

THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT AND LOGISTICS INDUSTRY

(Registration number LR2/6/6/55)

Financial statements

for the year ended 28 February 2025

THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT AND LOGISTICS INDUSTRY

(Registration number: LR2/6/6/55)
Financial Statements for the year ended 28 February 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Road Freight and Logistics
Registered office	31 De Korte Street Braamfontein 2001
Auditor	RSM South Africa Inc Chartered Accountant (SA) Registered Auditor Member firm
Secretary	Mr Shadrack Shilenge
Legal advisors	Moeti Kanyane Attorneys
Company registration number	LR2/6/6/55
Tax reference number	9124509150

THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT AND LOGISTICS INDUSTRY

(Registration number: LR2/6/6/55)
Financial Statements for the year ended 28 February 2025

Contents

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

	Page
Council Responsibilities and Approval	3
Independent Auditor's Report	4 - 5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Funds	8
Statement of Cash Flows	9
Accounting Policies	10 - 16
Notes to the Financial Statements	17 - 27
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income Statement	28 - 29

Council Responsibilities and Approval

The Council members are required to maintain adequate accounting records and are responsible for the content and integrity of the 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 Council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the provisions of the constitution relating to financial matters and in terms of section 53(2) of the Labour Relations Act ,66 of 1995. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the provisions of the constitution relating to financial matters and in terms of section 53(2) of the Labour Relations Act ,66 of 1995 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Council members acknowledge that they are ultimately responsible for the system of internal financial control established by the Council and place considerable importance on maintaining a strong control environment. To enable the Council members to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council members 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Council members have reviewed the Council's cash flow forecasts, in the light of this review and the current financial position, they are satisfied that the Council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Council's financial statements. The financial statements have been examined by the Council's external auditor and their report is presented on page 4 - 5.

The financial statements set out on pages 6 to 24, which have been prepared on the going concern basis, were approved by the Council members on 20 August 2025 and were signed on its behalf by:

Approval of financial statements

Mr Musawenkosi Ndlovu
National Secretary

Mrs Ravina Reddy
Chairperson

RSM South Africa Inc.
2016/324649/21
Executive City
Cross Street & Charmaine Ave
President Ridge, Randburg 2194
PO Box 1734, Randburg 2125
Docex 51, Randburg
T +27 11 329 6000
F +27 11 329 6100
www.rsmza.co.za

INDEPENDENT AUDITORS' REPORT

To the Council members of The National Bargaining Council for the Road Freight and Logistics Industry

Opinion

We have audited the financial statements of The National Bargaining Council for the Road Freight and Logistics Industry set out in pages 6 to 27, which comprise statement of financial position as at 28 February 2025, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended; and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The National Bargaining Council for the Road Freight and Logistics Industry, and its financial performance and cash flows for the year then ended, in accordance with IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and in the manner required by the provisions of the constitution relating to financial matters and in terms of section 53 (2) (b) of the Labour Relations Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council, in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa.

The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Council members are responsible for the other information. The other information comprises the information included in the document titled The National Bargaining Council for the Road Freight and Logistics Industry Financial Statements for the year ended 28 February 2025, which includes the supplementary information titled "Detailed Income Statement". The other information does not include the financial statements and our auditor's report thereon.

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

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

CEO PD Schulze **Directors** E Bergh, C D Betty, E Chapanduka, M G Q de Faria, M S Dolamo, A C Galloway, J Gondo, N C Hughes, J Jones, J Kitching, T R Mathebula, J P Mgiba, M M Ndlovu, R Rawoot, E K Ruiters, T P Singo, M Steenkamp, A D Young

RSM South Africa Inc. Registration No. 2016/324649/21, Practice No. 900435 is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Responsibilities of the Council members for the Financial Statements

The Council members are responsible for the preparation and fair presentation of the financial statements, in accordance with IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and in a manner required by the requirements of the Labour Relations Act 66 of 1995 and the Council Constitution, and for such internal control as the Council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council members are responsible for assessing the Council'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 Council members either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

We communicate with the Council members 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.

Signed by:
RSM South Africa Inc.
395FBD01A43D4B6...

RSM South Africa Inc.

Keamogetswe Ruiters
Chartered Accountant (SA)
Registered Auditor
Director

14 September 2025

THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT AND LOGISTICS INDUSTRY

(Registration number: LR2/6/6/55)
Financial Statements for the year ended 28 February 2025

Statement of Financial Position as at 28 February 2025

	Note(s)	2025 R	2024 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	42 107 609	44 351 595
Intangible assets	3	2 623 314	2 311 204
		44 730 923	**46 662 799**
Current Assets			
Inventories	5	468 155	139 738
Trade and other receivables	6	13 006 386	12 052 256
Other financial assets	4	3 417 924 737	3 043 680 592
Cash and cash equivalents	7	104 700 158	145 321 808
		3 536 099 436	**3 201 194 394**
Total Assets		**3 580 830 359**	**3 247 857 193**
Equity and Liabilities			
Equity			
Reserves		11 967 450	11 967 450
Retained income		1 068 516 568	852 219 680
		1 080 484 018	**864 187 130**
Liabilities			
Non-Current Liabilities			
Finance lease liabilities	9	137 307	886 877
Current Liabilities			
Trade and other payables	11	49 730 515	57 381 466
Industry trust and unclaimed benefit liability	8	2 419 313 289	2 297 899 937
Finance lease liabilities	9	685 515	632 591
Provisions	10	30 479 715	26 869 192
		2 500 209 034	**2 382 783 186**
Total Liabilities		**2 500 346 341**	**2 383 670 063**
Total Equity and Liabilities		**3 580 830 359**	**3 247 857 193**

Statement of Comprehensive Income

	Note(s)	2025 R	2024 R
Revenue	12	837 662 765	780 394 213
Other income	13	129 712 352	47 151 740
Employees costs	15	(208 331 810)	(193 848 006)
Computer hardware,leasing and software maintenance	16	(38 534 714)	(37 083 194)
Other expenses		(497 537 387)	(449 269 152)
Depreciation and amortisation		(6 534 904)	(5 878 187)
Operating surplus		**216 436 302**	**141 467 414**
Interest paid	17	(139 414)	(87 694)
Surplus for the year		**216 296 888**	**141 379 720**
Total comprehensive income for the year		**216 296 888**	**141 379 720**

Statement of Changes in Funds

	Revaluation reserve R	Retained income R	Total equity R
Balance at 01 March 2023	**7 067 450**	**710 839 960**	**717 907 410**
Surplus for the year	-	141 379 720	141 379 720
Revaluation on building office	4 900 000	-	4 900 000
Total comprehensive income for the year	**4 900 000**	**141 379 720**	**146 279 720**
Balance at 01 March 2024	**11 967 450**	**852 219 680**	**864 187 130**
Surplus for the year	-	216 296 888	216 296 888
Total comprehensive income for the year	**-**	**216 296 888**	**216 296 888**
Balance at 28 February 2025	**11 967 450**	**1 068 516 568**	**1 080 484 018**

Statement of Cash Flows

	Note(s)	2025 R	2024 R
Cash flows from operating activities			
Cash generated from operations	19	151 295 472	174 739 430
Inflow of industry trust-collection received from industry and increase of unclaimed benefit liability	8	3 406 490 925	3 131 597 825
Outflow of industry trust-payments made to industry and decrease of unclaimed benefit liability	8	(3 285 077 573)	(2 967 850 069)
Interest paid		(139 414)	(87 694)
Net cash from operating activities		**272 569 410**	**338 399 492**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(2 794 490)	(5 710 999)
Proceeds from sale of property, plant and equipment		172 100	962 837
Purchase of intangible assets	3	(1 890 742)	(1 884 025)
Inflow of other financial assets-matured funds used to fund industry payment		1 210 430 212	1 488 712 875
Outflow of other financial assets-purchase of new investments		(1 518 411 495)	(1 793 406 964)
Net cash from investing activities		**(312 494 415)**	**(311 326 276)**
Cash flows from financing activities			
Repayments of finance liabilities		(696 645)	(611 417)
Total cash movement for the year		**(40 621 650)**	**26 461 799**
Cash and cash equivalents at the beginning of the year		145 321 808	118 860 009
Total cash at end of the year	7	**104 700 158**	**145 321 808**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the IFRS for SMEs Accounting Standard in the manner required by the provisions of the constitution relating to financial matters and in terms of section 53(2) of the Labour Relations Act ,66 of 1995. The financial statements have been prepared on the historical cost basis, except for financial assets at fair value,revaluation model of land and building and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Key Sources of estimation uncertainty

Industy trust and unclaimed benefit liability

The critical judgement made by management in applying accounting policies, apart from those involving estimations, that have most significant effect on the amounts recognised in the financial statements are outlined as follows.The Council administers benefit funds on behalf of employees in the road freight and logistics industry, including the Leave Pay Fund, Sick Pay Fund, and Holiday Bonus Fund. These funds represent obligations to employees for accumulated leave entitlements, sick leave benefits, and annual bonuses, respectively. The liabilities are recognized at the nominal value of contributions received and are classified as current liabilities, as employees may claim these benefits at any time, including upon termination of employment.

Management has assessed the classification and measurement of these liabilities and determined that:

The timing of settlement is inherently uncertain, as it depends on when employees take leave, fall ill, or exit the industry.

Although some balances may remain unclaimed for extended periods, the Council does not have an unconditional right to defer settlement beyond 12 months and therefore classifies the full balance as current.

No discounting is applied, as the liabilities are considered short-term in nature and the impact of time value of money is not material.

Interest earned on fund assets is retained by the Council in accordance with the Constitution and is not credited to individual employee balances.

Contributions not claimed within five years are forfeited to the Council in accordance with the governing rules, and such forfeitures continue to be recognized as liabilities until settlement.

Sick Pay Fund - This fund covers paid sick leave and Sick bonuses, calculated as contributions received minus claims paid.

Holiday Bonus Fund - Employer contributions in this fund cover annual employee bonuses, usually paid in December. Liabilities equal nominal contributions and are current, since payouts are annual, though timing can vary with resignation, retirement, or incomplete claims.

Leave Pay Fund holds employer contributions for employees' annual leave. Liabilities are valued at the contributions received and are current, since employees can claim them anytime, including upon resignation or retirement. Settlement timing is uncertain.

Accounting Policies

1.1 Significant judgements and sources of estimation uncertainty (continued)

Useful lives of property, plant and equipment

The Council reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. The residual values and useful lives of property, plant and equipment are based on historic performance as well as expectations about the future use and therefore requires a degree of judgement to be applied by the management. The useful economic lives and residual value are re-assessed annually. The assets that are fully depreciated and still in use are set at R1. They are amended when necessary to reflect current estimates, based on the technologically advancement, future investments and physical condition of asset. See note 2 for the carrying amounts of property, plant,and equipment and accounting policy 1.2 for the useful economic lives for each class of assets. As indicated in accounting policy 1.2 the estimated useful lives of items of property, plant and equipment range between 3-50 years however, the actual useful lives might be shorter or longer depending on the technical innovations and other factors.

Impairment testing

The Council reviews and tests the carrying value of property, plant and equipment on the cost model and intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations.These calculations require the use of estimates and assumptions. During the physical verification of assets at year end, management assesses if there are any assets that must be impaired, and they get retired from assets register and those assets that are still with book value the loss is recorded in the statement of comprehensive income as deficit or surplus. The carrying amounts of assets other than assets carried at fair value are assessed for impairment annually to identify if there is indication of impairment of assets.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 10 - Provisions.

1.2 Property, plant and equipment

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

Subsequent to initial recognition , property ,plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses , except for land and buildings which are stated at revalued amount. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, 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.

When an item of property,plant and equipment is revalued ,gross carrying amount is adjusted consistently with the carrying amount. The accumulated depreciation at that date is adjusted to equal to the difference between the gross carrying amount and net carrying amount.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Council.

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

Item	Depreciation method	Average useful life
Buildings Office	Straight line	50

Accounting Policies

1.2 Property, plant and equipment (continued)

Motor Vehicles	Straight line	5
Office equipment	Straight line	5
Furnitures and Fixtures	Straight line	5
IT equipment	Straight line	3
Containers	Straight line	5
Land		Indefinite
Leased assets	Straight line	Over the term of lease

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

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

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

1.3 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Research and development costs are recognised as an expense in the period incurred.

Amortisation is provided to write down the intangible assets as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	3

In cases where management is unable to make a reliable estimate of the useful life of an intangible asset, its best estimate is applied, limited to 10 years.

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.4 Financial instruments and Financial Assets

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. The classification of financial assets at initial recognition depend on the financial assets contracted cash flow characteristics and the Council business model for managing it.

Accounting Policies

1.4 Financial instruments and Financial Assets (continued)

Financial instruments at amortised cost

Council holds an investments portfolio where assets are invested as fixed deposit and money market in accordance with the Councils' investment policy which are measured at amortised costs.

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Financial assets not classified or measured at amortised costs are measured at fair value through surplus or deficit

Subsequent Measurement

All recognised financial assets are subsequently measured at amortised cost,however, some are at fair value.

Financial instruments at fair value

Investments whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through surplus or deficit such as government bonds.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Finance leases – lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method.

Assets held under finance lease are included in the property, plant and equipment and depreciated and assessed for impairment losses in the same way as owned assets.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

1.6 Inventories

Inventories comprise consumables stock valued at the lower of cost using first-in, first-out (FIFO) basis. The cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to the location and condition. When inventories are issued for use, the carrying amount of those inventories is recognised as an expense in the period in which it is used. Inventories relate to stationery purchased and outstanding at year end. Stationery used during the year is expensed in the statement of comprehensive income.

Accounting Policies

1.7 Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value and subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimate irrecoverable amounts are recognised in the surplus or deficit when there is objective evidence that the assets is impaired.

1.8 Impairment of assets

The Council assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets on the cost model may be impaired.

If there is any such indication, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

1.9 Trade and other payables

Recognition and Measurement

They are recognised when Council becomes a party to the contractual provisions and measured at initial recognition at fair value plus transaction costs, if any.

Trade and other payables are initially measured at fair value and subsequently at amortised costs, using effective interest method.

1.10 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.11 Provisions and contingencies

Provisions are recognised when the Council has an obligation at the reporting date as a result of a past event; it is probable that the Council will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.Council recognises the expected costs of bonus payments when the Council has a present legal or constructive obligation to make such payments as results of past events and reliable estimates can be made. Provision for bonus is based on performance, moderated scores are used to determine the percentages that are applied to salaries to determine bonus amounts payable.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Contingent assets and contingent liabilities are not recognised.

1.12 Financial Assets

All recognised financial assets are measured subsequently in the entirely at either amortised costs or fair value,depending on the classification of the financial assets.

Financial assets not classified or measured at amortised costs are measured at fair value through surplus or deficit.

Accounting Policies

1.13 Revenue

Revenue is recognised to the extent that the revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the Council.Revenue is measured at the fair value of the consideration received or receivable. The Council's revenue primarily comes from levies income collected from industry as per Main Collective Agreement.

Interest is accrued on a time proportion basis with reference to the principal amount receivables and effective interest rate applicable. Interest is recognised in surplus or deficit using effective interest rate method. Interest is earned from other financial assets invested.

Levies are charged to the industry for the services that Council provides to the industry as per Main Collective Agreement. Levies are recognised on accrual basis.

Wellness Contributions relate to fees collected for the Wellness Program and are recognised on accrual basis. The industry employers and employees make contributions to cover the health benefits available to the industry employees. The Wellness Contributions are made in line with Main Collective Agreement Schedule 4: Wellness Fund.

Arbitration costs income, interest and penalties are recognised on accrual basis. Arbitration costs relate to costs which are charges for the case set down for arbitration. Interest and penalties relate to charges for late submission for the returns in terms of Main Collective Agreement.

1.14 Cash and Cash Equivalents

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

Accounting Policies

1.15 Industry trust account and unclaimed benefit liability

Industry trust and unclaimed benefit liability are initially measured at fair value, and subsequently measured at amortised costs.

The benefit funds are recognised when funds are paid into the benefit funds account. The benefit funds belong to and are owed to the industry employees. The benefits funds are payables on demand to the industry employees.

Contributions not claimed or otherwise disposed of within 5 years after the date of receipt were forfeited to the general funds of the NBCRFLI in terms of the Main Collective Agreement. The policy was changed as of 1 March 2006 to transfer such receipts to forfeiture liability account in this fund and will be applied prospectively.

All the money paid into any of the benefit funds referred to in clause 24 of Main Collective Agreement must be deposited in a separate bank account to be operated for and in the name of that benefit fund. Income earned on invested money accrues to the Council. Any money in a benefit fund that it is not required for immediate use may be invested by the Council from time to time in terms of Section 53(5) of the Act.

The provisions of the agreement made and entered into by parties to the Council, promulgated under government notice 15 January 1971 sub clause of Holiday Pay Fund, Leave Pay Fund and Sick Pay Fund made provisions on the administration of benefit trust funds in terms of the Main Collective Agreement.Contributions are recognised as liabilities when received ,payments to beneficiaries reduce the liability and unclaimed amounts remain a payable(no automatic forfeiture to income

Contributions are recognised as liabilities when received, payments to beneficiaries reduce the liability and unclaimed amounts remain a payable(no automatic forfeiture to income.

Sick Pay Fund

This fund covers paid sick leave and bonuses, calculated as contributions received minus claims paid. Claim timing depends on employee health and usage. Employees may earn a Sick bonus after 36 months if sick leave is unused. The full liability is current due to potential immediate claims. No discounting applies; interest stays with the Council, and balances unclaimed after five years are forfeited but remain as liabilities until settlement.

Holiday Bonus Fund

Employer contributions in this fund cover annual employee bonuses, usually paid in December. Liabilities equal nominal contributions and are current, since payouts are annual, though timing can vary with turnover or incomplete claims. Interest is retained by the Council, and unclaimed amounts after five years are forfeited but still shown as liabilities until settled.

Leave Pay Fund

The Leave Pay Fund holds employer contributions for employees’ annual leave. Liabilities are valued at the contributions received and are current, since employees can claim them anytime, including upon resignation or retirement. Settlement timing is uncertain. No discounting applies, interest remains with the Council, and unclaimed funds after five years are forfeited but still recognized as liabilities until paid.

Notes to the Financial Statements

	2025 R	2024 R

2. Property, plant and equipment

	2025			2024		
	Cost or revaluation	**Accumulated depreciation and impairment**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation and impairment**	**Carrying value**
Land	12 000 000	-	12 000 000	12 000 000	-	12 000 000
Building offices	23 748 333	(2 283 339)	21 464 994	23 400 000	(1 817 756)	21 582 244
Furniture and fixtures	10 008 942	(7 688 327)	2 320 615	10 069 565	(7 468 584)	2 600 981
Motor vehicles	3 699 106	(2 256 511)	1 442 595	3 699 106	(1 735 971)	1 963 135
Office equipment	3 211 870	(2 423 712)	788 158	2 850 126	(2 101 965)	748 161
IT equipment	13 658 207	(10 420 135)	3 238 072	12 726 983	(8 823 850)	3 903 133
Lease assets	2 130 885	(1 277 720)	853 165	2 130 885	(576 955)	1 553 930
Containers	1 610 879	(1 610 869)	10	1 776 361	(1 776 350)	11
Total	**70 068 222**	**(27 960 613)**	**42 107 609**	**68 653 026**	**(24 301 431)**	**44 351 595**

Reconciliation of property, plant and equipment - 2025

	Opening balance	**Additions**	**Disposals**	**Depreciation**	**Closing balance**
Land	12 000 000	-	-	-	12 000 000
Building office	21 582 244	348 333	-	(465 583)	21 464 994
Furniture and fixtures	2 600 981	493 001	(50)	(773 317)	2 320 615
Motor vehicles	1 963 135	-	-	(520 540)	1 442 595
Office equipment	748 161	361 744	-	(321 747)	788 158
IT equipment	3 903 133	1 591 412	(82 153)	(2 174 320)	3 238 072
Lease assets	1 553 930	-	-	(700 765)	853 165
Containers	11	-	(1)	-	10
	44 351 595	**2 794 490**	**(82 204)**	**(4 956 272)**	**42 107 609**

Reconciliation of property, plant and equipment - 2024

	Opening balance	**Additions**	**Disposals**	**Revaluations**	**Depreciation**	**Closing balance**
Land	12 000 000	-	-	-	-	12 000 000
Building office	17 141 441	-	-	4 900 000	(459 197)	21 582 244
Furniture and fixtures	2 179 008	1 176 507	(61)	-	(754 473)	2 600 981
Motor vehicles	806 086	1 643 797	(13)	-	(486 735)	1 963 135
Office equipment	1 004 871	152 538	(3 213)	-	(406 035)	748 161
IT equipment	3 043 529	2 738 157	(30 711)	-	(1 847 843)	3 903 133
Leased assets	-	2 130 885	-	-	(576 955)	1 553 930
Containers	11	-	-	-	-	11
	36 174 946	**7 841 884**	**(33 998)**	**4 900 000**	**(4 531 238)**	**44 351 595**

The carrying value of property, plant and equipment includes an amount of R853 165 in respect of assets held under finance leases. Refer to note 9 for more details.

Notes to the Financial Statements

	2025 R	2024 R

2. Property, plant and equipment (continued)

Revaluations

Revaluations are made with sufficient regularity such that carrying amount does not differ materially from that which would be determined using fair value at the end of reporting year.When land and buildings are revalued ,the gross carrying amount is adjusted consistently with the revaluation of carrying amount.The accumulated depreciation at that date is adjusted to equal the difference between the gross carrying amount after taking into account of accumulated impairment loss.

There was no revaluation of land and buildings as at 28 February 2025. The most recent revaluation was conducted in the prior financial year,on 28 February 2024 . Valuation of Land and buildings is conducted every 3 years.

The carrying value of the revalued assets are as follows:

Land	12 000 000	12 000 000
Building office	23 748 333	23 400 000
	35 748 333	**35 400 000**
Details of properties at revalued amounts		
Erf 2915 de Korte Street -Johannesburg		
- Revalued amount	9 114 865	9 114 865
Erf 2914 31 de Korte Johannesburg		
- Revalued amount	5 866 350	5 866 350
Erf 7498 Parow 141 Voortrekker Road		
- Revalued amount	9 418 785	9 418 785
Carring value at cost model had there been no revaluation		
-Erf 2915 Purchase price and date:2006	4 085 414	4 293 317
-Erf 2914 Purchase price and date :2006	1 956 841	2 056 420
- Erf 7498 Parow 141 Voortrekker :2010	3 106 951	3 265 057
	9 149 206	**9 614 794**

Notes to the Financial Statements

Figures in Rand

3. Intangible assets

	2025			2024		
	Cost	**Accumulated amortisation**	**Carrying value**	**Cost**	**Accumulated amortisation**	**Carrying value**
Computer software	11 548 077	(8 924 763)	2 623 314	9 657 335	(7 346 131)	2 311 204

Reconciliation of intangible assets - 2025

	Opening balance	**Additions**	**Amortisation**	**Closing balance**
Computer software	2 311 204	1 890 741	(1 578 631)	2 623 314

Reconciliation of intangible assets - 2024

	Opening balance	**Additions**	**Amortisation**	**Closing balance**
Computer software	1 774 128	1 884 024	(1 346 948)	2 311 204

Notes to the Financial Statements

	2025 R	2024 R

4. Other financial assets

Main Council Fixed deposit and money market	388 503 934	354 526 995
Leave Pay Fund-Fixed deposit and money market	709 672 831	835 100 475
Holiday Pay Fund-Fixed deposit and money market	282 420 918	216 757 712
Sick Pay Fund -Fixed deposit and money Market	1 113 803 386	928 346 473
Wellness Fund-Fixed deposit	78 452 814	48 387 137
RSA Bonds -Main Council (FNB,Sanlam & Old Mutual	435 988 155	370 602 752
RSA Bonds -Sick Pay Fund (FNB,Old mutual and Sanlam,Momentum)	132 046 853	54 580 872
RSA Bonds -Holiday Pay Fund (FNB,Old mutual and Sanlam)	277 035 846	235 378 176
Total other current financial assets	**3 417 924 737**	**3 043 680 592**

The investments are held at variety of financial institutions and available on demand.These investments bear interest between 6% and 9.43% (2024:6% and 9.71% per annum).The bonds investments are held at Sanlam,Old Mutual, Momentum and FNB.

Fixed deposits and money market deposits are measured at amortised cost, and RSA Bonds are measured at fair value through profit and loss. The fair values are determined based on quoted market prices.

Investments are maintained in designated funds accounts and there is no cross subsiding on the funds between funds. Amounts on the funds are restricted.

The Council management identifies credible investment institutions and diversify placing of these investments to manage concentration risk any losses to the investments.The shortfall on the funds are covered by the Main Council funds.

Current assets		
At fair value	845 070 854	660 561 800
At amortised cost	2 572 853 883	2 383 118 792
	3 417 924 737	**3 043 680 592**

5. Inventories

Inventory	468 155	139 738

The total amount expensed during the year is R628 547.

Notes to the Financial Statements

	2025 R	2024 R
6. Trade and other receivables		
Deposits-utilities and rentals	1 041 781	1 041 781
Industry PAYE	-	5 294 157
Accrued income	10 150 113	7 970 951
Less :Provision for impairment loss on receivables	-	(5 294 157)
Trade Union	1 052 889	3 039 524
Prepaid expenses	761 603	-
	13 006 386	**12 052 256**

The deposits relate to withholding deposit paid to the lessor on rental of registered offices and municipal for utilities accounts.

Provision for impairment loss -receivables relates to money paid to SARS by Council on behalf of the industry employers.

Accrued income relate to Wellness contributions and Levies income accrual at year end.

Trade union amounts relate to amount advanced to the unions at the end of year for subscription fees collection.

Prepaid expenses relate to rental amount paid in advanced.

7. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	104 592 813	145 253 502
Petty Cash	107 345	68 306
	104 700 158	**145 321 808**
8. Industry trust and unclaimed benefit liability		
At amortised costs		
Balance for the year	2 419 313 289	2 297 899 937

Notes to the Financial Statements

	2025 R	2024 R

8. Industry trust and unclaimed benefit liability (continued)

At amortised cost

Opening balance	2 297 899 937	2 134 152 179
Contributions for the year	-	-
Holiday Pay fund	1 486 575 143	1 365 848 622
Leave pay fund	1 104 293 291	1 015 889 367
Sick pay fund	815 622 491	749 859 837
	3 406 490 925	3 131 597 825
	-	-
Payouts for the year		
Holiday pay fund	(1 477 094 423)	(1 333 360 185)
Leave pay fund	(1 044 242 030)	(957 478 169)
Sick Pay fund	(763 741 120)	(677 011 715)
	(3 285 077 573)	(2 967 850 069)
Balance at the end of year	**2 419 313 289**	**2 297 899 937**

Holiday Pay Fund

The balance of the industry trust and unclaimed liability for the Holiday Pay Fund was R472 011 247 of which R72 137 506 related to the forfeiture liability (2024: R462 540 527 of which the forfeiture liability amounted to R78 909 813. The total assets for the fund were R559 456 856 (2024: R462 875 844).

Leave Pay Fund

The balance of the industry trust and unclaimed liability was R915 329 192 of which R58 727 881 was for the forfeiture liability (2024: R855 277 929 of which the forfeiture liability amounted to R63 344 122). The total assets for the fund were R915 329 190 (2024: R855 277 929).

Sick Pay Fund

The balance of the industry trust and unclaimed liability for the Sick Pay Fund was R1 031 962 852 of which R70 652 074 related to the forfeiture liability (2024: R980 081 481 of which the forfeiture liability amounted to R75 958 484. The total assets for the fund were R1 245 920 231 (2024: R982 968 010).

Current liabilities		
At amortised cost	2 419 313 289	2 297 899 937

Notes to the Financial Statements

	2025 R	2024 R

9. Finance lease liabilities

Minimum lease payments which fall due		
- within one year	685 515	632 591
-later than one year but within five years	137 307	886 877
Present value of minimum lease payments	**822 822**	**1 519 468**
Net finance lease liabilities		
Non-current liabilities	137 307	632 591
Current liabilities	685 515	886 877
	822 822	**1 519 468**

Council has entered into lease agreement with service provider who supplied Council with 5 motor vehicles and charged interest which relate to finance lease agreement.

Interest rates are fixed of 11,25% at the contract date. All leases have fixed repayments and no arrangements have been entered into for renewal clauses, purchase options, escalation clauses, contingent rent or subleases. Council is allowed to cancel the contract if the Main Collective is not renewed as per lease contract.

The Council's obligations under finance leases are secured by the leased assets.

10. Provisions

Reconciliation of provisions - 2025

	Opening balance	Additions	Utilised during the year	Closing balance
Incentive bonus	26 869 192	30 479 715	(26 869 192)	30 479 715

Reconciliation of provisions - 2024

	Opening balance	Additions	Payments during the year	Closing balance
Incentive bonus	20 806 423	26 869 192	(20 806 423)	26 869 192

11. Trade and other payables

Trade payables	34 165 791	42 969 756
Leave pay accrual	6 229 283	6 153 261
Trust account	9 335 441	8 258 449
	49 730 515	**57 381 466**

12. Revenue

Interest Received	325 042 317	301 404 025
Wellness Contributions	364 548 829	339 747 733
Levies Received	148 071 619	139 242 455
	837 662 765	**780 394 213**

Notes to the Financial Statements

	2025 R	2024 R
13. Other income		
CCMA subsidy income	536 354	499 845
Legal fees recovered	99 356	5 044
Service seta	103 598	321 333
Arbitration interest	1 231 737	1 018 523
Loss on sale of assets	(66 852)	-
Sheriff fees arbitration	56 209	39 257
Income arbitration costs	1 549 302	1 461 089
Gain on unrealised fair value adjustment	121 915 090	36 738 700
Sundry income	3 188 246	2 113 908
Donation	-	1 376 964
Profit on sale of assets	172 100	962 837
Income arbitration penalties	927 212	2 421 675
Insurance income	-	192 565
	129 712 352	**47 151 740**
14. Auditor's remuneration		
External audit fees	1 482 311	1 149 846
Internal audit fees	544 968	662 950
	2 027 279	**1 812 796**
15. Employee cost		
Other employee costs	201 048 545	186 969 999
Defined contributions Plan-pension funds	7 283 265	6 878 007
	208 331 810	**193 848 006**
16. Operating expenses		
Operating expenses include the following expesnse:		
Audit fees-external and internal	2 027 280	1 812 796
Depreciation of property,plant and equipment	4 255 507	3 954 283
Amortisation of intangible assets	1 578 631	1 346 949
Depreciation of leased assets	700 765	576 955
Consulting and professional fees	3 553 750	5 489 236
Computer hardware and software maintenance	38 534 714	37 083 194
Representivity	11 828 492	10 779 556
Lease rentals and parkings	7 335 535	7 041 410
Trucking wellness funding	20 215 896	18 928 740
Medical health insurance wellness	309 676 074	285 210 978
Impairment loss on receivables	-	5 294 157
Eletricity and water	5 123 917	4 571 816
	404 830 561	**382 090 070**
17. Interest paid		
Finance leases	139 414	87 694

Notes to the Financial Statements

	2025 R	2024 R

18. Taxation

Non provision of tax

No provision has been made for taxation as the Council is currently exempt from income taxation in terms of section 10(1)(cA)(i) of the Income tax Act.

19. Cash generated from operations

Surplus for the year	216 296 888	141 379 720
Adjustments for:		
Depreciation, amortisation	5 834 138	5 301 232
Loss on sale of assets	82 204	33 997
Depreciation-leased vehicles	700 765	576 955
Profit on sale of assets	(172 100)	(962 837)
Movement in provisions	3 610 523	6 062 769
Interest paid	139 414	87 694
Net Fair value gain adjustment-Unrealised	(66 262 862)	-
Changes in working capital:		
(Increase) decrease in inventories	(328 417)	21 630
(Increase) decrease in trade and other receivables	(954 130)	2 849 001
Increase (decrease) in trade and other payables	(7 650 951)	19 389 269
	151 295 472	**174 739 430**

20. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due		
- within one year	10 034 218	7 136 100
- in second to five year inclusive	14 144 033	13 418 016
	24 178 251	**20 554 116**

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

21. Contingencies Liabilities

Council Management is not aware of Contingency liability as at the end of year.

22. Related parties

Key Executive Management and Councillors' Remuneration

Executive Management and Councillors' Remuneration	24 528 397	21 655 253

Notes to the Financial Statements

	2025 R	2024 R
23. Categories of financial instruments		
Non Financial instruments		
Property,Plant and Equipment	42 107 609	42 797 665
Intangibles assets	2 623 314	2 311 204
Inventories	468 155	139 738
Deposit utilities	1 041 781	1 041 781
Industry trust and unclaimed benefit liabilities	2 419 313 289	2 297 899 937
Provisions	30 479 715	26 869 192
	2 496 033 863	**2 371 059 517**
Financial assets at amortised cost		
Cash and cash equivalents	104 700 158	145 321 808
Other financial assets	2 572 853 883	2 383 118 792
Trade and other receivables	11 203 002	11 010 475
	2 688 757 043	**2 539 451 075**
Financial assets at fair value		
Other financial assets	845 070 854	660 561 800
Financial liabilities at amortised cost		
Trade and other payables	34 165 838	42 969 756

24. Going concern

The 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.

During the financial year under review, the Council operated in accordance with the approved strategic objectives. These strategic objectives were reviewed during the Council's strategic planning session, and the revised 3-year strategy document was subsequently approved by Council on 30 July 2025 for implementation.

During the year under review, Council officially admitted two (2) new parties to the Council, namely TASWU and NUMSA during its Annual General Meeting of 19 August 2024. The admission of the new parties assisted Council to improve its representative levels.

Furthermore, the parties to the Council negotiated and concluded a collective agreement which was promulgated and extended by the Minister of Employment and Labour to non-parties within the Council's registered scope. This extension took effect on 1 March 2025 and will remain in force until 28 February 2027, in accordance with Section 32(1) of the Labour Relations Act, as amended.

Based on the above, we are confident that the Council will continue to operate as a going concern in the foreseeable future.

The prospects of improvement on the revenue for the next financial year are also promising as Council is anticipating an increase in the collections. The projected revenue for the year ending 28 February 2026 is R474.3m. The main source of revenue for Council is derived from the levies collection and interest earned on the investments of the trust funds. An improvement in revenue would mean that Council will be able to meet the operating expenditure requirements and its other financial obligations.

Notes to the Financial Statements

	2025 R	2024 R

24. Going concern (continued)

Council is anticipating an improvement in the financial performance for the financial year ending on the 28th February 2026. In addition, the Council is on track with the implementation of the investment strategy. The investment strategy has made it possible for Council to invest in other investment portfolios such as government bonds. As at 29 February 2025 an amount of R833.7m has been invested in the government bonds portfolios.

The Council does have adequate financial resources to cover operational costs for at least 2 years. Council's accumulated reserves are currently sitting at R 1068bn and this will assist to alleviate against any negative impact on its liquidity and cashflow position.

25. Events after the reporting period

The Council management monitors on an ongoing basis all the events that take place after the end of the financial year relating to the operations and the business of the Council. Where appropriate, the Council assesses as to whether any subsequent events have occurred that might affect the financial statements already submitted for audit.This monitoring and assessment are primarily focused at the status of items that were accounted for in the annual financial statements based on preliminary or inconclusive data.

This includes amongst other things the review of management reports, budgets, forecasts, books of account, correspondence, newspaper articles, correspondence with attorneys, newspaper articles, media reports, circulars, bank statements, online news articles, main collective agreement, government gazettes, etc. to evaluate whether there is any information that affects the annual financial statements already submitted for audit.

Also review the minutes of meetings of Council Committees and Management Committee (SMM) for all meetings that were held after the end of the financial year and also enquire about matters discussed at meetings for which minutes are not yet available.

Also review government gazettes and any correspondence with the Department of Employment and Labour.

Where there is an indication that the adjustments to the annual financial statements are necessary, necessary adjustments will be processed, and necessary approvals will be obtained in line with the delegation of authority. The auditors are kept informed where any such matters are identified as this may have any impact on the audit opinion.

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

The Council, at its meeting of 20th of August 2025, approved revised investment policy. Furthermore, Investment Committee revised investment strategy for submission to ARC, EXCO and Council after completion of asset liability modeling exercise.

Detailed Income Statement

	Note(s)	2025 R	2024 R
Revenue			
Interest received		325 042 317	301 404 025
Wellness fund contributions		364 548 829	339 747 733
Levies		148 071 619	139 242 455
	12	**837 662 765**	**780 394 213**
Other income			
CCMA subsidy income		536 354	499 845
Legal fees recovered		99 356	5 044
Service seta income		103 598	321 333
Arbitration Interest		1 231 737	1 018 523
Loss on sale of assets		(66 852)	-
Sheriff fees arbitration		56 209	39 257
Income arbitration costs		1 549 302	1 461 089
Gain on unrealised fair value adjustment		121 915 090	36 738 700
Sundry income		3 188 246	2 113 908
Donation wellness		-	1 376 964
Profit on sale of assets		172 100	962 837
Income arbitration penalties		927 212	2 421 675
Insurance income		-	192 565
		129 712 352	**47 151 740**
Expenses (Refer to page 29)		**(750 938 815)**	**(686 078 539)**
Operating Surplus		**216 436 302**	**141 467 414**
Interest paid	17	(139 414)	(87 694)
Surplus for the year		**216 296 888**	**141 379 720**

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

Detailed Income Statement

	Note(s)	2025 R	2024 R
Operating expenses			
Councillors travel		(141 926)	(247 925)
Advertising		(4 195 117)	(3 041 514)
Stakeholder Management		(100 521)	(57 482)
Auditors' remuneration	14	(2 027 280)	(1 812 796)
Impairment of losses on receivable		-	(5 294 157)
Bank charges		(5 392 170)	(4 551 698)
Computer hardware,leasing and software maintenance		(38 534 714)	(37 083 194)
Consulting and professional fees		(3 553 750)	(5 489 236)
Depreciation, amortisation and impairments		(6 534 904)	(5 878 187)
Employee costs		(208 331 810)	(193 848 006)
Attendance fees		(3 904 320)	(3 914 142)
Arbitration expense		(23 477 817)	(22 830 161)
Bursary expense		(1 043 925)	(676 942)
Equipment hire		(4 652 858)	(4 690 259)
Exemption body expense		(2 600 517)	(1 725 174)
Lease rentals and parking		(7 335 535)	(7 041 410)
Beneficiary verification		(619 234)	(234 221)
Trucking wellness funding		(20 215 896)	(18 928 740)
Loss on unrealised fair value adjustment		(55 652 228)	(32 584 677)
Fines and penalties		(13 826)	-
Insurance		(1 685 877)	(1 674 838)
Legal expenses		(6 052 308)	(4 791 872)
Meeting expenses		(345 422)	(271 275)
Medical expenses		(309 676 074)	(285 210 978)
Motor vehicle expenses		(3 520 747)	(3 179 086)
Emergency relief		(182 145)	(430 258)
Negotiation paradigm		(3 679 051)	(3 242 083)
Representivity		(11 828 492)	(10 779 556)
Postage		(596 121)	(866 063)
Printing and stationery		(3 029 701)	(3 160 923)
Seminars		(564 049)	(1 462 224)
Repairs and maintenance		(1 810 703)	(1 939 940)
Security		(3 953 923)	(4 432 745)
Staff welfare and refreshments		(3 173 458)	(2 983 010)
Eletricity and water		(5 123 917)	(4 571 816)
Telephone and fax		(2 470 311)	(2 374 943)
Staff Training		(2 452 464)	(2 001 937)
Councillors training		(138 452)	(389 443)
Travel - local		(2 327 252)	(1 799 860)
Management fees -Wellness		-	(585 768)
		(750 938 815)	**(686 078 539)**