areas of non compliance during the reporting period.

Other frequently reported allegations included 45 cases of reckless trading in terms of Section 22, 32 cases where directors had resigned but remained reflected on company records in terms of Section 70(6), 27 cases relating to access to company records under Section 26, and 26 cases involving unauthorised changes to members. Lower volumes were recorded for allegations relating to financial statements, company records, co-operative mismanagement, shareholder rights, the use and publication of company names, financial assistance, and shareholder meetings. No allegations were recorded in respect of Section 214, relating to false financial statements. Overall, the case profile indicates that director conduct, governance practices and the accuracy of company records continued to be the primary areas of regulatory concern during the financial year.

Annual Comparison of Statistics for Beneficial Ownership Enforcement

Table G. 8: Annual Comparison of Statistics for Beneficial Ownership Enforcement, below, is a summary of investigations since the inception of the Beneficial Ownership Register and enforcement of the same.

Table G 8: Annual Comparison of Statistics for Beneficial Ownership Enforcement

BO Enforcement	FY2023/24 Oct 2023 – Mar 2024	FY2024/25 Apr 2024 – Mar 2025	FY2025/26 Apr 2025 – Mar 2026	Total
Allocation	70	337	148	555
Closed on Engagement	24	160	30	214
Closed on CoR137.1	2	22	0	24
Closed – CoR – Compliance Notice (CN)	12	111	6	129
Remedial Actions – CN	9	40	62	74
AR Final De-Registered	22	0	0	22
Admin Fines & NPA	1	0	0	1
Total Closed	70	333	98	501
Engaged	0	3	40	43
CoR137.1 Appointment	0	1	10	11
Pending	0	4	50	54
CoR137.1	40	107	23	170
CoR139.1	43	151	69	263
CoR139.2 – Compliance Certificate (CC)	10	53	2	65
Red Flag	2	2	28	28
Enterprise Status Change (ESC)	35	96	29	160
Administrative Fines	5	0	0	5
NPA Referral for Prosecution	1	0	0	1

1.1.3 Client Engagement

Table G. 9: Call Centre, Facebook, Twitter and Live Chat Statistics below depicts traffic in terms of customer contact channel activity over the past five years.

Table G 9: Call Centre, Facebook and Live Chat Statistics

Platform	Description	2021/22	2022/23	2023/24	2024/25	2025/26
Call Centre	Calls Received	No Data	118 049 ⁷	269,988	384 449	343 189
	Calls Answered	118 796	145 404 ⁸	160,642	177 390	217 208
	Calls Answered %	Not determinable	Not determinable	63%	46%	63%

Platform	Description	2021/22	2022/23	2023/24	2024/25	2025/26
Facebook	Queries Received	59 836	35 918	47,523	54 674	43 453
	Queries Resolved	56 246	30 809	41,495	52 406	43 192
	Queries Resolved (%)	94%	84%	88%	98%	99%
Twitter	Queries Received	20 170	11 885	8,011	16 365	12 190
	Queries Resolved	17 750	8 911	6,865	15 978	12 189
	Queries Resolved (%)	88%	70%	85%	98%	99%
Live Chat⁴	Queries Received	N/A	N/A	N/A	N/A	13 565
	Queries Resolved	N/A	N/A	N/A	N/A	13 137
	Queries Resolved (%)	N/A	N/A	N/A	N/A	97%

The CIPC continued to strengthen its client engagement through multiple service channels, including the Call Centre, Facebook, Twitter (X) and the introduction of Live Chat during the 2025/26 financial year. The performance across these channels demonstrates the organisation's continued focus on improving client accessibility, responsiveness and service delivery.

Call Centre activity declined from 384,449 calls received in 2024/25 to 343,189 in 2025/26. However, despite the lower call volumes, the number of calls answered increased from 177,390 to 217,208, resulting in the call answer rate improving significantly from 46% to 63%. This indicates enhanced operational efficiency and an improved ability to respond to client enquiries.

Engagement through social media remained an important client service channel. Facebook queries received decreased from 54,674 in 2024/25 to 43,453 in 2025/26, while 43,192 queries were resolved. Similarly, Twitter (X) queries declined from 16,365 to 12,190, with 12,189 queries resolved, increasing the resolution rate from 98% to 99%. The high resolution rates across both platforms demonstrate sustained responsiveness despite changing client interaction patterns.

The introduction of Live Chat in 2025/26 further expanded the CIPC's digital service offering. During its first year of implementation, the platform received 13,565 client queries and resolved 13,157, achieving a 97% resolution rate. This strong initial performance demonstrates the successful adoption of the new channel and reflects the CIPC's commitment to providing clients with more convenient and efficient digital support options.

Overall, the 2025/26 results indicate a shift towards more efficient service delivery, characterised by improved response rates, consistently high query resolution across digital platforms, and the successful implementation of an additional client engagement channel to enhance customer experience.

⁴ Live Chat implemented from 2025/26.

Self-service Centres (Pretoria, Johannesburg, and Cape Town) Traffic

Table G 10:CIPC Self-Service Centres(PTA, JHB, CT, DBN)

SSC	2021/22				2022/23				2023/24				2024/25				2025/26					
	PT A	JHB	CT	Tota l	PTA	JHB	CT	Tota l	PTA	JHB	CT	Tota l	PTA	JHB	CT	DB N	Tota l	PTA	JHB	CT	DBN	Tota l
Company Registrations	346	681	194	1 221	346	681	194	1 221	346	681	194	1 221	2322	5027	2293	227	9869	1816	2334	2219	867	7236
Create Customer Codes	309	403	194	906	309	403	194	906	309	403	194	906	1715	2853	1613	153	6334	1658	1745	1586	1185	6174
Re-Set Password	343	89	234	666	343	89	234	666	343	89	234	666	2316	11862	8250	184	22612	2697	7318	7 169	1859	19043
Name Reservations	27	443	97	567	27	443	97	567	27	443	97	567	0	2359	2310	42	4711	299	1140	1994	453	3886
Annual Returns	635	549	235	1 419	635	549	235	1 419	635	549	235	1 419	7345	4168	1526	514	13553	5379	4865	3404	1787	15435
IP	212	48	5	265	212	48	5	265	212	48	5	265	339	151	16	0	506	0	0	0	0	0
Director Amendments	149	32	21	202	149	32	21	202	149	32	21	202	961	1387	359	176	2883	1592	1351	1018	858	4819
Member Amendments	0	2	2	4	0	2	2	4	0	2	2	4	0	203	131	10	344	12	104	63	104	283
Auditor & Accounting Officers	0	0	0	0	0	0	0	0	0	0	0	0	0	96	0	0	96	305	306	875	226	1712

Companies and Intellectual Property Commission (CIPC), Annual Report for 2025/26

SSC	2021/22		2022/23		2023/24		2024/25		2025/26													
Company & CC Address	80	21	11	112	80	21	11	112	80	21	11	112	414	483	449	4	1350	1918	4784	4936	1282	12920
Cert & Disc	627	0	172	799	627	0	172	799	627	0	172	799	2657	4292	4188	169	11306	4254	7291	6252	2293	20090
Ent Enquiry	253	45	43	341	253	45	43	341	253	45	43	341	3281	6064	7044	911	17300	220	177	166	148	711
Name Change	41	28	6	75	41	28	6	75	41	28	6	75	237	350	167	18	772	0	0	29	0	29
Name Transfer	0	0	4	4	0	0	4	4	0	0	4	4	0	263	0	0	263	2271	4907	4529	1072	12779
Customer Transactions	98	0	0	98	98	0	0	98	98	0	0	98	2418	0	550	704	3672	822	119	156	416	1513
General / Other	40	735	351	1126	40	735	351	1126	40	735	351	1126	3139	5352	4442	790	13723	1195	477	3754	851	6277
Total Walk-ins	3167	3058	1569	7794	3167	3058	1569	7794	3167	3058	1569	7794	28856	47760	36847	3347	116810	21586	36347	38863	13794	110590

During the 2025/26 financial year, the CIPC recorded a total of 110,590 walk in transactions across its four Service Centres, reflecting sustained demand for face-to-face customer services. The Cape Town Service Centre recorded the highest transaction volume with 38,863 walk ins, followed by Johannesburg (36,347), Pretoria (21,586) and Durban (13,794). The regional distribution of transactions demonstrates that customer demand remained concentrated in the Cape Town and Johannesburg Service Centres, while Pretoria and Durban continued to provide important access points for customers across their respective regions.

The highest transaction volumes were recorded for Certificates and Disclosures (20,090), Re Set Passwords (19,043) and Annual Returns (15,435), highlighting continued demand for compliance related services, customer account support and statutory filings. High demand was also recorded for Company and Close Corporation Address amendments (12,920), Name Transfers (12,779), Company Registrations (7,236), General / Other services (6,277) and Create Customer Codes (6,174). Comparatively lower transaction volumes were recorded for Director Amendments (4,819), Name Reservations (3,886), Auditor and Accounting Officer changes (1,712), Customer Transactions (1,513), Entity Enquiries (711), Member Amendments (283) and Name Changes (29), while no walk in transactions were recorded for Intellectual Property services. Overall, the transaction profile demonstrates the continued importance of Service Centres in supporting customers with high demand, compliance intensive and post registration services, while complementing The Companies and Intellectual Property Commission's digital service delivery channels.

1.1.4 Disclosure

Table G.11: State Department/Law Enforcement Disclosure shows a substantial number of disclosure requests received and completed each quarter.

Table G 11: State Department/Law Enforcement Disclosure

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Disclosure Request Received	2264	4352	2891	2941
Disclosure Request Completed	1005	863	1760	1138
Disclosure Request Duplicate	1	2	17	16
Disclosure Requests Outstanding	1259	3488	1114	1800

A total of 12,448 disclosure requests, with demand peaking in Quarter 2 were received by the CIPC. A total of 4,766 disclosure requests were completed during the reporting period, with the highest number of completed requests recorded in Quarter 3, reflecting improved processing during the year. Only 36 duplicate requests were received, indicating a low incidence of duplicate submissions. The number of outstanding disclosure requests totalled 7,661, fluctuating across the reporting period, with the highest backlog recorded in Quarter 2 before reducing in Quarter 3 and increasing again in Quarter 4. Overall, the disclosure function experienced sustained demand throughout the financial year, highlighting the continued need to balance service demand with processing capacity to improve turnaround times and reduce outstanding requests.

Public Disclosure Production

Table G 12: Public Disclosure Production Statistics

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Disclosure Request Received	3546	3743	3554	3166
Disclosure Request Completed	2749	2999	3039	2401
Disclosure Transaction Billed	2508	3796	3334	2448
Outstanding Ticket	797	744	515	765

The CIPC received 14,009 disclosure requests, demonstrating sustained demand for access to company information and disclosure services. A total of 11,188 requests were completed, while 12,086 disclosure transactions were billed, reflecting continued utilisation of disclosure services by customers and stakeholders. The reporting period concluded with 2,821 outstanding requests, highlighting the ongoing pressure of high transaction volumes and the need to balance service demand with processing capacity. Overall, the disclosure function continued to support transparency, regulatory compliance and access to reliable corporate information.

2. Organisational Environment

Policies

Table G 13: Status of Policies as of 31 March 2026 shows the compliance status of for policies in the CIPC per division. The control environment is structurally sound and stable but partially exposed due to policy ageing. The consultative nature of certain policy approval processes remains the primary cause for delays in finalisation.

Table G 13: Status of Policies as of 31 March 2026

Division	Total number of policies	Up to date	Due for review	In progress	New
Human Capital	17	4	3	9	1
Business Intelligence and Systems Group	15	9	0	4	4
Finance	9	8	0	0	1
Facilities and Security	5	4	0	0	1
Client Engagement	1	1	0	0	0
Governance, Risk and Compliance	7	7	0	0	0
Strategy	4	1	0	1	2
Total	58	34	3	14	7

During the 2025/26 financial year, The CIPC maintained a total of 58 policies to support organisational governance, regulatory compliance and operational effectiveness. The Human Capital Division maintained the largest policy portfolio with 17 policies, of which 9 were in progress, 3 were due for review and 1 was newly developed, reflecting continued efforts to strengthen people management and workforce governance. The Business Intelligence and Systems Group managed 15 policies, with a strong focus on maintaining current governance instruments while progressing policy updates and developing new policies to support digital transformation and information management initiatives. Finance, Governance, Risk and Compliance, and Facilities and Security maintained largely current policy frameworks, indicating a mature and stable governance environment within these functions. The Strategy Division continued to enhance its governance framework through the development of 2 new policies and the review of existing instruments, while Client Engagement maintained its policy framework with its single policy remaining current. Overall, the status of the policy portfolio demonstrated sustained organisational efforts to ensure that governance instruments remained relevant, responsive and aligned with the organisation's strategic priorities, legislative requirements and evolving operational environment.

Anti-corruption

This section provides information and progress statistics on fraud and corruption-related complaints. It further outlines channels through which complaints were received and gives a summary of the nature of allegations received in 2025/26, as well as in previous years.

Allegations Received

Table G 14: Allegations Received

	Opening Balance	Adjustment	Adjusted Opening Balance	Calls Logged	Feedback Requests Additional Info	Resolved	Balance
Quarter 1	129	(92)	37	68	(2)	(20)	83
Quarter 2	83	(56)	27	83	(5)	(31)	74
Quarter 3	74	0	74	104	(8)	(60)	110
Quarter 4	110	(74)	36	105	0	(84)	57
Total	396	(222)	174	360	(15)	(195)	324

During the 2025/26 financial year, a total of 209 cases were logged for investigation. The case management process included 37 adjustments and 10 requests for additional information to facilitate the resolution of reported matters. A total of 164 cases were resolved during the reporting period, demonstrating continued efforts to address reported incidents in a timely manner. The reported annual figures indicate an opening balance of 184 cases and a closing balance of 250 cases, reflecting cases carried over for further investigation and resolution.

Status of Open Cases

Table G 15: Status of Open Cases

	Total Balance	Under Investigation	Pending Investigation
Quarter 1	Not available at time of reporting	Not available at time of reporting	Not available at time of reporting
Quarter 2	83	44	39
Quarter 3	110	62	48
Quarter 4	57	43	14
Total	250	149	101

The status of active fraud cases during the 2025/26 financial year reflected the ongoing management of complex matters requiring detailed investigation and verification. At the end of the reporting period, a total of 250 cases remained active, of which 149 cases were under investigation and 101 cases were pending investigation. The distribution of cases indicated that the majority of outstanding matters had progressed to the investigation stage, demonstrating sustained efforts to advance reported cases through the investigative process. The remaining active cases were carried forward for continued investigation and resolution in the 2026/27 financial year.

Reporting Channels

Table G 16: Reporting Channels

Channel		Received Cases				
		Q1	Q2	Q3	Q4	Total
1	Hotline	49	51	89	70	208
2	Emails	19	21	1	1	21
3	Internal Referrals	-	11	14	34	48
Total		68	83	104	105	277

The CIPC received a total of 277 reports through its fraud reporting channels. The Hotline remained the primary reporting channel, accounting for 208 reports, followed by Internal Referrals with 48 reports, while Emails accounted for 21 reports. The continued reliance on the Hotline demonstrates its effectiveness as the organisation's principal mechanism for reporting suspected fraud and other irregularities.

Reporting volumes increased progressively throughout the year, from 68 reports in Quarter 1 to 83 in Quarter 2, 104 in Quarter 3 and 105 in Quarter 4. The increase was largely driven by a rise in Hotline reports and Internal Referrals during the second half of the financial year, indicating strengthened internal reporting mechanisms and continued stakeholder utilisation of The CIPC's reporting channels. Overall, the reporting trends reflect growing awareness of the available reporting mechanisms and support The CIPC's efforts to detect, investigate and address allegations of fraud and misconduct.

Nature of Cases

Table G 17: Nature of Cases

#	Types of cases	Q1		Q2		Q3		Q4	
		Number of cases	%	Number of cases	%	Number of cases	%	Number of cases	%
1.	Fraudulent changes to entity's information	39	57%	56	67%	82	79%	58	55%
2.	Customer accounts and refunds	11	16%	7	8%	1	1%	2	2%
3	Unknown entity	-	-	-	-	-	-	8	8%
4.	Implicating employees	0	0%	4	5%	3	3%	0	0%
5.	Other: non-fraud related	16	24%	8	10%	10	10%	37	36%
6.	Additional information	2	3%	8	10%	8	7%	-	0%
Total		68	100%	83	100%	104	100%	105	100%

During the 2025/26 financial year, most reported fraud cases related to the fraudulent use of customer information to register companies and the unauthorised appointment or removal of directors. Analysis of reported cases indicates that, in most instances, changes to company contact details occurred before unauthorised director amendments were made.

Unauthorised director changes are frequently initiated by third parties falsely claiming to represent The Companies and Intellectual Property Commission. To strengthen controls and reduce the incidence of fraudulent director amendments, The Companies and Intellectual Property Commission implemented a new Director Amendments process during the 2025/26 financial year. The enhanced process introduces one time passwords (OTPs) to verify the identities of directors before amendments can be processed.