



**Motor Industry  
Ombudsman of South  
Africa NPC**

**FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED**

**28 FEBRUARY 2026**

**MVB.**  
Audit and Advisory

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

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2026

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

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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 2026

**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)
<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

Martin Lemmer & Associates CK 2003/029397/23

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## COMPILATION REPORT

27 March 2026

### 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 2026 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**  
**CIBA201001-6222**

In Association with: M. Lemmer Bcom (Hons.) (PU)  
Member of: Chartered Institute for Business Accountants NPC (CIBA) - CIBA201001-6222  
Specialising in: Audit, Accounting, Taxation, Consolidation & Business Finance

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CHARTERED INSTITUTE FOR  
BUSINESS ACCOUNTANTS NPC



Audit and Advisory

**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 page 7 - 21, which comprise the Statement of Financial Position as at 28 February 2026, and the 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 The Motor Industry Ombudsman of South Africa as at 28 February 2026, 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 International Ethics Standards Board for Accountants' International 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.

**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.

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

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## **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: 04 May 2026**

## MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2026

### 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 - 20 were approved by the board on \_\_\_\_\_ and were signed on their behalf by:

  
\_\_\_\_\_  
JHL Van Weden (Chief Executive Officer)

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

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2026

### **Directors' Report**

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The directors present their report for the year ended 28 February 2026.

#### **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 and 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 statements 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 frame- work 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)

#### **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 2026

**Statement of Financial Position**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2026</b>	<b>2025</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	2 624 919	2 170 132
Intangible assets	3	2 630 434	2 391 303
		<u>5 255 353</u>	<u>4 561 435</u>
<b>Current Assets</b>			
Trade and other receivables	5	43 651 916	83 461 323
Other financial assets	4	42 134 219	370 397
Cash and cash equivalents	6	8 979 825	6 456 626
		<u>94 765 960</u>	<u>90 288 346</u>
<b>Total Assets</b>		<u><u>100 021 313</u></u>	<u><u>94 849 781</u></u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained earnings		86 066 491	81 385 381
		<u>86 066 491</u>	<u>81 385 381</u>
<b>Non-Current Liabilities</b>			
Finance Lease Liabilities	8	216 175	124 457
		<u>216 175</u>	<u>124 457</u>
<b>Current Liabilities</b>			
Trade and other payables	7	13 575 073	13 221 627
Finance Lease Liabilities	8	163 574	118 318
		<u>13 738 647</u>	<u>13 339 945</u>
<b>Total Equity and Liabilities</b>		<u><u>100 021 313</u></u>	<u><u>94 849 781</u></u>



**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

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Annual Financial Statements for the year ended 28 February 2026

**Statement of Comprehensive Income**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2026</b>	<b>2025</b>
Revenue	9.1	54 703 091	49 485 115
Other income	9.2	30 336	52 342
Operating expenses		(50 518 674)	(46 104 910)
<b>Operating profit</b>	10	<b>4 214 753</b>	<b>3 432 547</b>
Investment revenue	13	521 182	530 888
Finance costs	14	(54 825)	(93 922)
<b>Profit for the year</b>		<b>4 681 110</b>	<b>3 869 513</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the year</b>		<b>4 681 110</b>	<b>3 869 513</b>

**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2026

**Statement of Changes in Equity**

<b>Figures in R</b>	<b>Retained Earnings</b>	<b>Total</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>
<b>Balance at 1 March 2025</b>	81 385 381	81 385 381
Prior year adjustment	-	-
Profit for the year	4 681 110	4 681 110
<b>Balance at 28 February 2026</b>	<b>86 066 491</b>	<b>86 066 491</b>



**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

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Annual Financial Statements for the year ended 28 February 2026

**Statement of Cash Flows**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2026</b>	<b>2025</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	17	4 427 303	2 222 337
Interest income		521 182	530 888
Finance costs		(54 825)	(93 922)
<b>Net cash from operating activities</b>		<b>4 893 660</b>	<b>2 659 303</b>
<b>Cash flows from investing activities</b>			
Property, plant and equipment acquired	2	(1 746 336)	(555 570)
Sale of property, plant and equipment	2	(8 266)	25 522
Decrease / (Increase) of financial assets		27 379	(115 664)
Profit / Loss on sale of asset		(2 452)	7 606
<b>Net cash from investing activities</b>		<b>(1 729 675)</b>	<b>(638 106)</b>
<b>Cash flows from financing activities</b>			
Repayment of other financial liabilities		136 974	(660 750)
<b>Net cash from financing activities</b>		<b>136 974</b>	<b>(660 750)</b>
<b>Total cash movement for the year</b>		<b>3 300 959</b>	<b>1 360 447</b>
Cash at the beginning of the year		5 678 866	4 318 419
<b>Total cash at the end of the year</b>	6	<b>8 979 825</b>	<b>5 678 866</b>



## MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2026

### Accounting Policies

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The directors present their report for the year ended 28 February 2026.

#### 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 2026

### 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 2026

**Notes to the Annual Financial Statements**

Figures in R	2026			2025		
<b>2. Property, plant and equipment</b>						
	<b>Cost or Revaluation</b>	<b>Accumulated depreciation</b>	<b>Carrying value 2026</b>	<b>Cost or Revaluation</b>	<b>Accumulated depreciation</b>	<b>Carrying value 2025</b>
<i>Owned assets</i>						
Furniture and fixtures	1 275 977	(861 585)	414 392	1 192 676	(776 434)	416 242
Motor vehicles	2 361 330	(1 141 742)	1 219 588	1 865 456	(686 005)	1 179 451
Office equipment	344 318	(220 642)	123 677	316 749	(175 755)	140 994
Plant & Equipment	65 606	(56 494)	9 112	65 606	(45 559)	20 047
IT equipment	1 556 117	(697 967)	858 150	937 997	(524 597)	413 400
<b>Total</b>	<b>5 603 348</b>	<b>(2 978 430)</b>	<b>2 624 919</b>	<b>4 378 484</b>	<b>(2 208 350)</b>	<b>2 170 132</b>

The carrying amounts of property, plant and equipment can be reconciled as follows for 2026

	Opening Balance	Additions	Disposals	Prior year Corrections	Depreciation	Closing balance
<i>Owned assets</i>						
Furniture and fixtures	416 242	96 322	8 660	-	(106 832)	414 392
Motor vehicles	1 179 451	495 874	-	-	(455 737)	1 219 588
Office equipment	140 994	36 020	(394)	-	(52 943)	123 677
Plant & Equipment	20 046	-	-	-	(10 934)	9 112
IT equipment	413 400	618 120	-	-	(173 370)	858 150
<b>Total</b>	<b>2 170 132</b>	<b>1 246 336</b>	<b>8 266</b>	<b>-</b>	<b>(799 816)</b>	<b>2 624 919</b>

*A. J.*

**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**  
 (Registration Number 2001/004871/08)  
 Annual Financial Statements for the year ended 28 February 2026

**Notes to the Annual Financial Statements**

Figures in R	2026	2025
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**2. Property, plant and equipment (continued)**

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

<i>Owned assets</i>	Opening Balance	Additions	Disposals	Prior year Corrections	Depreciation	Closing balance
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>

**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**  
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 Annual Financial Statements for the year ended 28 February 2026

**Notes to the Annual Financial Statements**

Figures in R 2026 2025

**3. Intangible assets**

	2026			2025		
	Cost	Accumulated amortisation / impairment	Carrying value 2026	Cost	Accumulated amortisation / impairment	Carrying value 2025
Computer software, internally generated	4 413 043	(1 782 609)	2 630 434	3 913 043	(1 521 740)	2 391 303
	<b>4 413 043</b>	<b>(1 782 609)</b>	<b>2 630 434</b>	<b>3 913 043</b>	<b>(1 521 740)</b>	<b>2 391 303</b>

The carrying amounts of intangible assets can be reconciled as follows - 2026

	Opening Balance	Additions	Amortisation / Impairments	Closing Balance
Computer Software copyright	2 391 303	500 000	(260 869)	2 630 434
	<b>2 391 303</b>	<b>500 000</b>	<b>(260 869)</b>	<b>2 630 434</b>

The carrying amounts of intangible assets can be reconciled as follows - 2025

	Opening Balance	Amortisation / Impairments	Closing Balance
Computer software copyright	2 652 042	(260 739)	2 391 303
	<b>2 652 042</b>	<b>(260 739)</b>	<b>2 391 303</b>

**MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA NPC**

(Registration Number 2001/004871/08)

Annual Financial Statements for the year ended 28 February 2026

**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2026</b>	<b>2025</b>
<b>4. Other financial assets</b>		
<b>At amortised cost</b>		
Other assets represent receivables which were handed over to attorneys and which may be recoverable	41 791 201	-
Burger and Associates Attorneys	343 018	370 397
	<u>42 134 219</u>	<u>370 397</u>
<b>Current assets</b>		
At amortised cost	<u>42 134 219</u>	<u>370 397</u>
<b>5. Trade and other receivables</b>		
Prepayments	22 416	18 314
Trade receivables	43 443 709	83 257 219
Deposits	185 791	185 791
	<u>43 651 916</u>	<u>83 461 323</u>
<b>6. Cash and cash equivalents</b>		
<b>Favourable cash balances</b>		
Cash on hand	8 263	3 965
Credit cards	249 116	267 651
Cheque account	590 274	57 600
Savings accounts	8 132 172	6 127 410
	<u>8 979 825</u>	<u>6 456 626</u>
Current assets	<u>8 979 825</u>	<u>6 456 626</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	55 295	30 086
Value Added Taxation	12 653 797	12 362 850
Debtors with credit balances	-	777 760
Salaries clearing account	865 981	50 931
	<u>13 575 073</u>	<u>13 221 627</u>

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**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2026</b>	<b>2025</b>
<b>8. Finance lease liabilities</b>		
<b>Wesbank vehicle asset financing</b>		
<b>Minium lease payments which fall due</b>		
- within one year	194 874	79 739
- in second to fifth year inclusive	230 434	166 123
Less Future finance charges	(45 559)	(3 088)
<b>Present value of minimum lease payments</b>	<b>379 749</b>	<b>242 774</b>
Non-current liabilities	216 175	124 457
Current liabilities	163 574	118 318
	<b>379 749</b>	<b>242 774</b>
<b>9. Income</b>		
<b>9.1 Revenue</b>		
Rendering of Services	54 703 091	49 485 115
<b>9.2 Other income</b>		
Other income - SDL Refund	-	44 736
Refund - Wesbank	30 336	-
Profit on sale of assets	-	7 606
	<b>30 336</b>	<b>52 342</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	228 172	213 602
Profit / Loss on sale of assets	-	(118 063)
Amortisation on intangible assets	260 869	260 739
Depreciation on property, plant and equipment	(799 816)	(563 492)
Employee costs	36 618 924	32 061 790
<b>11. Employee cost</b>		
<b>Employee costs</b>		
Basic	36 618 924	32 061 790



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<b>Figures in R</b>	<b>2026</b>	<b>2025</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	<u>799 816</u>	<u>697 138</u>
<b>Amortisation</b>		
Intangible assets	<u>260 869</u>	<u>260 739</u>
<b>Total depreciation, amortisation and impairments</b>		
Depreciation	799 816	697 138
Amortisation	<u>260 869</u>	<u>260 739</u>
	<b>1 060 685</b>	<b>957 878</b>
<b>13. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	<u>521 182</u>	<u>530 888</u>
<b>14. Finance costs</b>		
Bank	<u>54 825</u>	<u>93 922</u>
<b>15. Taxation</b>		
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense		
Accounting profit	4 681 110	3 869 513
Non-deductible expense: SARS interest and penalties	<u>-</u>	<u>-</u>
Taxable income	4 681 110	3 869 513
Tax at the applicable rate of 27% (2025: 27%)	1 263 900	1 044 769
<b>Other</b>		
NPO Relief	<u>(1 263 900)</u>	<u>(1 044 769)</u>
	<u>-</u>	<u>-</u>
<b>16. Auditor's Remuneration</b>		
Fees	<u>53 400</u>	<u>51 550</u>



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**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2026</b>	<b>2025</b>
<b>17. Cash generated from operations</b>		
Profit before taxation	4 681 110	3 869 513
<b>Adjustments for:</b>		
Depreciation and amortisation	1 060 686	957 878
(Profit) / Loss on sale of assets	2 452	(7 606)
Interest received	(521 182)	(530 888)
Finance costs	54 825	93 922
Prior year corrections	-	-
<b>Changes in working capital:</b>		
Trade and other receivables	(1 959 378)	(2 142 238)
Trade and other payables	1 108 790	(18 244)
	<u>4 427 303</u>	<u>2 222 337</u>
<b>18. Related parties</b>		
<b>Relationships</b>		
Directors	Refer to info page	
Related party balances and transactions with entities with control, joint control or significant influence over the company		
<b>Related party transactions</b>		
<b>Chairman fees paid to (received from) related</b>		
MIN Phosa	120 000	120 000
<b>Compensation paid to key management</b>		
Short term employee benefits	<u>7 780 211</u>	<u>7 101 092</u>
<b>19. Directors' and prescribed officers remuneration</b>		
<b>Executive - Directors' emoluments</b>		
<b>Services as director or prescribed officer</b>		
JHL van Vreden	3 560 672	3 403 722
EM Engelbrecht	2 012 459	1 836 729
LG Lubbe	2 207 080	1 860 641
	<u>7 780 211</u>	<u>7 101 092</u>

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**Notes to the Annual Financial Statements**

<b>Figures in R</b>	<b>2026</b>	<b>2025</b>
<b>20. Categories of financial instruments</b>		
<b>Debt instruments at amortised cost</b>		
Loans and receivables	42 134 219	370 397
Trade and other receivables	43 443 709	83 257 219
Cash and cash equivalents	8 979 825	6 456 626
	<u>94 557 753</u>	<u>90 084 242</u>
<b>Financial liabilities at amortised cost</b>		
Bank loans	-	-
Trade and other payables	12 686 676	12 425 552
	<u>12 686 676</u>	<u>12 425 552</u>

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**Detailed Income Statement**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2026</b>	<b>2025</b>
<b>Revenue</b>			
Rendering of services	9.1	<u>54 703 091</u>	<u>49 485 115</u>
<b>Other income</b>			
Other income	9.2	<u>30 336</u>	<u>52 342</u>
<b>Expenses (Refer to page 22)</b>		<u>(50 518 674)</u>	<u>(46 104 910)</u>
<b>Operating profit</b>	10	<u>4 214 753</u>	<u>3 432 547</u>
Investment income	13	521 182	530 888
Finance costs	14	<u>(54 825)</u>	<u>(93 922)</u>
		<u>466 357</u>	<u>436 966</u>
<b>Profit for the year</b>		<u>4 681 110</u>	<u>3 869 513</u>

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**Detailed Income Statement**

<b>Figures in R</b>	<b>Note(s)</b>	<b>2026</b>	<b>2025</b>
<b>Operating expenses</b>			
Advertising		(276 254)	(236 761)
Auditors' remuneration	16	(53 400)	(51 550)
Bad debts		(2 294 243)	(3 351 663)
Bank charges		(121 228)	(122 111)
Chairman fees		(120 000)	(120 000)
Cleaning		(48 640)	(28 556)
Computer expenses		(529 393)	(412 345)
Conferences		(8 326)	(4 922)
Consulting fees		(486 349)	(330 061)
CPF meetings		(42 346)	(35 250)
Depreciation, amortisatic	12	(1 060 686)	(957 878)
Donations		(21 389)	(5 000)
Employee costs	11	(36 618 924)	(32 061 790)
Entertainment		(593 690)	(586 315)
Goodwill and bereavement		(49 759)	(63 169)
Insurance		(352 045)	(324 627)
Internet expenses		(147 623)	(130 883)
Lease rental on operating lease		(2 398 675)	(2 223 327)
Leasing Charges		37 436	(120 337)
Legal fees		(1 295 362)	(1 464 881)
Loss on disposal of assets		(2 452)	-
Motor vehicle expenses		(1 082 481)	(1 046 851)
Postage		(48 754)	(45 716)
Printing and stationery		(123 925)	(206 782)
Protective and corporate clothing		(27 777)	(3 004)
Repairs and maintenance		(447 461)	(332 760)
Staff welfare		(565 967)	(483 546)
Storage and Archiving		(52 174)	(49 565)
Subscriptions		(364 620)	(273 906)
Telephone and cellphones		(499 396)	(430 225)
Training		(166 844)	(198 357)
Travel - local		(655 927)	(402 772)
		<u>(50 518 674)</u>	<u>(46 104 910)</u>

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