THE AUDITED FINANCIAL STATEMENTS

OF

HOPE AND LIGHT COMMUNITY WELFARE (NPC)
(REG NO: 2004 / 000828 / 08)

For the year ended 31 DECEMBER 2025

MACMILLAN & ASSOCIATES
Chartered Accountants, Tax and Business Consultants

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)

REG NO: 2004 / 000828 / 08

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
(Registration Number : 2004 / 000828 / 08)
Annual Financial Statements for the year ended 31 December 2025

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	2004 / 000828 / 08
NPO Number	145 / 627
Nature of Business and Principal Activities	Operating a Primary School and Creche (Early Child Development Centre) including a Child Youth Care Centre
Directors	Daniel Ferdinand Immelman Gideon van Vuuren Judith Hill
Business Address	20A Alpine Road Fernwood Somerset West 7130
Independent Auditor	MacMillan and Associates Inc. 2 Dick Burton Street Plumstead, Cape Town 7800

2 Dick Burton Street
Plumstead
7800

Tel: (021) 762 1623 /
(021) 761 7377

Cell: 083 290 1147 /
078 659 4142

E-mail:
alton@macmillan-casa.co.za /
altonmacmillan@telkomsa.net

ALTON MACMILLAN
B.Com, B.Compt (Hons),
CA (SA), RA

Independent Auditor's Report

To the Directors of Hope and Light Community Welfare (NPC)

I have audited the financial statements of Hope and Light Community Welfare (NPC), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 12.

Directors' Responsibility for the Financial Statements

The organisation's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the organisation'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 organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Hope and Light Community Welfare (NPC) as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with the requirements of the Companies Act 71 of South Africa.

Other Matter

Secretarial and Accounting Duties
With the written consent of all directors, we have performed certain accounting duties.

Other reports included in the Annual Financial Statements

As part of our audit of the financial statements for the year ended 31 December 2025 we have read the Report of the National Executive Committee for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements.

These reports are the responsibility of the representative preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

A MACMILLAN

……………………………………………………
CHARTERED ACCOUNTANT (S.A.)
(Practice No: SAICA 0797 4252 / IRBA 903 724)
8 May 2026

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
DIRECTORS' RESPONSIBILITY AND APPROVAL
for the year ended 31 DECEMBER 2025

The directors are required by the Companies Act 71 of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the audited financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the organisation 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 basis of accounting as set out in Note 1 to the financial statements.

The audited financial statements are prepared in accordance with the basis of accounting as set out in Note 1 to the financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and places considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the 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 organisation and all employees are required organisation'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 organisation. While operating risk cannot be fully eliminated, the organisation 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 audited 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 organisation's cash flow forecast for the year to 31 December 2026 and, in the light of this review and the current financial position, they are satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external accountant is responsible for independently reviewing and reporting on the organisation's financial statements. The financial statements have been examined by the organisation's external accountant and their report is presented on page 2.

The financial statements which have been prepared on the going concern basis, were approved by:

....	....	....
J Hill	DF Immelman	G Van Vuuren
8 May 2026		

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
REPORT OF THE DIRECTORS
for the year ended 31 DECEMBER 2025

The directors present their report for the year ended 31 December 2025. This report forms part of the audited financial statements.

1 General review

The organisation's operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

2 Statements of responsibility

The directors are responsible for the maintenance of adequate records and the presentation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the International Financial Reporting Standards for Medium-sized Entities and in the manner required by the Companies Act of South Africa.

The directors are also responsible for the company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the organisation has adequate resources in place to continue in operation for the foreseeable future.

3 Events after the reporting period

The directors are not aware of any matter or circumstance of a material nature arising since the end of the financial year. All relevant information has been included in the notes to the financial statements.

4 Directors

The directors of the company during the accounting period and up to the date of this report are as follows:

Name	Nationality
Daniel Ferdinand Immelman	South African
Judith Hill	German
Gideon van Vuuren	South African

5 Auditor

MacMillan and Associates will continue in office in accordance with section 90 of the Companies Act.

Plumstead
8 May 2026

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
STATEMENT OF FINANCIAL POSITION
as at 31 DECEMBER 2025

		2025	2024
Assets	**Notes**	**R**	**R**
Non-current assets		57,680,705	58,046,874
Property, plant and equipment	2	57,680,705	58,046,874
Current assets		3,132,602	2,053,757
Trade and other receivables	3	1,777,356	1,333,974
Cash and cash equivalents	9.2	1,355,246	719,783
Total Assets		60,813,307	60,100,631
Equity and Liabilities			
Equity and reserves		59,699,105	58,995,383
Accumulated surplus		59,699,105	58,995,383
		.	.
Current liabilities		1,114,202	1,105,248
Deferred income	5	685,950	714,810
Trade and other payables	6	428,252	390,438
Total Equity and Liabilities		60,813,307	60,100,631

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 DECEMBER 2025

	Notes	2025 R	2024 R
Gross revenue		17,668,513	19,513,452
Other income		111,572	49,364
Operating costs		(17,076,363)	(18,623,628)
Net surplus	2.1, 4	703,722	939,188

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
STATEMENT OF CHANGES IN EQUITY
for the year ended 31 DECEMBER 2025

	Accumulated surplus R	Total R
Balance at 1 January 2024	58,056,195	58,056,195
Net surplus for the year	939,188	939,188
Balance at 31 December 2024	58,995,383	58,995,383
Net surplus for the year	703,722	703,722
Balance at 31 December 2025	59,699,105	59,699,105

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
STATEMENT OF CASH FLOWS
for the year ended 31 DECEMBER 2025

		2025	2024
Cash flow from operating activities	**Notes**	**R**	**R**
Cash receipts from customers		17,229,631	19,600,695
Cash paid to suppliers and employees		(16,235,416)	(17,494,132)
Cash generated from operating activities	9.1	994,215	2,106,563
Interest received		107,072	49,364
Interest expense		(8)	(3,210)
Net cash inflow from operating activities		1,101,279	2,152,717
Cash flows from investing activities			
Property, plant and equipment acquired		(465,816)	(1,565,626)
Net cash (outflow) from investing activities		(465,816)	(1,565,626)
Increase in cash and cash equivalents		635,463	587,091
Cash and cash equivalents at beginning of the period	9.2	719,783	132,692
Cash and cash equivalents at end of the period	9.2	1,355,246	719,783

1 PRESENTATION OF AUDITED FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis and incorporated the principle accounting policies set out below. They are presented in South African Rands.
These accounting policies are consistent with previous period.

1.1 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recognised at fair value and subsequently recorded at amortised cost.

1.2 REVENUE RECOGNITION

Revenue comprise donations received, government grants and self generated income from the organisation's educational facility. Donations and/or government grants received for specific projects/bequests which have not been applied to said projects/bequests at year end are recognised as a liability under "Deferred Income" on the balance sheet.

1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets which the body corporate 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. Land and buildings are subsequently stated at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. When land and buildings are revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset. Any increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation surplus in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. Any remaining decrease in excess of such credit is recognised in profit or loss in the current year. The revaluation surplus related to land and buildings is transferred to a non-distributable reserve. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset, net of
Plant, equipment and vehicles are included at revalued amounts less depreciation. Depreciation is calculated to write off the cost or amount of the valuation of property, plant and equipment on straight line basis over their expected useful lives. Land and buildings are not depreciated. The expected useful lives are as follows:

Computer equipment	3 years
Furniture and fixtures	6 years
Leasehold improvements	5 years
Motor vehicles	5 years
Office equipment	3 years
Other fixed assets	5 years

1.4 CASH FLOWS

For the purposes of the cash flow statement, cash includes cash on hand, deposits held on call with banks, investments in money market instruments, and bank overdrafts.

1.5 COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform with changes in the presentation in the current year.

2 PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Computer Equipment	Furniture and Fixtures	Leasehold Improvements	Motor Vehicles	Office Equipment	Other Fixed Assets	Total
Year ended 31 December 2025	R	R	R	R	R	R	R	R
Opening carrying value	55,763,000	1	716,850	1	3	-	1,567,019	58,046,874
Gross carrying value	55,763,000	2,854,945	1,547,824	54,167	4,266,762	-	2,495,367	66,982,065
Accumulated depreciation	-	(2,854,944)	(830,974)	(54,166)	(4,266,759)	-	(928,348)	(8,935,191)
Additions	-	30,685	23,288	-	-	19,277	392,566	465,816
Depreciation	-	(8,432)	(260,309)	-	-	(2,301)	(560,943)	(831,985)
Closing net carrying value	55,763,000	22,254	479,829	1	3	16,976	1,398,642	57,680,705
Gross carrying value	55,763,000	2,885,630	1,571,112	54,167	4,266,762	19,277	2,887,933	67,447,881
Accumulated depreciation	-	(2,863,376)	(1,091,283)	(54,166)	(4,266,759)	(2,301)	(1,489,291)	(9,767,176)
Year ended 31 December 2024	R	R	R	R	R	R	R	R
Opening carrying value	55,750,000	165,911	568,785	1	762,195	-	706,771	57,953,663
Gross carrying value	55,750,000	2,854,945	1,173,049	54,167	4,266,762	-	1,317,516	65,416,439
Accumulated depreciation	-	(2,689,034)	(604,263)	(54,166)	(3,504,567)	-	(610,745)	(7,462,776)
Additions	13,000.00	-	374,775	-	-	-	1,177,851	1,565,626
Depreciation	-	(165,910)	(226,711)	-	(762,192)	-	(317,603)	(1,472,415)
Closing net carrying value	55,763,000	1	716,850	1	3	-	1,567,019	58,046,874
Gross carrying value	55,763,000	2,854,945	1,547,824	54,167	4,266,762	-	2,495,367	66,982,065
Accumulated depreciation	-	(2,854,944)	(830,974)	(54,166)	(4,266,759)	-	(928,348)	(8,935,191)

2.1 Depreciation is shown as a non-operating expense in the detailed income statement. Please refer to page 11.

			2025	2024
			R	R
3	**TRADE AND OTHER RECEIVABLES**			
	Trade receivables		1,777,356	1,333,974

The receivables above relates to school fees invoiced.

4 SURPLUS FROM OPERATIONS

Surplus from operations is arrived at after taking into account the following:

		2025	2024
Revenue from:			
- Services rendered		17,668,513	19,513,452
Accounting fees		14,147	27,104
Depreciation			
- Computer equipment	- owned	8,432	165,910
- Furniture and fixtures	- owned	260,309	226,711
- Motor vehicles	- owned	-	762,192
- Office equipment	- owned	2,301	-
- Other fixed assets	- owned	560,943	317,602

5 DEFERRED INCOME

	2025	2024
Sponsorship programme	685,950	714,810

6 TRADE AND OTHER PAYABLES

	2025	2024
Trade creditors	57,190	41,768
Deposit received	2,050	-
Accrued expenses	208,444	208,444
Employees tax payable	160,568	140,226
	428,252	390,438

7 REVENUE

	2025	2024
Sales (School fees)	6,564,120	6,208,450
Grant funding received	5,757,641	5,012,482
Donations received	5,146,367	6,076,140
Fundraising income	200,385	231,378
Other income	-	1,993,642
	17,668,513	19,522,092

8 CONTINGENCIES

8.1 The organisation is defending an action brought by the previous auditor in relation to fees for services rendered from 2022 to 2023. Although liability is not admitted, if the defence against the action is unsuccessful, the organisation would be liable to settle any amounts owed. Based on the legal advice of the organisation's attorney, the directors believe that its defence of the action will be successful with no liability.

8.2 There are rates and taxes outstanding for the building that the organisation occupies as the children's home. The property is owned by the Methodist Church, but ultimately the organisation will be responsible for the outstanding debt. The organisation is uncertain of the amount owed to the Municipality as no invoices or statements reflecting the total liability has been received from the Methodist Church or Municipality to date.

9 NOTES TO THE CASH FLOW STATEMENT

9.1 Reconciling of net surplus before taxation to cash generated from operations:

	2025	2024
Net surplus before taxation	703,722	939,188
Adjustment for:		
Depreciation	831,985	1,472,415
Interest paid	8	3,210
Interest received	(107,072)	(49,364)
	1,428,643	2,365,449
Movements in working capital	(434,428)	(258,886)
(Increase) / decrease in trade and other receivables	(443,382)	87,243
Increase / (decrease) in trade and other payables	8,954	(346,129)
Cash generated from operating activities	994,215	2,106,563

9.2 Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	2025	2024
Bank and cash balances	1,355,246	719,783

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
DETAILED INCOME STATEMENT
for the year ended 31 DECEMBER 2025

	Notes	2025 R	2024 R
		17,668,513	19,513,452
Gross revenue		17,668,513	19,513,452
Other income		111,572	49,364
Interest income		107,072	49,364
Rental income		4,500	-
Gross Income		17,780,085	19,562,816
Expenditure		16,244,378	17,151,213
Accounting fees		14,147	27,104
Advertising		6,724	-
Audit fees		76,855	77,510
Bad debts		-	913,979
Bank charges		45,533	48,454
Cleaning		91,194	43,619
Computer expenses		173,456	183,029
Consulting fees		-	26,020
Counselling costs		123,840	1,100
Donations		190,949	283,041
Entertainment		-	1,355
Freelance contractors		1,572,186	1,545,626
Freight and courier		600	526
Fundraising expense		105,477	69,191
General expenses		4,134	63,387
Groceries		698,642	711,470
Hiring costs		34,600	-
Insurance		313,084	407,391
Interest expense		8	3,210
Learning Teaching Support Material (LTSM)		152,651	132,314
Legal fees		185,195	37,911
Motor vehicle expense		245,090	198,925
Office expense		1,457	9,628
Penalties and interest		-	34,266
Printing and stationery		214,845	215,883
Repairs and maintenance		427,613	1,077,865
Salaries and wages		10,611,546	9,993,511
Security expenses		208,905	223,911
Small assets		49,008	-
Staff training		52,231	40,696
Staff welfare		39,514	7,625
Subscriptions		95,262	98,332
Telephone and internet		114,942	118,106
Travel and accommodation		15,357	1,061
Utilities		379,333	555,167
Net surplus before depreciation		1,535,707	2,411,603
Depreciation	1.3, 2.1	831,985	1,472,415
Net surplus after depreciation		703,722	939,188

HOPE AND LIGHT COMMNUNITY WELFARE (NPC)
DETAILED INCOME STATEMENT (DIVISIONAL)
for the year ended 31 DECEMBER 2025

Figures in Rand	Notes	CYCC	ECD	Office	School	2025 Total
		1,775,419	1,410,047	4,378,647	10,104,400	17,668,513
Gross revenue		1,775,419	1,410,047	4,378,647	10,104,400	17,668,513
Other income		-	-	108,572	3,000	111,572
Interest income		-	-	107,072	-	107,072
Rental income		-	-	1,500	3,000	4,500
Gross income		1,775,419	1,410,047	4,487,219	10,107,400	17,780,085
Expenditure		2,370,023	1,430,300	3,211,307	9,232,748	16,244,378
Accounting fees		-	-	14,147	-	14,147
Advertising		-	-	6,724	-	6,724
Audit fees		17,358	8,332	16,449	34,716	76,855
Bank charges		7,529	9,896	14,655	13,453	45,533
Cleaning		18,505	14,835	8,012	49,842	91,194
Computer expenses		6,513	6,513	-	160,430	173,456
Counselling costs		-	-	-	123,840	123,840
Donations		5,000	2,000	183,098	851	190,949
Freelance contractors		1,586	5,750	1,511,250	53,600	1,572,186
Freight and courier		-	-	-	600	600
Fundraising expense		32,859	-	41,037	31,581	105,477
General expenses		729	-	600	2,805	4,134
Groceries		317,784	109,074	6,279	265,505	698,642
Hiring costs		25,000	9,600	-	-	34,600
Insurance		49,545	27,553	7,616	228,370	313,084
Interest expense		-	-	-	8	8
Learning Teaching Support Material (LTSM)		-	31,787	-	120,864	152,651
Legal fees		-	-	175,498	9,697	185,195
Motor vehicle expense		48,270	1,160	867	194,793	245,090
Office expense		397	-	232	828	1,457
Printing and stationery		3,100	-	338	211,407	214,845
Repairs and maintenance		218,240	74,609	-	134,764	427,613
Salaries and wages		1,480,993	1,012,341	1,147,768	6,970,444	10,611,546
Security expenses		18,299	18,719	-	171,887	208,905
Small assets		-	-	23,937	25,071	49,008
Staff training		8,827	4,414	4,663	34,327	52,231
Staff welfare		2,212	-	33,985	3,317	39,514
Subscriptions		19,028	9,665	9,363	57,206	95,262
Telephone and internet		9,297	2,367	-	103,278	114,942
Travel and accommodation		-	-	4,789	10,568	15,357
Utilities		78,952	81,685	-	218,696	379,333
Net surplus / (deficit) before depreciation		(594,604)	(20,253)	1,275,912	874,652	1,535,707
Depreciation	1.3, 2.1	-	-	10,733	821,252	831,985
Net surplus / (deficit) after depreciation		(594,604)	(20,253)	1,265,179	53,400	703,722