



Securing quality food. Nourishing lives.

(Registration number 2000/014314/08)

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026**

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
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	Redistribution of edible surplus food to communities in need
Directors	C F Sonn (Chairman) A I Du Plessis (Managing Director) R H Singh J V Lucas T Modise-Harvey N Skweyiya M E Letlape L J Zuhlke
Registered office	21 Polaris Road Nerissa Estate Lansdowne 7780
Banker	Nedbank Limited
Auditor	Sprigg Abbott Incorporated Chartered Accountants (SA) Registered Auditors
Company registration number	2000/014314/08
NPO number	025-709
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: Ruan van der Burgh Chartered Accountant (SA)
Published	30 June 2026

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
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SPRIGG ABBOTT INCORPORATED

Chartered Accountants (SA)
Registered Auditors

Independent Auditor's Report

To the Members of Food Forward SA NPC

Opinion

We have audited the financial statements of Food Forward SA NPC set out on pages 10 to 34, which comprise the statement of financial position as at 28 February 2026, and the statement of surplus or deficit and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Food Forward SA NPC as at 28 February 2026, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. 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 opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Food Forward SA NPC Financial Statements for the year ended 28 February 2026", which includes the statement of Directors' Responsibilities and Approval as required by the Companies Act of South Africa, which we obtained prior to the date of this report, the Annual Report, which is expected to be made available to us after that date, and the supplementary information set out on pages 35 to 36. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Director: David Barnes CA(SA) | RA
Director: Marike Mulder CA(SA) | RA
Director: Altru de Klerk CA(SA) | RA

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Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

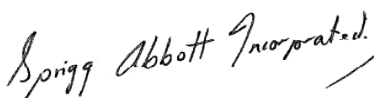
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the 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.



Sprigg Abbott Incorporated
Director: David Barnes
Chartered Accountant (SA)
Registered Auditor

30 June 2026
Plattekloof

FOOD FORWARD SA NPC

(Registration number 2000/014314/08)

Annual Financial Statements for the year ended 28 February 2026

Directors' Responsibilities and Approval

The directors are required in terms of 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 IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with IFRS Accounting Standards as issued by the IASB, the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

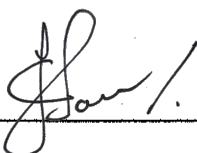
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for 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 are satisfied that the company has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been independently audited by the company's external auditor and their report is presented on pages 3 to 4.

The annual financial statements and supplementary information set out on pages 6 to 36, which have been prepared on the going concern basis, were approved by the directors on 30 June 2026 and were signed on their behalf by:



Director



Director

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Food Forward SA NPC for the year ended 28 February 2026.

1. Nature of business

Food Forward SA NPC was incorporated in South Africa as a non-profit company with the principal activities being the redistribution of edible surplus food to communities in need.

There have been no material changes to the nature of the company's business from the prior period.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB, the requirements of the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. The accounting policies have been applied consistently compared to the prior period, except for the adoption of new or revised accounting standards as set out in note 2.

The company made a surplus for the current year of R 2,058,906 (2025: deficit R 3,350,602).

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

3. Year in review

Hunger is more than an empty stomach; it robs people of their self-worth, opportunity, health, and hope. Food insecurity in South Africa has increased sharply over the past few years, and given the current affordability and cost of living pressures, vulnerable households have moved beyond coping to desperation and hopelessness, which manifests in the most inhumane conditions, eroding dignity, wellbeing, and opportunities for a better future.

The 2024 National Food and Nutrition Security Survey found that 63% of South Africans are food insecure - a stark reality that casts a long shadow over millions of households and demands urgent action. As food insecurity has been and will be a large part of our lived reality in South Africa for some time to come, we must resist the temptation to normalise hunger, deepening poverty, and economic exclusion. Instead, we must deepen our resolve to change this status quo.

Despite navigating some serious headwinds during the financial year, we have stayed the course. Our various food security strategies are delivering meaningful impact, changing lives and strengthening communities. Most notably our Mother and Child Nutrition programme, our Food Gardens Connect programme, and more recently, our TB Care support programme, which you can read more about further on in this report.

Thanks to prudent financial management and various cost-cutting measures, we have managed to reduce our cost per meal to R0,47, down from R0,50 the year before. While the overall tonnage and consequently meals provided remained relatively the same, we have seen a 17% increase in food donations from donors outside of the top 3 – some of whom are new donors onboarded during the course of the year, which is encouraging. The amount of greenhouse gas emissions avoided over the period totalled 106,600 tons, which is equivalent to the removal of more than 23,000 passenger vehicles from the road for a year – thereby delivering environmental and social impact simultaneously.

Our Beneficiary Organisation (BO) network decreased by 12% to 2,200 by the end of the financial year, primarily as a result of the removal of non-compliant BOs and the closure of organisations that were unable to remain financially viable. Given the growing prevalence of food insecurity at tertiary institutions, we have started enrolling more of these organisations into our national network.

3. Year in review (continued)

South Africa's economy in 2025 was characterised by modest growth, persistent structural challenges, and cautious optimism. Economic growth remained weak, constrained by high unemployment, low investment levels, logistics bottlenecks, and years of underperformance, although easing electricity shortages and lower inflation provided some relief. Against this backdrop, we have seen lower than expected fundraising income. To contain costs, we closed some of our Mobile Rural Distribution locations, as well as 4 physical branches – Limpopo, North West, Mpumalanga, and Northern Cape – but still serving our BO network in these provinces from Joburg and Bloemfontein. Sadly, we also had to retrench some staff. While we expect the latter part of the new financial year to be more positive, we remain cautiously optimistic.

Food insecurity is not just a social issue; it is a moral, economic, and developmental crisis. Evidence is mounting that households across the country are under severe strain as food insecurity reaches critical levels. Millions of families are struggling to access sufficient and nutritious food, often forced to make impossible choices between meals, transport, and other basic necessities - choices that compromise their health and overall wellbeing.

To better understand the persistent struggle at household level, in 2024 FoodForward SA commissioned the University of Cape Town's Southern Africa Labour & Development Research Unit (SALDRU) to conduct a comprehensive national study to quantify the depth and extent of household food insecurity in South Africa. We measured the prevalence, severity, and persistence of household food insecurity by interviewing nearly 800 people from across the country that access meals from FoodForward SA's BO national network, using the internationally validated Food Insecurity Experience Scale (FIES). The study identified key drivers of food insecurity.

Additionally, the research team hosted a group discussion of food insecure people to understand how households are trying to cope under the severe pressure. Here are some key insights:

- As household situations become more desperate over time, some of the coping strategies escalate from portion cuts and meal stretching to meal skipping, choosing cheaper staples, borrowing and using store credit / high-cost debt, to the sale of assets, and foregoing the purchasing of crucial medication.
- Peaks of food insecurity were experienced around grant-cycle troughs and seasonal job gaps.
- Food donations and community kitchens buffer acute hunger but are constrained by timing, quantity, predictability, and transport costs.
- Psychosocial strain was evident (sadness/grief).
- Many households discuss scarcity with children; adults often skip meals so children can eat, yet child hunger remains widespread.

The 18-month research project, funded by the FoodForward SA Foundation, provided critical insights to inform and strengthen our national food security strategies over the next few years. You can read the full report here [Household Food Insecurity Report 2026](#).

Far too many South Africans are at or close to breaking point. Yet, more than 10 million tons of mostly edible food is still lost or wasted across our food system every year. By working collaboratively we can meaningfully address food insecurity and malnutrition, while simultaneously reducing the environmental impact of food loss and waste.

Government inertia cannot go unchecked. South Africa needs bold and far-reaching reforms to stimulate inclusive economic growth, create jobs, stabilise food and fuel costs, strengthen social protection systems, and restore dignity to struggling households. Without decisive intervention, the country risks sliding deeper into a humanitarian and socio-economic crisis that will become far more difficult, and far more costly to reverse.

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
Directors' Report

3. Year in review (continued)

We live in a world that can produce enough food for everyone. Food insecurity is not a failure of supply; it is a failure of priorities. It is the consequence of choices, and it can be changed by making better choices for people and planet. Let's make better choices.

4. Inventory

Food Forward SA NPC received donations of inventory during the financial year and donated this inventory to its beneficiary organisations. The inventory that had not yet been donated to beneficiary organisations at year end was held in Food Forward SA NPC's warehouses, and year end stock counts were performed.

Details of the movement of inventory in kilograms (kg) for the financial year are shown below:

	2026 Kg	2025 Kg
Donations of inventory received from Donors (including inventory on hand at beginning of year)	21,342,359	21,365,085
Donations of inventory made to Beneficiary Organisations	(20,491,629)	(20,732,193)
Donated inventory received from Donors still on hand at year end	<u>850,730</u>	<u>632,892</u>

The Rand values of the inventory received from Donors and subsequently donated to Beneficiary Organisations have not been shown on the entity's Statement of Surplus or Deficit and Other Comprehensive Income, nor has the Rand value of the inventory held by the entity at year end been shown on the entity's Statement of Financial Position. This is due to the fact that the cost of the food received from Donors is R Nil.

5. Directors

The directors of the company during the year and at the date of this report are as follows:

Name

C F Sonn (Chairman)
A I Du Plessis (Managing Director)
R H Singh
J V Lucas
T Modise-Harvey
N Skweyiya
M E Letlape
L J Zuhlke

6. Events after the reporting period

The directors are not aware of any matter which is material to the financial affairs of the company that has occurred between the reporting date and the date of approval of the annual financial statements.

7. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future. Accordingly, the annual financial statements have been prepared on a going concern basis.

The directors have satisfied themselves that the company is in a sound financial position to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

8. Auditor

Sprigg Abbott Incorporated will continue in office as the auditor for the company for the ensuing year.

At the AGM, the board will consider reappointing Sprigg Abbott Incorporated as the independent external auditors of the company and confirming David Barnes as the designated lead audit partner for the 2027 financial year.

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
Statement of Financial Position

Figures in Rand	Notes	2026	2025
Assets			
Non-Current Assets			
Property, plant and equipment	3	39,938,050	43,062,840
Right-of-use assets	4	3,059,082	3,095,652
Intangible assets	5	4,544,526	4,285,967
Other financial assets	6	51,275,631	43,408,266
		98,817,289	93,852,725
Current Assets			
Trade and other receivables	7	812,722	1,097,020
Cash and cash equivalents	8	28,069,681	31,137,469
		28,882,403	32,234,489
Total Assets		127,699,692	126,087,214
Equity and Liabilities			
Equity			
Retained income		121,820,042	119,761,136
Liabilities			
Non-Current Liabilities			
Lease liabilities	4	1,615,839	1,535,492
Current Liabilities			
Lease liabilities	4	1,926,738	2,122,905
Trade and other payables	9	2,337,073	2,667,681
		4,263,811	4,790,586
Total Liabilities		5,879,650	6,326,078
Total Equity and Liabilities		127,699,692	126,087,214

FOOD FORWARD SA NPC**(Registration number 2000/014314/08)****Annual Financial Statements for the year ended 28 February 2026****Statement of Surplus or Deficit and Other Comprehensive Income**

Figures in Rand	Notes	2026	2025
Revenue	10	32,055,750	30,857,168
Procured inventory donated to beneficiary organisations	11	(902,697)	(1,962,718)
Other operating gains	12	7,627,106	4,798,034
Other operating expenses		(39,500,130)	(40,302,154)
Operating deficit	13	(719,971)	(6,609,670)
Investment income	14	3,214,031	3,797,460
Finance costs	15	(435,154)	(538,391)
Surplus/(deficit) before taxation		2,058,906	(3,350,601)
Taxation	16	-	-
Surplus/(deficit) for the year		2,058,906	(3,350,601)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		2,058,906	(3,350,601)

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 March 2024	123,111,737	123,111,737
Deficit for the year	(3,350,601)	(3,350,601)
Other comprehensive income	-	-
Total comprehensive loss for the year	(3,350,601)	(3,350,601)
Balance at 01 March 2025	119,761,136	119,761,136
Surplus for the year	2,058,906	2,058,906
Other comprehensive income	-	-
Total comprehensive surplus for the year	2,058,906	2,058,906
Balance at 28 February 2026	121,820,042	121,820,042

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
Statement of Cash Flows

Figures in Rand	Notes	2026	2025
Cash flows used in operating activities			
Cash used in operations	17	(2,837,947)	(6,086,378)
Interest income	14	2,064,201	2,775,322
Net cash used in operating activities		<u>(773,746)</u>	<u>(3,311,056)</u>
Cash flows used in investing activities			
Acquisition of property, plant and equipment	3	(101,955)	(473,560)
Proceeds on sale of property, plant and equipment	3	872,976	467,568
Acquisition of intangible assets	5	(258,559)	(400,952)
Net cash used in investing activities		<u>512,462</u>	<u>(406,944)</u>
Cash flows used in financing activities			
Payment of lease liabilities	18	(2,806,504)	(2,983,293)
Total cash movement for the year		<u>(3,067,788)</u>	<u>(6,701,293)</u>
Cash at the beginning of the year		31,137,469	37,838,762
Total cash at end of the year	8	<u>28,069,681</u>	<u>31,137,469</u>

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
Accounting Policies

Corporate information

Food Forward SA NPC is a non-profit company incorporated and domiciled in South Africa.

The company's registered office is located at 21 Polaris Road, Nerissa Estate, Bellville, Lansdowne, 7780.

The annual financial statements were independently compiled in accordance with the requirements of the Companies Act of South Africa, by Ruan van der Burgh Chartered Accountant (SA).

The annual financial statements for the reporting period ended 28 February 2026 were authorised for issue by the directors on 30 June 2026. No changes have been made to the financial statements since this date.

1. Significant accounting policies

The principal 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 on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") Accounting Standards as issued by the IASB and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act of South Africa.

These annual financial statements comply with the requirements of the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the company's functional currency.

These accounting policies are consistent with the previous period, except for the adoption of new or revised standards as detailed in note 2.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS Accounting Standards as issued by the IASB requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

Impairment of financial assets (Judgement)

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

1.2 Significant judgements and sources of estimation uncertainty (continued)

Impairment testing of non-financial assets (Estimate)

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. 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.

Property, plant and equipment (Estimate)

Property, plant and equipment is depreciated on a straight-line basis over its estimated useful life to residual value. Residual values and useful lives are based on management's best estimates and actual future outcomes may differ from these estimates.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

The residual values, useful lives and depreciation methods applied to property, plant and equipment are reviewed by management on an annual basis, taking into account market conditions as well as historical trends.

Critical judgements in determining the incremental borrowing rate of lease agreements

In determining the incremental borrowing rate of lease agreements, the company, where possible, uses recent third-party financing interest rates received as a starting point and makes adjustments specific to the lease depending on the term, underlying asset, security provided and changes in financing conditions noted since the financing was obtained. The rate is adjusted for additional risks identified by management depending on the lease.

1.3 Property, plant and equipment

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

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes all of the expenditure which is directly attributable to the acquisition of the asset.

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

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. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

FOOD FORWARD SA NPC
(Registration number 2000/014314/08)
Annual Financial Statements for the year ended 28 February 2026
Accounting Policies

1.3 Property, plant and equipment (continued)

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

Item	Depreciation method	Average useful life
Land and buildings	Indefinite	Not depreciated
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	6 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	5 years
Computer software	Straight line	3 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Intangible assets

An intangible asset is recognised when:

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

Intangible assets are initially recognised at cost.

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. 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.

Item	Useful life
FoodShare	Indefinite

1.5 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Classification

The company classifies its financial assets and financial liabilities into the following categories:

- Financial assets which are debt instruments measured at amortised cost;
- Financial assets measured at fair value through profit or loss; and
- Financial liabilities measured at amortised cost.

Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. Financial assets held at amortised cost are measured initially at fair value including transaction costs, except for trade receivables that do not contain a significant financing component which are measured at the transaction price determined under IFRS 15. Financial assets held at fair value through profit and loss are measured at fair value excluding transaction costs. Financial liabilities at amortised cost are recognised initially at fair value.

Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Financial assets at fair value through profit or loss are subsequently measured at fair value with net changes in fair value recognised in the statement of profit or loss. Financial liabilities at amortised cost are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Impairment of financial assets

The company recognises an allowance for expected credit losses (ECLs) for all financial assets held at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The expected credit loss provision reflects the probability-weighted outcome, the time value of money and reasonable supportable information that is available at the reporting date about the historic credit loss rate as well as the impact of the current and future economic conditions in which the company operates.

For trade receivables, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company bases the ECL on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

1.5 Financial instruments (continued)

Derecognition

Financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Trade and other receivables

Trade and other receivables are classified as financial assets measured at amortised cost.

Trade and other receivables have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables.

The company recognises a loss allowance for expected credit losses on trade and other receivables. The amount of expected credit losses is updated at each reporting date.

The company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

The company will write off the underlying financial asset when there is an indication that the customer is in financial difficulty or business rescue and management has assessed that the customer is not in a financial position to pay the outstanding debt. Trade receivables written off for accounting purposes may still be subject to the company's internal recovery procedures, with the assistance of legal counsel. Any recoveries made once the debt has been written off will be recognised as other income in the statement of profit or loss and other comprehensive income.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The company measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

1.5 Financial instruments (continued)

Financial assets at fair value through profit and loss

Other financial assets are classified as financial instruments at fair value through profit or loss and is initially measured at fair value and are re-measured to fair value at subsequent reporting dates.

Changes in the fair value of other financial assets are recognised in profit or loss as they arise.

Trade and other payables

Trade and other payables are classified as financial liabilities measured at amortised cost (refer to note 9).

Cash and cash equivalents

Cash and cash equivalents are classified as financial assets initially measured at fair value and subsequently measured at amortised cost. Cash and cash equivalents comprise cash held at the bank.

Bank overdraft

The bank overdraft is initially measured at fair value, and is subsequently measured at amortised cost, using the effective interest method.

The bank overdraft is classified as financial liabilities at amortised cost.

1.6 Tax

Current tax assets and liabilities

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

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

Tax expenses

Current taxes are recognised as income or an expense and included in profit or loss for the period.

Current taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.7 Borrowing costs

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

1.8 Related parties

Individuals or entities are related parties if one entity has the ability, directly or indirectly, to control or jointly control the other entity or exercise significant influence over the other party, in making financial and/or operating decisions. Key management personnel (including directors) are also defined as related parties.

1.9 Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straightline basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Company as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense (note 13) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Details of leasing arrangements where the company is a lessee are presented in note 4 Right-of-use assets and lease liabilities

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate. The incremental borrowing rate is the rate of interest that the company would have to pay to borrow the funds necessary to obtain the leased asset.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives; and
- lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 15).

1.9 Leases (continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets

Right-of-use asset is recognised initially at the amount equal to which the lease liability was initially recognised.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

For right-of-use assets which are depreciated over their useful lives, the useful lives are presented in the following table:

Item	Depreciation method	Average useful life
Buildings	Straight line	1 to 3 years
Forklifts	Straight line	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss.

1.10 Impairment of non-financial assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

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

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation is recognised immediately in profit or loss.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss.

1.11 Revenue

Revenue comprises the fair value of the consideration received or receivable from services rendered in the ordinary course of the company's activities. Revenue is recognised when it is probable that the economic benefits associated with a transaction will flow to the company and the amount of income, and associated costs incurred or to be incurred can be measured reliably.

The company recognises revenue from the following major sources:

- Donations, fundraising and service agreement revenue; and
- Government grants.

Donations, fundraising and service agreement revenue

Revenue from donations, fundraising and service agreements are recognised upon receipt, unless there is a specific funding agreement, in which case the revenue is recognised in accordance with the terms of the agreement.

No significant finance component exists.

Government grants

Government grants are assistance from government in the form of transfers or resources in return for compliance with conditions associated with the grants.

Government grants are initially recognised as deferred revenue when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grants. Grants are recognised in the statement of comprehensive income on a systematic basis as the related expenses are incurred.

Deferred income

Grant and subsidy income is deferred to the extent that the period to which the funding agreement relates is longer than the financial period in which it is received. Income is also deferred if the funding is provided for specific purposes and such expenditure has not been incurred at year-end.

1.12 Donated assets

Non-reciprocal, non-monetary contributions in the form of donated assets from third parties other than governments are measured at the nominal amount paid.

1.13 Investment revenue

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

1.14 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the service is rendered, such as paid vacation leave and sick leave, bonuses, and pension contributions), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

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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 company 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:
Lack of exchangeability - amendments to IAS 21	01 January 2025	The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 March 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
- IFRS 18 Presentation and Disclosure in Financial Statements - Amendments to IFRS 7 Financial Instruments: Disclosures - Amendments to IAS 7 Statement of Cash flows - Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.	01 January 2027 01 January 2026 01 January 2026 01 January 2026	- Impact is not expected to be material. - Impact is not expected to be material. - Impact is not expected to be material. - Impact is not expected to be material.

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3. Property, plant and equipment

	2026			2025		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	2,848,337	(2,280,267)	568,070	2,814,687	(1,850,124)	964,563
Computer software	607,210	(607,210)	-	607,210	(607,210)	-
Furniture and fittings	1,070,007	(725,893)	344,114	1,051,402	(622,844)	428,558
Land and buildings	28,692,907	-	28,692,907	28,692,907	-	28,692,907
Motor vehicles	20,292,622	(10,275,708)	10,016,914	20,600,102	(8,253,188)	12,346,914
Office equipment	2,749,668	(2,433,623)	316,045	2,763,840	(2,133,942)	629,898
Total	56,260,751	(16,322,701)	39,938,050	56,530,148	(13,467,308)	43,062,840

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Computer equipment	964,563	52,990	(4,767)	(444,716)	568,070
Furniture and fittings	428,558	42,880	(360)	(126,964)	344,114
Land and buildings	28,692,907	-	-	-	28,692,907
Motor vehicles	12,346,914	-	(91,895)	(2,238,105)	10,016,914
Office equipment	629,898	6,085	(5,200)	(314,738)	316,045
	43,062,840	101,955	(102,222)	(3,124,523)	39,938,050

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Computer equipment	1,416,177	30,054	(6,722)	(474,946)	964,563
Furniture and fittings	538,208	16,313	-	(125,963)	428,558
Land and buildings	28,692,907	-	-	-	28,692,907
Motor vehicles	14,746,184	334,783	(342,588)	(2,391,465)	12,346,914
Office equipment	849,708	92,410	-	(312,220)	629,898
	46,243,184	473,560	(349,310)	(3,304,594)	43,062,840

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4. Right-of-use assets and lease liabilities

The entity leases several buildings at each of its branches, as well as forklifts. The average lease term of the buildings varies from 1 to 3 years, and the average lease term of the forklifts is 5 years.

The right-of-use asset recognised at initial recognition is depreciated over the lease term.

Details pertaining to leasing arrangements, where the company is lessee are presented below:

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

Buildings	2,729,554	2,312,602
Forklifts	329,528	783,050
	3,059,082	3,095,652

Right-of-use assets

Reconciliation of carrying amount of right of use asset is as follows:

Opening balance	3,095,652	5,255,438
Additions	2,691,223	774,582
Derecognition of expired lease agreements - cost	(4,184,204)	(614,987)
Derecognition of expired lease agreements - accumulated depreciation	4,026,145	614,987
Depreciation	(2,430,917)	(2,677,039)
Other adjustments	(138,817)	(257,329)
	3,059,082	3,095,652

Lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year	2,182,749	2,409,666
Two to five years	1,615,839	1,625,600
	3,798,588	4,035,266
Less finance charges component	(256,011)	(376,869)
	3,542,577	3,658,397
Non-current liabilities	1,615,839	1,535,492
Current liabilities	1,926,738	2,122,905
	3,542,577	3,658,397

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5. Intangible assets

	2026			2025		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
FoodShare	4,544,526	-	4,544,526	4,285,967	-	4,285,967

Reconciliation of intangible assets - 2026

	Opening balance	Additions	Total
FoodShare	4,285,967	258,559	4,544,526

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Total
FoodShare	3,885,015	400,952	4,285,967

6. Other financial assets

At fair value through profit or loss

Coronation Balanced Plus - P	34,732,922	29,360,630
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At year end 181,191.77 (2025: 177,185.72) units were held with a fair value of R 191.70 (2025: R 165.71) each, accruing a total cumulative fair value gain of R 4,809,075 (2025: R 3,605,327).

Investec Wealth Fund	16,542,709	14,047,636
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During the current year, the investment portfolio consisted of the following:

- Asset Swaps	36.27%(R 6,074,995)
- SA Equities	28.76%(R 4,757,978)
- Gilts and Bonds	17.98%(R 2,974,874)
- SA Cash	2.54% (R 420,520 in trading account)
- IW & I Unit Trust	13.99%(R 2,314,612)

During the prior year the investment portfolio consisted of the following:

- Asset Swaps	36.13%(R 5,075,283)
- SA Equities	26.90%(R 3,778,643)
- Gilts and Bonds	22.44%(R 3,152,263)
- SA Cash	3.65% (R 512,760 in trading account)
- IW & I Unit Trust	10.88%(R 1,528,687)

The Investec Wealth Fund Investment Portfolio accrued a total cumulative fair value gain of R 1,690,949 (2025: R 938,462).

51,275,631	43,408,266
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6. Other financial assets (continued)

Fair value information

Financial assets at fair value through profit or loss are recognised at fair value, which is therefore equal to their carrying amounts.

The investments have no fixed maturity. The fair values of the investments in equity funds were based on quoted market prices and exchange rates applicable at the statement of financial position date.

Fair value hierarchy of investments at fair value through profit or loss

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs which are not based on observable market data.

The other financial assets are measured using level 1 inputs.

7. Trade and other receivables

Financial instruments:

Trade receivables	173,040	187,116
Deposits	364,328	390,194
Sundry receivables	21,588	127,078

Non-financial instruments:

Prepayments	-	146,655
Value Added Taxation	253,766	245,977

Total trade and other receivables	812,722	1,097,020
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Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	558,956	704,388
Non-financial instruments	253,766	392,632
	812,722	1,097,020

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if debtors fail to make payments as they fall due.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables.

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7. Trade and other receivables (continued)

Sundry receivables consist of suppliers with debit balances. Management does not expect any losses from non-performance by these counterparties.

The company measures the loss allowance for receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on receivables is determined as the lifetime expected credit losses on receivables. These lifetime expected credit losses are estimated using a provision matrix. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

No loss allowance has been provided for on the carrying amount of trade receivables as at 28 February 2026 (2025: R Nil).

Fair value of trade and other receivables

Trade receivables are carried at amortised cost, with the fair value being approximated by such carrying value, due to its short-term nature.

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	776,054	1,600,172
Cash on hand	3,880	4,201
Short-term deposits	27,289,747	29,533,096
	<u>28,069,681</u>	<u>31,137,469</u>

Fair value of cash and cash equivalents

Due to the short-term nature of cash and cash equivalents, the carrying amount is deemed to approximate fair value.

Credit quality of cash and cash equivalents

Bank balances are held with reputable financial institutions of high credit standing.

9. Trade and other payables

Financial instruments:

Trade payables	1,561,496	1,742,325
Accrued expenses	165,000	160,000

Non-financial instruments:

Accrued payroll expenses	446,493	527,546
Provision for leave pay	164,084	237,810
	<u>2,337,073</u>	<u>2,667,681</u>

Fair value of trade and other payables

Trade and other payables are carried at amortised cost, with the fair value being approximated by such carrying value, due to its short term nature.

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10. Revenue		
Revenue allocation		
Donations	23,125,016	22,015,128
Grants	-	1,274,278
Membership fees	6,533,510	6,038,676
Service agreement revenue	2,397,224	1,529,086
	32,055,750	30,857,168
11. Inventories		
Opening stock	-	-
Purchases	902,697	1,962,718
Donated to beneficiary organisations	(902,697)	(1,962,718)
	-	-
12. Other operating gains		
Gains on disposals of property, plant and equipment		
Property, plant and equipment	770,754	118,260
Right-of-use assets	138,817	-
Other financial assets	217,510	135,985
	1,127,081	254,245
Fair value gains		
Financial assets at fair value through profit or loss	6,500,025	4,543,789
Total other operating gains	7,627,106	4,798,034
13. Operating deficit		
Operating deficit for the year is stated after accounting for the following:		
Expenses by nature		
Employee costs	19,969,824	20,724,059
Depreciation on property, plant and equipment and right-of-use assets	5,555,440	5,981,634
Lease rentals on operating lease	268,252	561,620
Special Projects: Disaster Relief	1,313,890	645,774
14. Investment revenue		
Dividend income		
Other financial assets	546,393	447,927
Interest income		
Bank	2,667,638	3,349,533
Total investment income	3,214,031	3,797,460

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15. Finance costs

Lease liabilities	435,154	538,391
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16. Taxation

The company is exempt from tax as per section 10(1)(cN) of the South African Income Tax Act.

No provision has been made for 2026 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is R Nil (2025: R Nil).

17. Cash used in operations

Surplus/(deficit) before taxation	2,058,906	(3,350,601)
Adjustments for:		
Depreciation and amortisation	5,555,440	5,981,634
Profit on sale of property, plant and equipment and other financial assets	(988,264)	(254,245)
Dividend income	(635,056)	(447,927)
Interest received	(2,578,975)	(3,349,533)
Finance costs	435,154	538,391
Fair value gains	(6,500,025)	(4,543,789)
Other movements in right-of-use assets and lease liabilities	(138,817)	(62,922)
Changes in working capital:		
Trade and other receivables	284,298	(58,258)
Trade and other payables	(330,608)	(539,128)
	(2,837,947)	(6,086,378)

18. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - 2026

	Opening balance	Interest accrued	New leases	Expired leases	Cash flows	Closing balance
Lease liabilities	3,658,397	435,154	2,691,223	(435,693)	(2,806,504)	3,542,577

Reconciliation of liabilities arising from financing activities - 2025

	Opening balance	Interest accrued	New leases	Expired leases	Cash flows	Closing balance
Lease liabilities	5,648,968	538,391	774,582	(320,251)	(2,983,293)	3,658,397

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19. Directors' emoluments

Executive

2026

	Emoluments	Bonus	Travel allowance	General fringe benefits	Pension fund contributions	Total
A I Du Plessis	1,500,000	-	175,200	33,500	112,418	1,821,118

2025

	Emoluments	Bonus	Travel allowance	General fringe benefits	Pension fund contributions	Total
A I Du Plessis	1,416,000	118,000	179,460	31,394	106,200	1,851,054

20. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2026

	Notes	Fair value through profit or loss	Amortised cost	Total
Other financial assets	6	51,275,631	-	51,275,631
Trade and other receivables	7	-	558,956	558,956
Cash and cash equivalents	8	-	28,069,681	28,069,681
		51,275,631	28,628,637	79,904,268

2025

	Note	Fair value through profit or loss	Amortised cost	Total
Other financial assets	6	43,408,266	-	43,408,266
Trade and other receivables	7	-	704,388	704,388
Cash and cash equivalents	8	-	31,137,469	31,137,469
		43,408,266	31,841,857	75,250,123

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20. Financial instruments and risk management (continued)

Categories of financial liabilities

2026

	Notes	Amortised cost	Total
Trade and other payables	9	1,726,496	1,726,496
Lease liabilities	4	3,542,577	3,542,577
		5,269,073	5,269,073

2025

	Notes	Amortised cost	Total
Trade and other payables	9	1,902,325	1,902,325
Lease liabilities	4	3,658,397	3,658,397
		5,560,722	5,560,722

Capital risk management

The company's objectives when managing capital is to safeguard the company's ability to continue as a going concern.

The capital structure of the company consists of cash and cash equivalents disclosed in note 8 and the accumulated surplus as disclosed in the statement of changes in equity.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous period.

Financial risk management

Overview

The company is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (interest rate risk).

The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. Risk management is carried out by senior management.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its deposits with banks and financial institutions.

Credit risk consists mainly of cash and cash equivalents and trade and other receivables.

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20. Financial instruments and risk management (continued)

Outstanding receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis.

The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses.

The maximum exposure to credit risk is presented in the table below:

		2026			2025		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Other financial assets	6	51,275,631	-	51,275,631	43,408,266	-	43,408,266
Trade and other receivables	7	558,956	-	558,956	704,388	-	704,388
Cash and cash equivalents	8	28,069,681	-	28,069,681	31,137,469	-	31,137,469
		79,904,268	-	79,904,268	75,250,123	-	75,250,123

Liquidity risk

The company is exposed to liquidity risk, which is the risk that the company will encounter difficulties in meeting its obligations as they become due.

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities and ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

The table below analyses the company's 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.

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20. Financial instruments and risk management (continued)

2026

		Less than 1 year	1 to 2 years	Total	Carrying amount
Non-current liabilities					
Lease liabilities	4	-	1,615,839	1,615,839	1,615,839
Current liabilities					
Trade and other payables	9	1,726,496	-	1,726,496	1,726,496
Lease liabilities	4	2,182,749	-	2,182,749	1,926,738
		3,909,245	1,615,839	5,525,084	5,269,073

2025

		Less than 1 year	1 to 2 years	Total	Carrying amount
Non-current liabilities					
Lease liabilities	4	-	1,625,600	1,625,600	1,535,492
Current liabilities					
Trade and other payables	9	1,902,325	-	1,902,325	1,902,325
Lease liabilities	4	2,409,666	-	2,409,666	2,122,905
		4,311,991	1,625,600	5,937,591	5,560,722

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in interest rates.

The company's only significant interest-bearing assets and liabilities, which exposes the company to changes in market interest rates are cash and cash equivalents and lease liabilities.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

At 28 February 2026, if interest rates on Rand-denominated interest-bearing assets and liabilities had been 1% higher/lower with all other variables held constant, the surplus for the period would have been R 755,467 (2025: R 708,873) higher/lower.

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Figures in Rand	Notes	2026	2025
Revenue			
Donations		23,125,016	22,015,128
Grants		-	1,274,278
Membership fees		6,533,510	6,038,676
Service agreement revenue		2,397,224	1,529,086
	10	32,055,750	30,857,168
Cost of sales			
Procured inventory donated to beneficiary organisations		(902,697)	(1,962,718)
		31,153,053	28,894,450
Other operating gains			
Profit on sale of property, plant and equipment and other financial assets		1,127,081	254,245
Fair value gains		6,500,025	4,543,789
	12	7,627,106	4,798,034
Expenses (Refer to page 36)		(39,500,130)	(40,302,154)
Operating deficit	13	(719,971)	(6,609,670)
Investment income	14	3,214,031	3,797,460
Finance costs	15	(435,154)	(538,391)
Surplus/(deficit) before taxation		2,058,906	(3,350,601)
Taxation	16	-	-
Surplus/(deficit) for the year		2,058,906	(3,350,601)

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Figures in Rand	2026	2025
Other operating expenses		
Accommodation and allowances	824,651	961,730
Annual duty	3,000	3,000
Auditors remuneration	166,709	161,700
Bank charges	39,046	52,182
Cleaning	293,155	372,673
Computer expenses	990,590	808,013
Depreciation on property, plant and equipment and right of use asset	5,555,440	5,981,634
Distribution costs	783,643	383,203
Employee costs	19,969,824	20,724,059
Entertainment	1,751	12,040
Fundraising and other consulting	122,869	103,335
Fundraising costs and promotions	1,150,727	771,993
Insurance	724,254	748,208
Lease rentals on operating lease	268,252	561,620
Legal fees	-	10,592
Motor vehicle fuel and oil	3,058,894	3,472,725
Other expenses	47,773	43,164
Postage and Courier	38,216	34,680
Printing and stationery	104,168	116,921
Repairs and maintenance – vehicles	216,481	172,102
Research and development costs	662,642	493,428
Security	464,831	450,755
Special Projects: Disaster Relief	1,310,890	645,774
Staff recruitment	167,532	182,827
Staff uniforms and PPE	61,071	137,667
Staff welfare	160,400	185,274
Telephone	259,441	365,794
Training	77,205	152,538
Travel	572,956	786,054
Utilities	1,403,719	1,406,469
	39,500,130	40,302,154