

MOULD • EMPOWER • SERVE

MES Mould Empower Serve NPC
(Registration number 1989/004921/08)
Annual Financial Statements
for the year ended 28 February 2026

MES Mould Empower Serve NPC

(Registration number: 1989/004921/08)
Annual Financial Statements for the year ended 28 February 2026

General Information

Country of incorporation and domicile	South Africa	
Nature of business and principal activities	Community development	
Directors	J.H. Windell	Chairperson
	C.E. Botha (Resigned 2025/06/19)	Vice Chairperson
	T.G. Ramasike	Treasurer
	L. Pienaar	Executive Director
	W.S. Eksteen	Vice Chairperson
	M.A. MacLean	Director
	C.D. Myburgh	Director
	Y.F. Ndungane (End of term 2025/11/26)	Director
	A. Visser	Director
Chief Executive Officer	L. Pienaar	
Auditors	The Ashton CA (SA) Group Inc. Chartered Accountants (SA) Registered Auditors	
Tax reference number	9959513145	
Preparer	The annual financial statements were internally compiled by: DBK Accounting & Financial Services Professional Accountants (SA)	
Non profit registration number	023 603 NPO	
S18A registration number	RG/0012/09/04	
PBO Number	930003011	

MES Mould Empower Serve NPC

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Annual Financial Statements for the year ended 28 February 2026

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Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the IFRS for SMEs® Accounting Standard. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the IFRS for SMEs® Accounting Standard and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 28 February 2027 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 11 - 12.

The annual financial statements set out on pages 13 to 27, which have been prepared on the going concern basis, were approved by the board of directors on 29 September 2026 and were signed on its behalf by:

Approval of annual financial statements



Director



Director

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of MES Mould Empower Serve NPC for the year ended 28 February 2026.

1. Incorporation

The company was founded in 1986 and incorporated on 06 June 1989.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with the IFRS for SMEs® Accounting Standard and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

MES reported a deficit of R 3 730 889 (2025: R 4 901 039 deficit) in the past financial year. The main contributing factor is the decrease in donor funding especially with government subsidies. The organisation's total operating expense was R 49 501 246 (2025: R58 430 954), with employee costs representing R 25 615 590 (2025: R 27 206 212) of the total cost.

This is a significant change in operational sustainability and had a direct effect on the liquidity of MES. Total current liabilities exceed the current assets by R2 175 166. As a result, the cash flow of MES has been under severe pressure. As mitigation a bridging loan of R 3 400 000 from MES Khula Sustainability Trust had to be activated.

The board has been critically looking at restructuring/repurposing MES for the future. These strategies however do take some time to implement and because of potential staff retrenchments these strategies are taken with the utmost sensitivity and care.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

Directors' Report

3. Identity

MES is a community-based Christian organisation focusing on community development and its clients' spiritual and emotional well-being.

4. Core Values

The core values of MES are based on Christian principles and reflect how we engage with all stakeholders.

The five key values of MES being:
- Christ-centred
- Influence potential
- Servant leadership
- Innovation
- Collaboration

5. Focus

Socio-economic and developmental challenges of a pervasive nature confront inner cities like Johannesburg, Cape Town, Gqeberha and Kempton Park and require innovative interventions.

These cosmopolitan cities face growing challenges regarding homelessness and poverty. Child protection and creating safe spaces for children and youth is another growing concern in the metros. The challenges mentioned above inform the focus of MES concerning the provision of:

Social relief services (food relief, safe space and shelter solutions, access to hygiene and ablutions).

Education services (early childhood development and after-school support to learners).

Training & development services (youth leadership and internships, work readiness, skills development and job placement).

Professional health and social work services (child protection and family preservation, psycho-social support, mental health- and trauma support and addiction support).

MES collaborates closely with organisations in the private sector, public sector, churches and a growing number of caring individuals. Strategic partnerships are imperative in driving essential social change to solve systemic poverty and homelessness.

MES similarly focuses on a broad spectrum of services to develop pathways out of homelessness and poverty. We direct various programmes to assist vulnerable people in leading meaningful lives and empowering them to live sustainably. The specific services are detailed in this annual report.

6. Board of Directors

The following people served as Directors or Prescribed Officers of the Company during the year ended 28 February 2026. The Board met on twelve (12) occasions during the financial year. From July 2025, committee meetings were replaced by more regular Board meetings.

Directors' Report

6. Board of Directors (continued)

Directors	Appointed	Position	Resignation	Meetings held	Eligible to attend	Attended	%
J.H. Windell	15 February 2000	Chairperson		12	12	12	100%
C.E. Botha	30 August 2022	Vice Chairperson	19 June 2025	12	1	1	100%
T.G. Ramasike***	21 February 2017	Treasurer		12	12	11	92%
L. Pienaar *	19 November 2019	CEO / Executive Director/ Prescribed Officer (from July 2025)		12	11	11	100%
W.S. Eksteen **	26 July 2019	Vice-Chairperson (from 20/06/2025)		12	12	11,5	95,83%
M.A. MacLean	08 February 2022	Director		12	12	12	100%
C.D. Myburgh	30 August 2022	Director		12	12	12	100%
Y.F. Ndungane	18 February 2016	Director	26 November 2025 (end of term)	12	11	11	100%
A. Visser	13 November 2018	Director		12	12	12	100%

*L. Pienaar suspended for the period 7 February 2025 to 11 July 2025 pending independent investigation. Reinstated 11 July 2025. The investigation concluded with no findings of misconduct. Meetings falling within the suspension are excluded from her eligible total.

**W.S. Eksteen appointed 27 July 2014, resigned 12 June 2018, reappointed 26 July 2019. Appointed as Vice-Chair after resignation of C.E. Botha. He attended one day of a meeting held over two days, recorded as half an attendance.

***T.G. Ramasike released from Board duties, 28/5/2025 and appointed acting CEO up to 11 July 2025, then reinstated as director.

Prescribed officer	Date of Appointment	Position	Resignation	Meetings held	Eligible to attend	Attended	%
V.H. Hlongwa	18 February 2024	CFO / Prescribed Officer	28 May 2025	12	1	1	100%

Directors' Report

7. Committees of the board

The Board Chairpersons' Committee

The Board Chairpersons' Committee met on two (2) occasions during the financial year and consisted of the following members:

Directors	Appointed	Position	Resignation	Meetings held	Eligible to attend	Attended	%
J.H. Windell	15 February 2000	Chairperson		2	2	2	100%
C.E. Botha	30 August 2022	Vice Chairperson	19 June 2025	2	2	2	100%
T.G. Ramasike	21 February 2017	Treasurer		2	2	2	100%
W.S. Eksteen**	26 July 2019	Vice-Chairperson (from 20/06/2025)		2	2	2	100%
M.A. MacLean	30 August 2022	Director		2	2	2	100%
V.H. Hlongwa***	18 February 2024	CFO/Prescribed Officer	28 May 2025	2	2	1	50%
L. Pienaar *	19 November 2019	CEO / Executive Director/ Prescribed Officer (from July 2025)		2	2	0	n/a

Audit and Risk Committee:

The Board’s Audit and Risk Committee meets independently of the Executive Committee and oversees the organisation's budget, financial policies and risk management. The committee met on three (3) occasions during the financial year, all before July 2025, after which its oversight was carried out through full Board meetings. It consisted of the following members:

Directors	Appointed	Position	Resignation	Meetings held	Eligible to attend	Attended	%
T.G. Ramasike***	21 February 2017	Director and Chairperson (to 28 May 2025)		3	3	3	100%
L. Pienaar *	19 November 2019	CEO / Executive Director/ Prescribed Officer (from July 2025)		3	0	0	n/a
C.D. Myburgh****	30 August 2022	Committee Chairperson (from 28 May 2025)		3	3	3	100%
V.H. Hlongwa	18 February 2024	CFO/Prescribed Officer	28 May 2025	3	1	1	100%
S. Motsilili	26 September 2024	Finance Manager	31 July 2025	3	3	3	100%

***T.G. Ramasike released from Board duties on 28/05/2025 and appointed acting CEO up to 11 July 2025, then reinstated as director.

****C.D. Myburgh appointed as Committee Chairperson during the acting-CEO period of T.G. Ramasike.

Directors' Report

Fundraising and Marketing Committee:

The Board's Fundraising and Marketing Committee meets independently of the Executive Committee and oversees the organisation's fundraising and marketing strategy and brand management. The committee met on two (2) occasions during the financial year and consisted of the following members:

Directors	Appointed	Position	Resignation	Meetings held	Eligible to attend	Attended	%
W.S. Eksteen**	26 July 2019	Director and Chairperson		2	2	2	100%
L. Pienaar *	19 November 2019	CEO/ Executive Director/ Prescribed Officer (from July 2025)		2	0	0	n/a
M.A. MacLean	30 August 2022	Director		2	2	2	100%
C.D. Myburgh	30 August 2022	Director		2	2	2	100%
V.H. Hlongwa	18 February 2024	CFO/Prescribed Officer	28 May 2025	2	1	1	100%
A. Erasmus	1 October 2025	F&M Manager		2	0	0	n/a
L. Nyathi	10 September 2024	F&M Manager	14 May 2025	2	1	1	100%

Human Resources Committee:

The Board's Human Resources Committee meets independently of the Executive Committee and advises MES's management on human resources and remuneration matters. The committee met on two (2) occasions during the financial year and consisted of the following members:

Directors	Appointed	Position	Resignation	Meetings held	Eligible to attend	Attended	%
M.A. Maclean	30 August 2022	Director & Chairperson		2	2	2	100%
C.E. Botha	30 August 2022	Vice Chairperson	19 June 2025	2	2	2	100%
Y.F. Ndungane	18 February 2016	Director	26 November 2025 (end of term)	2	2	0	0%
A. Visser	13 November 2018	Director		2	2	2	100%
L. Eksteen *****	17 July 2016	Ad Hoc HR expert		2	2	1	50%
L. Pienaar *	19 November 2019	CEO / Executive Director/ Prescribed Officer (from July 2025)		2	0	0	n/a
V.H. Hlongwa	18 February 2024	CFO/Prescribed Officer	28 May 2025	2	1	1	100%
P. Nyoka	18 July 2016	HR Manager	7 February 2026 (Passed away)	2	2	2	100%

*****L. Eksteen serves on the committee in an ad hoc capacity as an independent human resources expert and is a separate individual from W.S. Eksteen.

8. Responsibility

The Board of Directors is responsible for efficient and effective corporate governance and carrying out its fiduciary responsibilities with great care and accountability.

In essence, the Board of Directors is ultimately responsible for matters related to corporate governance.

Directors' Report

The externally appointed auditors are responsible for the independent auditing and the fair presentation of the financial statements following the IFRS for SME's Accounting Standard and the requirements of the Companies Act, No 71 of 2008.

The Directors are also responsible for ensuring an effective internal control system regarding financial statements, safety controls and the preservation of assets. The Board of Directors declares that the financial statements have been prepared following sound accounting practices.

The Directors are assured that the company has the necessary resources to remain an effective service provider.

The Board of Directors spent much time deliberating the impact of the global and local economic situation on the organisation's financial position. Safeguarding MES's financial sustainability, all operations and programmes have been considered, and changes have been made where and when necessary.

Given the indications that the current economic climate will remain, another challenging year awaits MES. The Board and executive management tackle these challenges by addressing the budget, setting fundraising targets, and availing funds where needed.

The Board is committed to finding creative and cost-effective solutions to all challenges. The Board attends to all the areas necessary for efficient and proper decision-making through its committees Executive, Audit and Risk, Human Resources, and Fundraising and Marketing.

As MES renders its services in the four cities, the Board and executive management apply their minds to alleviate the inequality in urban communities and the fact that situations are continuously changing.

9. Auditors

The Ashton CA (SA) Group was appointed as the entity's auditors for the 2026 year.

10. Events after the reporting period

Subsequent to 28 February 2026, the Organisation disposed of various properties which were no longer required for its core operations following the restructuring of the Organisation. The disposals formed part of management's strategy to generate additional cash resources, stabilise the Organisation's financial position and meet its restructuring obligations. The Organisation continues to retain a significant property portfolio to support its ongoing operations.

At the date of approval of these annual financial statements, the disposal of two properties had been completed, while the transfer of another remaining property was in the process of being registered at the Deeds Office.

The proceeds from the disposal of the properties were utilised to settle various long-outstanding creditor balances and support the Organisation's short-term liquidity requirements.

Subsequent to the financial year end, the Organisation also received feedback from its legal advisors regarding the favourable judgment handed down by the Courts regarding the matter between MES NPC and the City of Johannesburg, relating to amounts owing by City of Johannesburg to MES NPC in terms of a service level agreement. The judgement ordered the City of Johannesburg to settle the full amount owing to MES NPC, which funds will be utilised by MES NPC to settle related outstanding Municipal accounts owed to the City of Johannesburg, with excess funds available to be used to meet other short term and operational requirements.

11. Going concern

The Directors have assessed the Organisation's ability to continue as a going concern, taking into account its financial position at year-end, the matters described in the review of financial results and events occurring after the reporting period.

Directors' Report

11. Going concern (continued)

At 28 February 2026, the Organisation had current assets of R 5 789 206 and current liabilities of R 7 964 373, resulting in a net current liability position of R 2 175 166. The current liabilities include R 1 959 106 of deferred income. This deferred income represents donor and programme funding received in advance in respect of activities to be delivered in future periods. Although appropriately recognised as a current liability, deferred income differs in nature from trade creditors and borrowings, as it does not generally represent amounts requiring direct cash settlement. The related funding is committed to the delivery of the applicable programmes. Accordingly, while the deferred income is included in the net current liability position, the nature of this liability has also been considered by the Directors in assessing the Organisation's liquidity position.

The Organisation remained in a positive net asset position of R 10 556 892 at year-end, with total assets of R 22 224 445 and total liabilities of R 11 667 553. The total liabilities include an amount of R 3 400 000 towards MES Khula Sustainability Trust, which is not repayable in the short term and has also been subordinated in favour of all other creditors.

The Organisation experienced significant financial and operational pressure during the year ended 28 February 2026. This included an operating deficit, delays in government funding, pressure on the settlement of creditors, restructuring costs and the net current liability position referred to above. The delayed receipt of the third-quarter Department of Social Development ("DSD") funding also contributed to the Organisation's liquidity constraints.

At year-end, the Organisation was unable to settle all creditors within their original payment terms. Payment arrangements were subsequently agreed with relevant creditors and these arrangements are being closely monitored by management. The proceeds from the disposal of non-core properties after year end were utilised to settle various long-outstanding creditor balances and support the Organisation's short-term liquidity requirements.

The Directors have also considered the measures implemented by management to stabilise the Organisation's financial position and cash flows. These measures include the reduction of the organisational cost base, restructuring of programmes, the settlement or restructuring of material historical obligations, the implementation of a section 189A retrenchment process, and the disposal of non-core properties.

The deficit for the year ended 28 February 2026 amounted to R 3 730 889. This deficit includes material non-cash items of R 1 182 028 relating to the return of non-operational fixed assets to DSD, as well as depreciation of R 1 584 026. These non-cash items do not represent current-period cash outflows.

In assessing the appropriateness of the going concern basis, the Directors have considered the Organisation's net asset position, the nature and timing of its liabilities, ongoing funding arrangements, measures implemented to reduce the cost base, the settlement and restructuring of outstanding obligations, and management's plans to stabilise cash flows. The Directors have also considered events occurring after year-end, including the disposal of non-core properties and the use of the proceeds to settle outstanding creditors.

Based on this assessment, the Directors consider that the going concern basis of preparation remains appropriate.

12. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

ASHTONEDGE
REGISTERED AUDITORS AND ACCOUNTANTS

51 Lebombo Street
Ashlea Gardens
Pretoria
0181

+27 12 460 3050
edge@ashton.co.za
Website: ashton.co.za

406 Herolds Bay Road
George
Western Cape
6530

PO Box 1620
Groenkloof
Pretoria
0027

Independent Auditor's Report

To the Directors of MES Mould Empower Serve NPC

Qualified Opinion

We have audited the annual financial statements of MES Mould Empower Serve NPC (the company) set out on pages 13 to 27, which comprise the statement of financial position as at 28 February 2026; and the statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the annual financial statements present fairly, in all material respects, the financial position of MES Mould Empower Serve NPC as at 28 February 2026, and its financial performance and cash flows for the year then ended, in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the entity to institute accounting controls over the collection of cash donations and income, goods collections from donations, and donations in kind prior to the initial entry into its financial records. Accordingly, it was impracticable for us to extend our examination beyond receipts actually recorded.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "MES Mould Empower Serve NPC annual financial statements for the year ended 28 February 2026", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 28 to 29. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

WDelport

29 September 2026

The Ashton CA (SA) Group Inc.
Willie Delport
Director
Chartered Accountants (SA)
Registered Auditors

MES Mould Empower Serve NPC

(Registration number: 1989/004921/08)
Annual Financial Statements for the year ended 28 February 2026

Statement of Financial Position as at 28 February 2026

Figures in Rand	Note(s)	2026	2025
Assets			
Non-Current Assets			
Property, plant and equipment	2	16 435 239	18 779 805
Current Assets			
Trade and other receivables	3	2 976 581	793 615
Cash and cash equivalents	4	2 812 625	1 706 367
		5 789 206	**2 499 982**
Total Assets		**22 224 445**	**21 279 787**
Equity and Liabilities			
Equity			
Retained income		10 556 892	14 287 781
Liabilities			
Non-Current Liabilities			
Other financial liabilities	5	3 703 180	343 082
Current Liabilities			
Other financial liabilities	5	214 086	1 632 989
Deferred income	6	1 959 106	2 481 215
Trade and other payables	7	5 791 181	2 534 720
		7 964 373	**6 648 924**
Total Liabilities		**11 667 553**	**6 992 006**
Total Equity and Liabilities		**22 224 445**	**21 279 787**

Statement of Comprehensive Income

Figures in Rand	Note(s)	2026	2025
Revenue generated	8	14 072 438	15 339 434
Government subsidies	9	10 665 880	11 662 164
Financial donations	10	21 760 415	26 508 640
Total Revenue		**46 498 733**	**53 510 238**
Total revenue		**46 498 733**	**53 510 238**
Other income	12	526 414	-
Operating expenses	13	(49 501 246)	(58 430 954)
Operating deficit		**(2 476 099)**	**(4 920 716)**
Investment revenue	14	40 794	78 461
Finance costs	15	(113 556)	(58 784)
Motor vehicles returned - DSD		(1 182 028)	-
Goods and services received in kind	11	3 319 771	4 468 273
Goods and services in kind distributed/utilised	11	(3 319 771)	(4 468 273)
Deficit for the year		**(3 730 889)**	**(4 901 039)**
Other comprehensive income		-	-
Total comprehensive deficit for the year		**(3 730 889)**	**(4 901 039)**

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 March 2024	**19 188 820**	**19 188 820**
Deficit for the year	(4 901 039)	(4 901 039)
Other comprehensive income	-	-
Total comprehensive deficit for the year	**(4 901 039)**	**(4 901 039)**
Balance at 01 March 2025	**14 287 781**	**14 287 781**
Deficit for the year	(3 730 889)	(3 730 889)
Other comprehensive income	-	-
Total comprehensive deficit for the year	**(3 730 889)**	**(3 730 889)**
Balance at 28 February 2026	**10 556 892**	**10 556 892**

Note(s)

Statement of Cash Flows

Figures in Rand	Note(s)	2026	2025
Cash flows from operating activities			
Cash (used in) generated from operations	16	(383 453)	(2 720 684)
Interest income		40 794	78 461
Finance costs		(113 556)	(58 784)
Net cash from operating activities		**(456 215)**	**(2 701 007)**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(393 367)	(240 677)
Proceeds from sale of property, plant and equipment	2	226 000	-
Net cash from investing activities		**(167 367)**	**(240 677)**
Cash flows from financing activities			
Repayment of other financial liabilities		(170 161)	(138 616)
Advance from other financial liabilities		1 900 000	1 500 000
Net cash from financing activities		**1 729 839**	**1 361 383**
Total cash movement for the year		**1 106 257**	**(1 580 301)**
Cash and cash equivalents at the beginning of the year		1 706 368	3 286 668
Total cash at end of the year	4	**2 812 625**	**1 706 367**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the IFRS for SMEs® Accounting Standard, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. During the current year, the directors determined that the useful lives of certain items of surveillance equipment should be shortened, due to developments in technology.

Impairment testing

The company reviews and tests the carrying value of property, plant and equipment, investment property on the cost model and intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Revenue- Donation in kind received

In Kind Goods Receipts:

Goods received include new and used equipment, materials and perishable and non-perishable food items.

Goods in Kind are valued as follows:

New goods are valued at the stated invoice provided by the donor which is then assessed for reasonability and included in the financial records.

Used goods and instances where no invoice is provided by the donor, the In Kind goods are assessed and a market related estimate is used to determine the value of the goods and then included in the financial records.

Expenses to the corresponding values of goods and services have been recognised as part of Operating expenses. The resultant net impact of above goods and services received in kind on the net surplus for the year is therefore R nil.

In Kind Services Receipts:

Services received include marketing and other services provided by donors.

Services in Kind are valued as follows:

The donor provides an invoice for the services provided including the detail of services provided, this is then assessed for reasonability and included in the financial records.

Accounting Policies

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
IT equipment	Straight line	5 years
Leasehold improvements	Straight line	10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
Plant and machinery	Straight line	0 to 5 years

Land and buildings are not depreciated.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Any gain or loss arising from an item of property, plant and equipment, is included in profit or loss.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit or loss.

Accounting Policies

1.4 Tax

Tax expenses

In accordance with Section 10 of the Income Tax Act, MES is exempt from income tax and donations tax. Thus, no provision for tax is made in the financial statements.

1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.7 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

1.8 Revenue

Goods and services received in kind are measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of operations, net of value added tax.

Financial Donations and revenue generated from various sources are normally recognised on the receipt thereof. However donations of a substantial nature are deferred and recognised in accordance with the donor stipulated funding period.

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividends are recognised, in profit or loss, when the company’s right to receive payment has been established.

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

2. Property, plant and equipment

	2026			2025		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Land and buildings	12 021 448	-	12 021 448	12 021 448	-	12 021 448
Furniture and fixtures	112 649	(86 748)	25 901	89 649	(79 102)	10 547
IT equipment	733 005	(674 516)	58 489	684 189	(618 261)	65 928
Leasehold improvements	3 300 845	(1 320 338)	1 980 507	3 300 845	(990 253)	2 310 592
Motor vehicles	3 933 442	(2 623 127)	1 310 315	6 492 744	(3 471 634)	3 021 110
Office equipment	344 423	(341 261)	3 162	344 423	(330 537)	13 886
Plant and machinery	2 447 266	(1 411 849)	1 035 417	2 447 266	(1 110 972)	1 336 294
Total	**22 893 078**	**(6 457 839)**	**16 435 239**	**25 380 564**	**(6 600 759)**	**18 779 805**

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals*	Depreciation	Closing balance
Land and buildings	12 021 448	-	-	-	12 021 448
Furniture and fixtures	10 547	23 000	-	(7 646)	25 901
IT equipment	65 928	48 817	-	(56 256)	58 489
Leasehold improvements	2 310 592	-	-	(330 085)	1 980 507
Motor vehicles	3 021 110	580 219	(1 412 574)	(878 440)	1 310 315
Office equipment	13 886	-	-	(10 724)	3 162
Plant and machinery	1 336 294	-	-	(300 877)	1 035 417
	18 779 805	**652 036**	**(1 412 574)**	**(1 584 028)**	**16 435 239**

*Disposals include motor vehicles returned to DSD at a book value of R1 182 028.

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
Land	12 021 448	-	-	12 021 448
Furniture and fixtures	30 199	-	(19 652)	10 547
IT equipment	212 199	31 371	(177 642)	65 928
Leasehold improvements	2 310 592	-	-	2 310 592
Motor vehicles	3 863 195	209 306	(1 051 391)	3 021 110
Office equipment	41 287	-	(27 401)	13 886
Plant and machinery	1 908 684	-	(572 390)	1 336 294
	20 387 604	**240 677**	**(1 848 476)**	**18 779 805**

Notes to the Annual Financial Statements

Figures in Rand	2026	2025
2. Property, plant and equipment (continued)		
Details of properties		
Roly Poly Pre-school		
Erf 4573, Kapteijn Street, Hillbrow, Johannesburg		
- Cost: 2000	170 000	170 000
- Additions since purchase: 2003	304 041	304 041
- Revaluation	5 959	5 959
	480 000	**480 000**
MES Impilo Shelter (previously known as Zaziwe)		
353 Main Street, Fairview		
- Cost: 2004	1 403 509	1 403 509
- Revaluation	1 596 491	1 596 491
	3 000 000	**3 000 000**
Hillbrow Community Centre		
Erf 4573, 16 Kapteijn Street, Hillbrow, Johannesburg		
- Cost: 2005 (Section 29, 30 and 34)	600 000	600 000
- Revaluation (Section 29, 30 and 34)	120 000	120 000
	720 000	**720 000**
Hillbrow Community Centre		
16 Kapteijn Street, Hillbrow, Johannesburg		
- 404, 16 Kapteijn Street - Section 28	80 000	80 000
- 405, 16 Kapteijn Street - Section 27	80 000	80 000
- 406, 16 Kapteijn Street - Section 26	80 000	80 000
	240 000	**240 000**
Our Kids		
54 Stremford Street, Forest Hill		
- Cost: 2008	650 000	650 000
MES PE Shelter and office (previously known as Diakos Building)		
Erf 4177, Korsten, Hiles Street, Nelson Mandela Bay Municipality		
- Cost: 2008	3 600 000	3 600 000
Lufunoni Home		
Portion 1 Erf 10 Yeoville Township		
- Cost: 2010	400 000	400 000
Genesis Centre		
54 Millbourne Street		
- Cost: 2000	90 000	90 000
- Revaluation	390 000	390 000
	480 000	**480 000**
MES Kempton Park Shelter and office		
Erf 2804 Kempton Park Ext		
- Cost: 2021	1 200 000	1 200 000
- Additions since cost 2023	151 448	151 448
	1 351 448	**1 351 448**

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

2. Property, plant and equipment (continued)

Thuto Tiro House		
Portion 1 of Erf 1493, Bezuidenhout Valley Township		
- Cost: 2024	1 100 000	1 100 000

3. Trade and other receivables

Deposits	15 087	15 087
Staff loans	6 000	-
Trade receivables	2 039 996	539 564
VAT	915 498	238 964
	2 976 581	**793 615**

Included in trade receivables above is an amount of R1 334 113 owing by City of Johannesburg (Housing) to MES NPC as at 28 February 2026.

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	1 506 834	1 662 028
Cash on hand	8 760	17 523
Short-term deposits	1 297 031	26 816
	2 812 625	**1 706 367**

5. Other financial liabilities

At amortised cost		
MES Khula Sustainability Trust The loan is interest free, unsecured and not repayable within 12 months. Repayment of this loan has been subordinated in favour of all other creditors.	3 400 000	1 500 000
MES Kempton Park Shelter Bond MES has an installment sales agreement with Nederduitse Gereformeerde Kerk Gemeente Kempton Park for the purchase of the MES Kempton Park Shelter and office. The average term is 7 years and 7 months effective from 25 February 2020 and the average effective borrowing rate is 8.5% p.a.	330 406	476 071
ABSA Vehicle finance The loan is repayable over a period of 5 years at an interest rate linked to prime.	186 860	-
	3 917 266	**1 976 071**
Non-current liabilities		
At amortised cost	3 703 180	343 082
Current liabilities		
At amortised cost	214 086	1 632 989
	3 917 266	**1 976 071**

6. Deferred income

Foundations and Trusts	1 364 752	1 570 608
Government funding	594 354	910 607

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

6. Deferred income (continued)

	1 959 106	**2 481 215**

Donations of substantial nature are deferred and recognised in accordance with donor stipulating funding.

7. Trade and other payables

Accrued leave pay	1 189 208	1 293 215
Payable disbursements	-	80 335
Payroll accruals	1 683 851	499 482
Trade payables	2 918 122	661 688
	5 791 181	**2 534 720**

8. Revenue generated

Revenue - Commercial & Residential rental	2 649 279	3 795 402
Revenue - Fees	4 144 099	5 125 021
Revenue - Enterprise	7 279 060	6 419 011
	14 072 438	**15 339 434**

9. Government subsidies

City of Cape Town (GIA)	250 000	1 250 000
Western Cape Department of Social Development	474 896	356 796
City of Johannesburg (Housing)*	847 056	705 880
Gauteng Department of Basic Education	849 288	565 488
Gauteng Department of Social Development	7 742 140	8 260 747
Eastern Cape Department of Social Development	82 500	90 000
VRCID	420 000	433 253
	10 665 880	**11 662 164**

*City of Johannesburg (Housing) still owes an amount of R1 334 113 to MES NPC as at 28 February 2026, forming part of trade receivables as per note 3.

10. Financial donations

Local:		
Churches	955 101	1 290 131
Corporates	2 428 500	4 325 960
Foundations and trusts	8 834 378	14 724 014
Individuals	6 342 223	4 593 857
International:		
International sponsors	3 200 213	1 574 678
	21 760 415	**26 508 640**

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

11. Goods and services received in kind

Services received in kind:		
Discount for auditors: Nexia SAB&T	-	110 000
Goods received in kind:		
Goods received in kind recognised as expenditure	3 319 771	4 468 273
	3 319 771	**4 578 273**

Goods received in kind consist of mainly food, equipment and blankets.

Expenses to the corresponding values of above goods and services have been recognised as part of expenditure. The resultant net impact of above goods and services received in kind on the net surplus for the year is therefore Rnil.

12. Other Income

Reversal of bad debt provision	526 414	-

13. Operating expenses

Operating expenses include the following expenses:

Loss on sale of assets	4 546	-
Depreciation	1 584 026	1 848 476
Employee costs	25 615 590	27 206 212
Auditors remuneration	163 357	611 006
Bad debts	105 512	567 130

14. Investment revenue

Interest revenue		
Bank	40 794	78 461

15. Finance costs

Bank & other	79 222	17 400
Interest expense on bond repayments	34 334	41 384
	113 556	**58 784**

Notes to the Annual Financial Statements

Figures in Rand	2026	2025
16. Cash used in operations		
Operating deficit	(3 730 889)	(4 901 039)
Adjustments for:		
Depreciation	1 584 026	1 848 476
Loss on sale of assets	4 546	-
Other non-cash item	(47 171)	-
Adjust for items which are presented separately:		
Motor vehicles returned - DSD	1 182 028	-
Interest received	(40 794)	(78 461)
Finance costs	113 556	58 784
Changes in working capital:		
(Increase) decrease in trade and other receivables	(2 182 966)	(155 129)
Increase (decrease) in trade and other payables	3 256 465	785 415
Increase (decrease) in deferred income	(522 254)	(278 730)
	(383 453)	**(2 720 684)**

17. Related parties

Relationships	
Affiliated entity	MES Khula Sustainability Trust
Entity under common control	MES Kids Academy NPO

Related party balances and transactions with other related parties

Related party balances

Loan accounts - Owing (to) by related parties		
MES Khula Sustainability Trust	3 400 000	1 500 000
Amounts included in Trade receivable (Trade Payable) regarding related parties		
MES Kids Academy NPO	(21 043)	-

Related party transactions

Income received from related parties		
MES Khula Sustainability Trust - Foundations and Trusts	400 000	500 000
Distributions to related parties (Employment services)		
MES Kids Academy NPO	(179 400)	-

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

18. Directors' and prescribed officer's remuneration

2026

Directors' emoluments	Basic salary	Other benefits	Directors fees	Total
T.G. Ramasike	-	-	100 000	100 000
L. Pienaar	917 934	78 189	-	996 123
V.H. Hlongwa (Resigned 2025/05/28)	230 015	19 701	-	249 716
	1 147 949	**97 890**	**100 000**	**1 345 839**

2025

Directors' emoluments	Basic salary	Other benefits	Total
L. Pienaar	801 105	69 357	870 462
V.H. Hlongwa	920 613	79 452	1 000 065
	1 721 718	**148 809**	**1 870 527**

19. Going concern

The Directors have assessed the Organisation's ability to continue as a going concern, taking into account its financial position at year-end, the matters described in the review of financial results and events occurring after the reporting period.

At 28 February 2026, the Organisation had current assets of R 5 789 206 and current liabilities of R 7 964 373, resulting in a net current liability position of R 2 175 166. The current liabilities include R 1 959 106 of deferred income. This deferred income represents donor and programme funding received in advance in respect of activities to be delivered in future periods. Although appropriately recognised as a current liability, deferred income differs in nature from trade creditors and borrowings, as it does not generally represent amounts requiring direct cash settlement. The related funding is committed to the delivery of the applicable programmes. Accordingly, while the deferred income is included in the net current liability position, the nature of this liability has also been considered by the Directors in assessing the Organisation's liquidity position.

The Organisation remained in a positive net asset position of R 10 556 892 at year-end, with total assets of R 22 224 445 and total liabilities of R 11 667 553. The total liabilities include an amount of R 3 400 000 towards MES Khula Sustainability Trust, which is not repayable in the short term and has also been subordinated in favour of all other creditors.

The Organisation experienced significant financial and operational pressure during the year ended 28 February 2026. This included an operating deficit, delays in government funding, pressure on the settlement of creditors, restructuring costs and the net current liability position referred to above. The delayed receipt of the third-quarter Department of Social Development ("DSD") funding also contributed to the Organisation's liquidity constraints.

At year-end, the Organisation was unable to settle all creditors within their original payment terms. Payment arrangements were subsequently agreed with relevant creditors and these arrangements are being closely monitored by management. The proceeds from the disposal of non-core properties after year end were utilised to settle various long-outstanding creditor balances and support the Organisation's short-term liquidity requirements.

The Directors have also considered the measures implemented by management to stabilise the Organisation's financial position and cash flows. These measures include the reduction of the organisational cost base, restructuring of programmes, the settlement or restructuring of material historical obligations, the implementation of a section 189A retrenchment process, and the disposal of non-core properties.

Figures in Rand	2026	2025

19. Going concern (continued)

The deficit for the year ended 28 February 2026 amounted to R 3 730 889. This deficit includes material non-cash items of R 1 182 028 relating to the return of non-operational fixed assets to DSD, as well as depreciation of R 1 584 026. These non-cash items do not represent current-period cash outflows.

In assessing the appropriateness of the going concern basis, the Directors have considered the Organisation's net asset position, the nature and timing of its liabilities, ongoing funding arrangements, measures implemented to reduce the cost base, the settlement and restructuring of outstanding obligations, and management's plans to stabilise cash flows. The Directors have also considered events occurring after year-end, including the disposal of non-core properties and the use of the proceeds to settle outstanding creditors.

Based on this assessment, the Directors consider that the going concern basis of preparation remains appropriate.

20. Events after the reporting period

Subsequent to 28 February 2026, the Organisation disposed of various properties which were no longer required for its core operations following the restructuring of the Organisation. The disposals formed part of management's strategy to generate additional cash resources, stabilise the Organisation's financial position and meet its restructuring obligations. The Organisation continues to retain a significant property portfolio to support its ongoing operations.

At the date of approval of these annual financial statements, the disposal of two properties had been completed, while the transfer of another remaining property was in the process of being registered at the Deeds Office.

The proceeds from the disposal of the properties were utilised to settle various long-outstanding creditor balances and support the Organisation's short-term liquidity requirements.

Subsequent to the financial year end, the Organisation also received feedback from its legal advisors regarding the favourable judgment handed down by the Courts regarding the matter between MES NPC and the City of Johannesburg, relating to amounts owing by City of Johannesburg to MES NPC in terms of a service level agreement. The judgement ordered the City of Johannesburg to settle the full amount owing to MES NPC, which funds will be utilised by MES NPC to settle related outstanding Municipal accounts owed to the City of Johannesburg, with excess funds available to be used to meet other short term and operational requirements.

21. Comparative figures

Certain comparative figures have been reclassified. These reclassifications relate to Revenue and Property, Plant & Equipment classifications within the Revenue and Property, Plant & Equipment line items.

The effects of these reclassification within the above-mentioned line items are a net nil effect on both the Statement of Financial Position as well as Statement of Comprehensive Income.

Statement of Comprehensive Income - Supplementary Information

Figures in Rand	Note(s)	2026	2025
Revenue			
Revenue generated	8	14 072 438	15 339 434
Government subsidies	9	10 665 880	11 662 164
Financial donations	10	21 760 415	26 508 640
		46 498 733	**53 510 238**
Other income			
Reversal of prior year bad debt provision	12	526 414	-
Expenses (Refer to page 29)		**(49 501 246)**	**(58 430 954)**
Operating deficit		**(2 476 099)**	**(4 920 716)**
Investment revenue	14	40 794	78 461
Finance costs	15	(113 556)	(58 784)
Motor vehicles returned - DSD		(1 182 028)	-
Goods and services received in kind	11	3 319 771	4 468 273
Goods and services in kind distributed/utilised	11	(3 319 771)	(4 468 273)
		(1 254 790)	**19 677**
Deficit for the year		**(3 730 889)**	**(4 901 039)**

The supplementary information presented does not form part of the annual financial statements and is unaudited

Statement of Comprehensive Income - Supplementary Information

Figures in Rand	Note(s)	2026	2025
Operating expenses			
Advertising		(116 030)	(62 248)
Auditors remuneration		(163 357)	(611 006)
Bad debts		(105 512)	(567 130)
Bank charges		(347 526)	(267 481)
Basic care		(271 339)	(314 010)
Cleaning		(246 927)	(250 187)
Consulting and professional fees		(837 366)	(690 723)
Depreciation, amortisation and impairments		(1 584 026)	(1 848 476)
Disbursements to 3rd parties		(560 855)	(18 488)
Employee costs		(25 615 590)	(27 206 212)
Enterprise expense		-	(88 453)
Equipment expenses		(74 972)	(619 043)
Fines and penalties		(30 492)	-
Food purchases		(3 835 164)	(8 871 145)
Functions, camps and outings		(63 573)	(231 680)
General expenses		-	(436 366)
Insurance		(693 799)	(686 771)
Lease rentals on operating lease & levies		(1 154 246)	(1 124 936)
Loss on sale of assets		(4 546)	-
Medical expenses		(85 144)	(96 713)
Motor vehicle expenses		(882 307)	(1 519 557)
Municipal expenses		(3 811 688)	(4 377 482)
Printing and stationery		(1 025 446)	(903 612)
Repairs and maintenance		(394 154)	(839 969)
Security		(813 663)	(876 212)
Software expenses		(216 736)	(320 736)
Subscriptions		-	(13 803)
Telephone		(429 402)	(418 499)
Training		(507 493)	(562 089)
Training - GROW stipends		(5 426 465)	(4 488 654)
Travel - local		(203 428)	(119 273)
		(49 501 246)	**(58 430 954)**

The supplementary information presented does not form part of the annual financial statements and is unaudited