

Radio Islam (Non-Profit Company)
(Registration number 1994/010170/08)
Annual Financial Statements
for the year ended 29 February 2024

Radio Islam (Non-Profit Company)

(Registration number: 1994/010170/08)

Annual Financial Statements for the year ended 29 February 2024

General Information

| | |
|--|---|
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | Operating a radio station for the broadcasting of Islamic programming and to create an understanding of the virtues, glories and bounties of Islam within the community |
| Directors | A.D. Suleman B.A.S. Patel F. Adam M. Motala M.Y. Mia N.A.R. Karolia S. Manga |
| Registered office | 35 Cuckoo Avenue Lenasia 1820 |
| Postal address | PO Box 2580 Lenasia 1820 |
| Bankers | First National Bank Albaraka Bank |
| Auditors | Karolia Jeena Inc. Chartered Accountants (SA) Registered Auditors |
| Tax reference number | 9483597846 |
| Level of assurance | These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008. |

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The reports and statements set out below comprise the annual financial statements presented to the stakeholders:

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 International Financial Reporting Standard for Small and Medium-sized Entities. 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 International Financial Reporting Standard for Small and Medium-sized Entities 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 board of directors sets 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 2025 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The 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 pages 6 - 7.

The annual financial statements set out on pages 8 to 17, which have been prepared on the going concern basis, were approved by the board of directors on 14 July 2024 and were signed on its behalf by:



B.A.S. Patel



M.Y. Mia

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Radio Islam (Non-Profit Company) for the year ended 29 February 2024.

1. Nature of business

Radio Islam (Non-Profit Company) was incorporated in South Africa with interests in the audio broadcasting industry. The company operates in South Africa.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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

3. Directors

The directors in office at the date of this report are as follows:

| Directors | Changes |
|----------------------------|-----------------------------|
| A.D. Suleman | |
| B.A.S. Patel | |
| F. Adam | |
| M. Motala | Appointed 03 September 2023 |
| M.Y. Mia | |
| N.A.R. Karolia | |
| S. Manga | |
| A.H. Mahomed (Resigned) | Resigned 27 October 2023 |
| A.H. Seedat (Resigned) | Resigned 27 October 2023 |
| F. Moola (Resigned) | Resigned 27 October 2023 |
| F.I. Dajee (Resigned) | Resigned 27 October 2023 |
| G.U. Sithole (Resigned) | Resigned 27 October 2023 |
| I. Vally (Resigned) | Resigned 27 October 2023 |
| M.H.A. Goolbhai (Resigned) | Resigned 27 October 2023 |
| Z.M. Wadiwala (Resigned) | Resigned 27 October 2023 |

There have been no other changes to the directorate for the period under review.

4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and 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 and that it has access to sufficient borrowing facilities 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.

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Annual Financial Statements for the year ended 29 February 2024

Directors' Report

6. Auditors

Karolia Jeena Inc. continued in office as auditors for the company for 2024.

At the AGM, the chairman will be requested to reappoint Karolia Jeena Inc. as the independent external auditors of the company and to confirm Mr N.M.S. Hadjee as the designated lead audit partner for the 2025 financial year.

7. Secretary

The company has not officially appointed a secretary.



Independent Auditor's Report

To the Members of Radio Islam (Non-Profit Company)

Opinion

We have audited the annual financial statements of Radio Islam (Non-Profit Company) (the company) set out on pages 8 to 17, which comprise the statement of financial position as at 29 February 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Radio Islam (Non-Profit Company) as at 29 February 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for Opinion

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 annual 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 "Radio Islam (Non-Profit Company) annual financial statements for the year ended 29 February 2024", which includes the Directors' Report as required by the Companies Act 71 of 2008 which we obtained prior to the date of this report. 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 and will 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 on the other information obtained prior to the date of this auditor's report, 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.

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 International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, 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.

Independent Auditor's Report

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

Our objectives are to obtain reasonable assurance about whether the annual financial statements of Radio Islam (Non-Profit Company) for the year ended 29 February 2024 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.

Karolia Jeena Inc.

Registered Auditors



Per: N.M.S. Hadjee
Chartered Accountant (S.A.)
Registered Auditor

14 July 2024
Parktown

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Annual Financial Statements for the year ended 29 February 2024

Statement of Financial Position as at 29 February 2024

| | Note(s) | 2024 R | 2023 R |
|-------------------------------------|---------|------------------|------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2 | 1 253 487 | 1 308 634 |
| Current Assets | | | |
| Inventories | 3 | 727 537 | 782 767 |
| Trade and other receivables | | 425 136 | 255 835 |
| Cash and cash equivalents | 4 | 2 119 589 | 1 224 591 |
| | | 3 272 262 | 2 263 193 |
| Total Assets | | 4 525 749 | 3 571 827 |
| Equity and Liabilities | | | |
| Equity | | | |
| Retained income | | 3 600 985 | 3 048 655 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables | | 819 764 | 393 172 |
| Provisions | 5 | 105 000 | 130 000 |
| | | 924 764 | 523 172 |
| Total Equity and Liabilities | | 4 525 749 | 3 571 827 |

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Statement of Comprehensive Income

| | Note(s) | 2024 R | 2023 R |
|---|---------|-------------------|--------------------|
| Revenue | | 10 949 578 | 9 857 514 |
| Cost of sales | | (325 708) | (426 264) |
| Gross profit | | 10 623 870 | 9 431 250 |
| Other income | 7 | 3 750 930 | 3 944 676 |
| Operating expenses | 8 | (13 937 509) | (14 495 282) |
| Operating profit (loss) | | 437 291 | (1 119 356) |
| Investment revenue | 11 | 115 039 | 26 165 |
| Profit (loss) for the year | | 552 330 | (1 093 191) |
| Other comprehensive income | | - | - |
| Total comprehensive income (loss) for the year | | 552 330 | (1 093 191) |

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Statement of Changes in Equity

| | Retained income R | Total equity R |
|--|-------------------------|--------------------|
| Balance at 01 March 2022 | 4 141 846 | 4 141 846 |
| Loss for the year | (1 093 191) | (1 093 191) |
| Other comprehensive income | - | - |
| Total comprehensive loss for the year | (1 093 191) | (1 093 191) |
| Balance at 01 March 2023 | 3 048 655 | 3 048 655 |
| Profit for the year | 552 330 | 552 330 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | 552 330 | 552 330 |
| Balance at 29 February 2024 | 3 600 985 | 3 600 985 |

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Statement of Cash Flows

| | Note(s) | 2024 R | 2023 R |
|--|---------|------------------|------------------|
| Cash flows from operating activities | | | |
| Cash receipts from customers and donors | | 14 531 207 | 13 981 953 |
| Cash paid to suppliers and employees | | (12 905 569) | (14 004 502) |
| Cash generated from (used in) operations | 12 | 1 625 638 | (22 549) |
| Investment income | | 115 039 | 26 165 |
| Net cash from operating activities | | 1 740 677 | 3 616 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 2 | (845 679) | (240 700) |
| Total cash movement for the year | | 894 998 | (237 084) |
| Cash and cash equivalents at the beginning of the year | | 1 224 591 | 1 461 675 |
| Total cash at end of the year | 4 | 2 119 589 | 1 224 591 |

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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 International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, 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 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 or replace part of 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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 | 6 years |
| Motor vehicles | Straight line | 5 years |
| Office equipment | Straight line | 5 years |
| IT equipment | Straight line | 3 years |
| Leasehold improvements | Straight line | 2 years |
| Transmitters | Straight line | 3 years |
| Other fixed assets | Straight line | 5 years |

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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.

1.2 Tax

Current tax assets and liabilities

The Association is exempt from income tax in terms of Section 30(b) of the Income Tax Act. Donations by or to the Association are exempt from donations tax in terms of Section 56(1)(h) of the Act.

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Accounting Policies

1.3 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model 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.

1.5 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.6 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Revenue comprises of advertising and sponsorship revenue as well as sales of goods relating to broadcasting.

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Notes to the Annual Financial Statements

| | 2024 | | | 2023 | | |
|--------------------------------|-------------------|--------------------------|------------------|-------------------|--------------------------|------------------|
| | Cost | Accumulated depreciation | Carrying value | Cost | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 930 905 | (853 746) | 77 159 | 930 905 | (795 906) | 134 999 |
| Furniture and fixtures: Durban | 41 574 | (41 569) | 5 | 41 574 | (41 569) | 5 |
| Motor vehicles | 1 196 752 | (1 065 208) | 131 544 | 1 196 752 | (1 017 991) | 178 761 |
| Office equipment | 3 632 852 | (2 718 424) | 914 428 | 2 965 935 | (2 290 376) | 675 559 |
| Office equipment: Durban | 878 738 | (878 726) | 12 | 878 738 | (878 726) | 12 |
| IT equipment | 2 829 168 | (2 748 372) | 80 796 | 2 650 407 | (2 649 837) | 570 |
| Leasehold improvements | 170 244 | (170 244) | - | 170 244 | (170 244) | - |
| Transmitters | 2 401 358 | (2 351 816) | 49 542 | 2 401 358 | (2 082 631) | 318 727 |
| Other fixed assets | 91 690 | (91 689) | 1 | 91 690 | (91 689) | 1 |
| Total | 12 173 281 | (10 919 794) | 1 253 487 | 11 327 603 | (10 018 969) | 1 308 634 |

Reconciliation of property, plant and equipment - 2024

| | Opening balance | Additions | Depreciation | Closing balance |
|---------------------------------|------------------|----------------|------------------|------------------|
| Furniture and fixtures | 134 999 | - | (57 840) | 77 159 |
| Furniture and fixtures - Durban | 5 | - | - | 5 |
| Motor vehicles | 178 761 | - | (47 217) | 131 544 |
| Office equipment | 675 559 | 666 917 | (428 048) | 914 428 |
| Office equipment - Durban | 12 | - | - | 12 |
| IT Equipment | 570 | 178 762 | (98 536) | 80 796 |
| Transmitters | 318 727 | - | (269 185) | 49 542 |
| Other fixed assets | 1 | - | - | 1 |
| | 1 308 634 | 845 679 | (900 826) | 1 253 487 |

Reconciliation of property, plant and equipment - 2023

| | Opening balance | Additions | Depreciation | Closing balance |
|---------------------------------|------------------|----------------|--------------------|------------------|
| Furniture and fixtures | 194 248 | - | (59 249) | 134 999 |
| Furniture and fixtures - Durban | 5 261 | - | (5 256) | 5 |
| Motor vehicles | 131 479 | 90 000 | (42 718) | 178 761 |
| Office equipment | 1 012 356 | 31 822 | (368 619) | 675 559 |
| Office equipment - Durban | 66 667 | - | (66 655) | 12 |
| IT Equipment | 101 660 | 13 980 | (115 070) | 570 |
| Transmitters | 611 818 | 104 900 | (397 991) | 318 727 |
| Other fixed assets | 1 | - | - | 1 |
| | 2 123 490 | 240 702 | (1 055 558) | 1 308 634 |

3. Inventories

| | | |
|-------------|---------|---------|
| Merchandise | 727 537 | 782 767 |
|-------------|---------|---------|

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Notes to the Annual Financial Statements

| | 2024 R | 2023 R |
|---------------------------------------|------------------|------------------|
| 4. Cash and cash equivalents | | |
| Cash and cash equivalents consist of: | | |
| Cash on hand | 7 702 | 6 697 |
| Bank balances | 289 067 | 583 778 |
| Short-term deposits | 1 746 099 | 597 120 |
| Credit card balances | 76 721 | 36 996 |
| | 2 119 589 | 1 224 591 |

5. Provisions

Reconciliation of provisions - 2024

| | Opening balance | Additions | Utilised during the year | Closing balance |
|----------------------------------|--------------------|-----------|-----------------------------|--------------------|
| Provisions for employee benefits | 130 000 | 105 000 | (130 000) | 105 000 |

Reconciliation of provisions - 2023

| | Opening balance | Additions | Utilised during the year | Closing balance |
|----------------------------------|--------------------|-----------|-----------------------------|--------------------|
| Provisions for employee benefits | 122 500 | 130 000 | (122 500) | 130 000 |

6. Special project - Mobile clinic

| | | |
|-----------------|-----------|--------------|
| Opening balance | 1 588 | 214 156 |
| Funds raised | 816 602 | 720 885 |
| Disbursements | (818 190) | (933 453) |
| | - | 1 588 |

The company, together with other partners, are involved in running a Mobile Clinic service. The partner's involved in this project are the Jamiatul Ulama of South Africa, Islamic Medical Association (Roshnee Branch) and the Radio Station.

A free medical service is provided to underprivileged people in various townships. The Clinic is manned by a driver and qualified nurse, who can dispense medication. This service is provided Monday to Friday.

The Islamic Medical Association (Roshnee Branch) takes care of the day to day supervision of the Mobile Clinic. The Radio Station is responsible for the cost of providing all the expenses of the Mobile Clinic, including the salary of the nurse and the driver, as well as the cost of maintenance and operation of the vehicle and the cost of the medication.

The above balance is included in trade and other payables.

7. Other income

| | | |
|--------------------------|------------------|------------------|
| Donation income | 3 530 528 | 3 940 686 |
| Insurance claim received | 214 754 | - |
| Membership fees | 5 648 | 3 990 |
| | 3 750 930 | 3 944 676 |

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Notes to the Annual Financial Statements

| | 2024 R | 2023 R |
|---|------------------|------------------|
| 8. Operating expenses | | |
| Operating expenses include the following expenses: | | |
| Operating lease charges | | |
| Premises | | |
| • Contractual amounts | 66 000 | 66 000 |
| Depreciation | 900 826 | 1 055 558 |
| Employee costs | 6 305 017 | 7 050 279 |
| 9. Auditor's remuneration | | |
| Fees | 67 646 | 65 350 |
| 10. Employee cost | | |
| Total employee costs | 6 026 099 | 6 728 811 |
| Post-employment benefits - Pension | 278 918 | 321 468 |
| | 6 305 017 | 7 050 279 |
| 11. Investment revenue | | |
| Investment revenue | 115 039 | 26 165 |
| 12. Cash generated from (used in) operations | | |
| Net profit (loss) before taxation | 552 330 | (1 093 191) |
| Adjustments for: | | |
| Depreciation | 900 826 | 1 055 558 |
| Movement in provisions | (25 000) | 7 500 |
| Investment income | (115 039) | (26 165) |
| Changes in working capital: | | |
| (Increase) decrease in inventories | 55 230 | 199 203 |
| (Increase) decrease in trade and other receivables | (169 301) | 179 763 |
| Increase (decrease) in trade and other payables | 426 592 | (345 217) |
| | 1 625 638 | (22 549) |
| 13. Commitments | | |
| Operating leases – as lessee (expense) | | |
| Minimum lease payments due | | |
| - within one year | 66 000 | 66 000 |

Operating lease payments represent rentals payable by the company for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

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Notes to the Annual Financial Statements

| | 2024 R | 2023 R |
|---|-------------------------|--------------------|
| 14. Related parties | | |
| Related party balances and transactions with entities with control, joint control or significant influence over the company | | |
| Related party transactions | | |
| Rent paid to related parties | | |
| Jamiatul Ulama South Africa Property (Non-Profit Company) | 66 000 | 66 000 |
| Related party balances and transactions with entities over which the company has control, joint control or significant influence | | |
| Related party balances | | |
| Amounts included in Trade receivable (Trade Payable) regarding related parties | | |
| Jamiatul Ulama South Africa Property (Non-Profit Company) | (94 875) | - |
| 15. Key management cost to company | | |
| 2024 | | |
| Administration | Emoluments 2 252 629 | Total 2 252 629 |
| 2023 | | |
| Administration | Emoluments 2 195 100 | Total 2 195 100 |