

**Motor Industry  
Ombudsman of South  
Africa NPC**

**FINANCIAL  
STATEMENTS FOR THE  
YEAR ENDED**

**28 FEBRUARY 2025**

**MVB.**  
Audit and Advisory

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## **MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

### **INDEX**

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

General Information	1
Compilation report	2
Independent Auditor's Report	3 - 4
Directors' Responsibilities and Approval	5
Directors' Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Financial Statements	13 - 19
Detailed Income Statement	20 - 21



**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**GENERAL INFORMATION**

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<b>COUNTRY OF INCORPORATION AND DOMICILE</b>	South Africa
<b>NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES</b>	To administer dispute resolution between consumers and participants in the motor and related industries
<b>DIRECTORS</b>	LG Lubbe (Executive) RC Netsianda (Non-executive) JHL van Vreden (Chief Executive Officer) NM Phosa (Non-executive) (Chairman) EM Engelbrecht (Executive) N Lolwane (Non-executive) SJ Tleane (Non-executive - appointed 1 July 2024)
<b>REGISTERED OFFICE</b>	Meiring Naude Road Scientia 627-Jr Pretoria 0184
<b>BANKERS</b>	First National Bank
<b>AUDITORS</b>	MVB Audit and Advisory Sanlynn Office Park East Block Second Floor c/o Sanlam and Alkantrant Roads Lynnwood Manor Pretoria 0081
<b>LEVEL OF ASSURANCE</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
<b>PREPARER</b>	The financial statements were independently compiled by: Martin Lemmer and Associates t/a The Financial House





# THE FINANCIAL HOUSE

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## COMPILATION REPORT

31 March 2025

### To the directors of the Motor Industry Ombudsman of South Africa NPC

We have compiled the accompanying financial statements of the Motor Industry Ombudsman of South Africa NPC based on the information that you have provided. These financial statements are presented in accordance with International Financial Reporting Standards. The financial statements comprise the statement of financial position of the Motor Industry Ombudsman of South Africa NPC as at 28 February 2025 and the statement of comprehensive income and retained earnings, 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 information.

Management is responsible for these financial statements including the adoption of the applicable financial reporting framework and for the accuracy and completeness of the information that was used to compile the financial statements.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements. This Standard requires that we comply with quality control standards and relevant ethical requirements, including ethical principles of integrity, objectivity, professional competence and due care.

A compilation engagement involves applying expertise in accounting and financial reporting to assist management in preparing and presenting financial information. A compilation engagement does not include gathering evidence for the purpose of expressing an audit opinion or a review conclusion. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The Financial House  
M Lemmer  
SAIBA - 0078

In Association with: M. Lemmer Bcom (Hons.) (PU)  
Member of: Southern African Institute for Business Accountants: BAP (SA) - SAIBA 0078  
Specialising in: Audit, Accounting, Taxation, Consolidation & Business Finance

**saiba**  
SOUTHERN AFRICAN INSTITUTE  
FOR BUSINESS ACCOUNTANTS



Mnr TJ O'Neil

2025/05/09

## **UNQUALIFIED REPORT OF THE INDEPENDENT AUDITORS TO THE DIRECTORS OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

### **Opinion**

We have audited the Annual Financial Statements of The Motor Industry Ombudsman of South Africa NPC set out on pages 7-21, which comprise the Statement of Financial Position as at 28 February 2025, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Annual Financial Statements, including a summary of significant accounting policies.

In our opinion, the Annual Financial Statements present fairly, in all material respects, the financial position of The Motor Industry Ombudsman of South Africa NPC as at 28 February 2025, and its financial performance and cash flows for the year then ended in accordance with 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 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). 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 Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the Annual Financial Statements and our auditor's report thereon.

Our opinion on the Annual Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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

Partners: JC Erlank, TJ O'Neil, JG de Waal  
Assisted by: JS du Preez CA (SA)  
(Practice no: 903 147)

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## 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 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.

## Auditor's responsibilities for the audit of the Annual Financial Statements

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

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

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

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

**MVB Audit and Advisory**  
**Registered Auditors and Accountants**  
**T.J. O'Neil (CA) SA**  
**Partner**  
**Registered Auditor**

Per:   
Date: 09 May 2025





## MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2024

### Directors' Responsibilities and Approval

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The directors are required by the South African Companies Act 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 satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company 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 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The financial statements support the viability of the company.

The financial statements have been audited by the independent auditing firm, MVB Audit and Advisory, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' unqualified audit report is presented on pages 3 - 4.

The annual financial statements as set out on pages 7 to 19 were approved by the board on \_\_\_\_\_  
and were signed on their behalf by:

  
JHL Van Vreden (Chief Executive Officer)



## **MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

### **Directors' Report**

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The directors present their report for the year ended 28 February 2025.

#### **1. Review of activities**

##### **Main business and operations**

The principal activity of the company is to administer dispute resolution between consumers and participants in the motor related industries and there were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statement and do not in our opinion require any further comment.

#### **2. 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.

#### **3. Events after reporting date**

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect of the financial position of the company.

#### **4. Directors' interest in contracts**

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

#### **5. Borrowing limitations**

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate.

#### **6. Directors**

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

LG Lubbe (Executive)  
RC Netsianda (Non-executive)  
JHL van Vreden (Chief Executive Officer)  
NM Phosa (Non-executive) (Chairman)  
EM Engelbrecht (Executive)  
N Lolwane (Non-executive)  
SJ Tleane (Non-executive appointed 1 July 2024)

#### **7. Auditors**

MVB Audit and Advisory Incorporated were the auditors for the year under review.



**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Statement of Financial Position**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2025</b>	<b>2024</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	2,170,132	2,203,577
Intangible assets	3	2,391,303	2,652,042
		<u>4,561,435</u>	<u>4,855,619</u>
<b>Current Assets</b>			
Trade and other receivables	5	83,461,323	81,319,085
Other financial assets	4	370,397	254,733
Cash and cash equivalents	6	6,456,626	4,975,036
		<u>90,288,346</u>	<u>86,548,854</u>
<b>Total Assets</b>		<u><u>94,849,781</u></u>	<u><u>91,404,473</u></u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained earnings		81,385,381	77,515,868
		<u>81,385,381</u>	<u>77,515,868</u>
<b>Non-Current Liabilities</b>			
Finance Lease Liabilities	8	124,457	162,505
		<u>124,457</u>	<u>162,505</u>
<b>Current Liabilities</b>			
Trade and other payables	7	13,221,627	12,985,081
Finance Lease Liabilities	8	118,318	741,019
		<u>13,339,945</u>	<u>13,726,100</u>
<b>Total Equity and Liabilities</b>		<u><u>94,849,781</u></u>	<u><u>91,404,473</u></u>




**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Statement of Comprehensive Income**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2025</b>	<b>2024</b>
Revenue	9.1	49,485,115	45,154,584
Other income	9.2	52,342	38,479
Operating expenses		(46,104,910)	(41,197,493)
<b>Operating profit</b>	10	<b>3,432,547</b>	<b>3,995,570</b>
Investment revenue	13	530,888	363,802
Finance costs	14	(93,922)	(70,635)
<b>Profit for the year</b>		<b>3,869,513</b>	<b>4,288,737</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the year</b>		<b>3,869,513</b>	<b>4,288,737</b>





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Statement of Changes in Equity**

<b>Figures in R</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance at 1 March 2023</b>	73,227,131	73,227,131
Prior year adjustment	-	-
Profit for the year	4,288,737	4,288,737
<b>Balance at 29 February 2024</b>	<b>77,515,868</b>	<b>77,515,868</b>
<b>Balance at 1 March 2024</b>	77,515,868	77,515,868
Prior year adjustment	-	-
Profit for the year	3,869,513	3,869,513
<b>Balance at 28 February 2025</b>	<b>81,385,381</b>	<b>81,385,381</b>





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Statement of Cash Flows**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	17	2,222,337	47,480
Interest income		530,888	363,802
Finance costs		(93,922)	(70,635)
<b>Net cash from operating activities</b>		<b>2,659,303</b>	<b>340,647</b>
<b>Cash flows from investing activities</b>			
Property, plant and equipment acquired	2	(555,570)	(2,063,649)
Sale of property, plant and equipment	2	25,522	848,739
Decrease / (Increase) of financial assets		(115,664)	70,329
Profit / Loss on sale of asset		7,606	(67,310)
<b>Net cash from investing activities</b>		<b>(638,106)</b>	<b>(1,211,891)</b>
<b>Cash flows from financing activities</b>			
Repayment of other financial liabilities		(660,750)	638,390
<b>Net cash from financing activities</b>		<b>(660,750)</b>	<b>638,390</b>
<b>Total cash movement for the year</b>		<b>1,360,447</b>	<b>(232,854)</b>
Cash at the beginning of the year		4,318,419	4,551,273
<b>Total cash at the end of the year</b>	6	<b>5,678,866</b>	<b>4,318,419</b>



## MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

### Accounting Policies

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The directors present their report for the year ended 28 February 2025.

#### General information

Motor Industry Ombudsman of South Africa NPC is a non profit company incorporated in South Africa.

#### 1. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium- sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated. These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

##### 1.1 Revenue recognition

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities, as described below:

###### 1.1.1 Services revenue

The service rendered is recognised as revenue by reference to the stage of completion of the transaction at the reporting date

##### 1.2 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The useful lives of items of property, plant and equipment have been assessed as follows:

Furniture and Fixtures	6 years
Motor vehicles	5 years
Office Equipment	5 years
Plant and Equipment	6 years
IT Equipment	3 years





## **MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

### **Accounting Policies**

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#### ***Summary of significant accounting policies continued...***

##### **1.3 Intangible assets**

###### **Computer software copyright**

Separately acquired computer software are shown at historical cost. Amortisation is calculated using the straight-line method to allocate the cost of computer software and customer related intangible assets over their estimated useful lives, as follows:

Computer software copyright	15 years
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Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 15 years

##### **1.4 Trade and other receivables**

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

##### **1.5 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown under current liabilities on the statement of financial position.

##### **1.6 Borrowings**

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

##### **1.7 Trade payables**

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **1.8 Borrowing costs**

Borrowing costs are recognised on the basis of the effective interest method and is included in finance costs.





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Notes to the Annual Financial Statements**

Figures in R

2025

2024

**2. Property, plant and equipment**

	Cost or Revaluation	Accumulated depreciation	Carrying value 2025	Cost or Revaluation	Accumulated depreciation	Carrying value 2024
<b>Owned assets</b>						
Furniture and fixtures	1,192,676	(776,434)	416,242	1,017,741	(624,886)	392,855
Motor vehicles	1,865,456	(686,005)	1,179,451	1,826,586	(313,562)	1,513,024
Office equipment	316,749	(175,755)	140,994	264,903	(137,584)	127,319
Plant & Equipment	65,606	(45,559)	20,047	65,606	(34,625)	30,981
IT equipment	937,997	(524,597)	413,400	673,600	(534,201)	139,399
<b>Total</b>	<b>4,378,484</b>	<b>(2,208,350)</b>	<b>2,170,132</b>	<b>3,848,436</b>	<b>(1,644,858)</b>	<b>2,203,577</b>

The carrying amounts of property, plant and equipment can be reconciled as follows for 2025

	Opening Balance	Additions	Disposals	Prior year Corrections	Depreciation	Closing balance
<b>Owned assets</b>						
Furniture and fixtures	392,855	174,935	-	-	(151,548)	416,242
Motor vehicles	1,513,024	38,870	-	-	(372,443)	1,179,451
Office equipment	127,319	77,368	(25,522)	-	(38,171)	140,994
Plant & Equipment	30,980	-	-	-	(10,934)	20,046
IT equipment	139,399	264,397	-	-	9,604	413,400
<b>Total</b>	<b>2,203,577</b>	<b>555,570</b>	<b>(25,522)</b>	<b>-</b>	<b>(563,492)</b>	<b>2,170,132</b>



## Annual Financial Statements for the year ended 28 February 2025

## Figures in R

	2025	2024
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Computer software copyright

	2025		2024	
	Accumulated amortisation / Impairment	Carrying value 2025	Cost	Accumulated amortisation / impairment
	3,913,043	(1,521,740)	2,391,303	3,913,043
				(1,261,001)
				2,652,042
	3,913,043	(1,521,740)	2,391,303	3,913,043
				(1,261,001)
				2,652,042

Opening Balance	Amortisation / Impairments	Depreciation
2,652,042	(260,739)	2,391,303
<b>2,652,042</b>	<b>(260,739)</b>	<b>2,391,303</b>

Opening Balance	Amortisation / Impairments	Depreciation
2,912,912	(260,870)	2,652,042
<b>2,912,912</b>	<b>(260,870)</b>	<b>2,652,042</b>



**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2025</b>	<b>2024</b>
<b>4. Other financial assets</b>		
<b>At amortised cost</b>		
Short term staff loans receivable	-	-
Burger and Associates Attorneys	370,397	254,733
	<u>370,397</u>	<u>254,733</u>
<b>Current assets</b>		
At amortised cost	<u>370,397</u>	<u>254,733</u>
<b>5. Trade and other receivables</b>		
Prepayments	18,314	-
Trade receivables	83,257,219	81,133,294
Deposits	185,791	185,791
	<u>83,461,323</u>	<u>81,319,085</u>
<b>6. Cash and cash equivalents</b>		
<b>Favourable cash balances</b>		
Cash on hand	3,965	7,989
Credit cards	267,651	200,514
Cheque account	57,600	327,766
Savings accounts	6,127,410	4,438,767
	<u>6,456,626</u>	<u>4,975,036</u>
<b>Current assets</b>	<u>6,456,626</u>	<u>4,975,036</u>
<b>Sureties and guarantees in favour of First Rand Bank Limited:</b>		
- Cession and pledge of First Rand Bank account	1,000,000	1,000,000
- JHL van Vreden	Unlimited	Unlimited
<b>7. Trade and other payables</b>		
Trade payables	30,086	54,038
Value Added Taxation	12,362,850	12,260,610
Debtors with credit balances	777,760	656,617
Salaries clearing account	50,931	13,816
	<u>13,221,627</u>	<u>12,985,081</u>





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2025</b>	<b>2024</b>
<b>8. Finance lease liabilities</b>		
<b>Wesbank vehicle asset financing</b>		
<b>Minium lease payments which fall due</b>		
- within one year	79,739	259,762
- in second to fifth year inclusive	166,123	894,354
Less Future finance charges	(3,088)	(250,592)
<b>Present value of minimum lease payments</b>	<b>242,774</b>	<b>903,524</b>
 Non-current liabilities	 124,457	 162,505
Current liabilities	118,318	741,019
	<b>242,774</b>	<b>903,524</b>
<b>9. Income</b>		
<b>9.1 Revenue</b>		
Rendering of Services	49,485,115	45,154,584
<b>9.2 Other income</b>		
Other income - SDL Refund	44,736	38,479
Profit on sale of assets	7,606	-
	<b>52,342</b>	<b>38,479</b>
<b>10. Operating profit</b>		
Operating profit for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Equipment		
- Contractual amounts	213,602	207,648
Profit / Loss on sale of assets	(118,063)	(25,203)
Amortisation on intangible assets	260,739	260,870
Depreciation on property, plant and equipment	(563,492)	(638,377)
Employee costs	32,061,790	29,610,949
<b>11. Employee cost</b>		
<b>Employee costs</b>		
Basic	32,061,790	29,610,949



**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2025</b>	<b>2024</b>
<b>12. Depreciation, amortisation and impairments</b>		
The following items are included within depreciation, amortisation and impairments:		
<b>Depreciation</b>		
Property, plant and equipment	697,138	638,377
<b>Amortisation</b>		
Intangible assets	260,739	260,870
<b>Total depreciation, amortisation and impairments</b>		
Depreciation	697,138	638,377
Amortisation	260,739	260,870
	<b>957,878</b>	<b>899,247</b>
<b>13. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	530,888	363,802
<b>14. Finance costs</b>		
Bank	93,922	70,635
<b>15. Taxation</b>		
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense		
Accounting profit	3,869,513	4,288,737
Non-deductible expense: SARS interest and penalties	-	-
Taxable income	3,869,513	4,288,737
Tax at the applicable rate of 27% (2023: 28%)	1,044,769	1,157,949
<b>Other</b>		
NPO Relief	(1,044,769)	(1,157,949)
	-	-
<b>16. Auditor's Remuneration</b>		
Fees	51,550	49,000





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Notes to the Annual Financial Statements**

Figures in R	2025	2024
17. Cash generated from operations		
Profit before taxation	3,869,513	4,288,737
Adjustments for:		
Depreciation and amortisation	957,878	899,247
(Profit) / Loss on sale of assets	(7,606)	67,310
Interest received	(530,888)	(363,802)
Finance costs	93,922	70,635
Prior year corrections	-	27,435
Changes in working capital:		
Trade and other receivables	(2,142,238)	(4,852,269)
Trade and other payables	(18,244)	(89,813)
	<u>2,222,337</u>	<u>47,480</u>
18. Related parties		
Relationships		
Directors	Refer to info page	
Related party balances and transactions with entities with control, joint control or significant influence over the company		
Related party transactions		
Chairman fees paid to (received from) related		
MN Phosa	120,000	120,000
Compensation paid to key management		
Short term employee benefits	<u>7,101,092</u>	<u>6,418,457</u>
19. Directors' and prescribed officers remuneration		
Executive - Directors' emoluments		
Services as director or prescribed officer		
JHL van Vreden	3,403,722	3,261,381
EM Engelbrecht	1,836,729	1,538,513
LG Lubbe	<u>1,860,641</u>	<u>1,618,563</u>
	<u>7,101,092</u>	<u>6,418,457</u>





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2025</b>	<b>2024</b>
<b>20 Categories of financial instruments</b>		
<b>Debt instruments at amortised cost</b>		
Loans and receivables	370,397	254,733
Trade and other receivables	83,257,219	81,133,294
Cash and cash equivalents	6,456,626	4,975,036
	<u><b>90,084,242</b></u>	<u><b>86,363,063</b></u>
<b>Financial liabilities at amortised cost</b>		
Bank loans	-	-
Trade and other payables	12,425,552	12,985,081
	<u><b>12,425,552</b></u>	<u><b>12,985,081</b></u>





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Detailed Income Statement**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2025</b>	<b>2024</b>
<b>Revenue</b>			
Rendering of services	9.1	49,485,115	45,154,584
<b>Other income</b>			
Other income	9.2	52,342	38,479
<b>Expenses (Refer to page 18)</b>			
<b>Operating profit</b>	10	(46,104,910) 3,432,547	(41,197,493) 3,995,570
Investment income	13	530,888	363,802
Finance costs	14	(93,922)	(70,635)
		436,966	293,167
<b>Profit for the year</b>		3,869,513	4,288,737





**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2025

**Detailed Income Statement**

Figures in R	Note(s)	2025	2024
<b>Operating expenses</b>			
Advertising		(236,761)	(165,410)
Auditors' remuneration	16	(51,550)	(49,000)
Bad debts		(3,351,663)	(819,810)
Bank charges		(122,111)	(154,827)
Chairman fees		(120,000)	(120,000)
Cleaning		(28,556)	(24,791)
Computer expenses		(412,345)	(697,617)
Conferences		(4,922)	(5,604)
Consulting fees		(330,061)	(311,183)
CPF meetings		(35,250)	(18,490)
Depreciation, amortisation & impairments	12	(957,878)	(899,247)
Donations		(5,000)	(150)
Employee costs	11	(32,061,790)	(29,610,949)
Entertainment		(586,315)	(574,634)
Goodwill and bereavement		(63,169)	(76,701)
Insurance		(324,627)	(279,925)
Internet expenses		(130,883)	(120,549)
Lease rental on operating lease		(2,223,327)	(2,086,504)
Leasing Charges		(120,337)	-
Legal fees		(1,464,881)	(2,355,237)
Loss on disposal of assets		-	(67,310)
Motor vehicle expenses		(1,046,851)	(691,974)
Postage		(45,716)	(52,392)
Printing and stationery		(206,782)	(178,823)
Protective and corporate clothing		(3,004)	(18,440)
Repairs and maintenance		(332,760)	(357,328)
Staff welfare		(483,546)	(459,150)
Storage and Archiving		(49,565)	(39,130)
Subscriptions		(273,906)	(144,791)
Telephone and cellphones		(430,225)	(389,220)
Training		(198,357)	(169,742)
TERS reimbursed		-	(7,741)
Travel - local		(402,772)	(250,824)
		<u>(46,104,910)</u>	<u>(41,197,493)</u>