

SOUTH AFRICAN EDUCATION PROJECT

REG. NO : NPO 028-310

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ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2025

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APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements set out on pages 6 to 10 have been approved by the Board Members and are signed on their behalf by:



CHAIRPERSON



VICE TREASURER

SOUTH AFRICAN EDUCATION PROJECT

RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

The Board Members are required to maintain adequate accounting records and is responsible for the monitoring, preparation and integrity of the Annual Financial Statements and related information included in these Financial Statements.

In order for the Board to discharge its responsibilities, management has developed and continues to maintain a system of internal control. The Board Members have ultimate responsibility for the system of internal control.

The internal controls include a risk-based system of internal accounting and administrative controls designed to provide reasonable but not absolute assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and the Organisation's policies and procedures. These controls are implemented by trained, skilled personnel with an appropriate segregation of duties, are monitored by management and include a comprehensive budgeting and reporting system operating within strict deadlines and an appropriate control framework. While operating risk cannot be fully eliminated, the Board Members endeavour to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and restraints.

The external auditors are responsible for reporting and expressing an independent opinion on the Annual Financial Statements.

The Annual Financial Statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The Annual Financial Statements also incorporate disclosure in line with the accounting philosophy of the Organisation. The Financial Statements are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The board members have reviewed the current financial situation of the organisation and is satisfied that the organisation is likely to continue as a going concern, taking into account its existing reserves and secured and anticipated funding.

THE SOUTH AFRICAN EDUCATION PROJECT

ACTIVITIES HIGHLIGHTS REPORT

For the year ended 31 December 2025

South African Education Project (SAEP)

The 2025 financial year was characterised by deep community engagement, programme strengthening, and organisational growth. SAEP's work continued to be guided by the voices and lived experiences of the communities we serve across Philippi and surrounding areas.

Community-Centred Approach

Throughout the year, SAEP strengthened its participatory approach, ensuring that parents, Early Childhood Development (ECD) practitioners, and young people actively informed programme design and delivery. This collaborative engagement enabled the organisation to respond more effectively to community needs, fostering resilience and strengthening local ownership of interventions.

Integrated Programme Delivery

SAEP implemented a holistic, child-centred model through the following key programme areas:

- **Early Childhood Development (ECD):**
SAEP supported a network of ECD centres through comprehensive capacity-building interventions. This included curriculum training, mentoring, and classroom support to improve teaching quality and learner outcomes. Additional support focused on compliance and registration processes, business sustainability for centre principals, and the strengthening of safe, structured learning environments for young children.
- **Nutrition Support:**
The organisation provided nutritional support to vulnerable children, contributing to improved health and school readiness. Training sessions for practitioners and parents focused on affordable, balanced meal planning and addressing nutritional challenges in low-income communities.
- **Psychosocial Support and Primary Health Care:**
SAEP delivered trauma-informed psychosocial services, including child protection interventions, counselling, and referrals. Primary healthcare outreach initiatives ensured that children accessed basic health services such as screenings, immunisations, and health education, supporting overall child development.
- **Environmental Education – Hope Scholars Programme:**
Through the Hope Scholars Programme, SAEP engaged primary and high school learners in environmental education and leadership development. Learners participated in experiential learning activities including environmental excursions, biodiversity education, conservation projects, and eco-literacy workshops. The programme aimed to build environmental awareness, critical thinking, and a sense of responsibility towards sustainable practices among young people.

Strengthening Learning Environments

Across all programmes, SAEP contributed to the creation of safe, inclusive, and stimulating learning environments. This included infrastructure improvements at selected ECD centres and the integration of play-based and experiential learning approaches.

Organisational Growth and Systems Strengthening

2025 marked a period of organisational strengthening. SAEP improved internal systems, enhanced programme quality, and expanded strategic partnerships. These developments have positioned the organisation for sustainable growth and increased impact in the years ahead.

Conclusion

The year reflected a strong commitment to collaboration, responsiveness, and long-term impact. SAEP remains inspired by the resilience of the children it serves, the dedication of educators, and the commitment of families who prioritise education despite challenging circumstances.

The organisation extends its sincere gratitude to its funders, partners, Board members, and staff for their continued support in advancing equitable access to quality education and holistic child development.

— Glenda Shupinyaneng

LOW AND SCHREIBER
CHARTERED ACCOUNTANTS (S A)

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INDEPENDENT AUDITORS' REPORT

To the Members of South African Education Project

Report on the Financial Statements

We have audited the Annual Financial Statements of South African Education Project, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and a summary of significant accounting policies and other explanatory notes as set out on pages 6 to 9. The analysis of revenue schedule on page 10 is presented as supplementary information and was not audited.

Board of Members' Responsibility for the Financial Statements

The Board of Members is responsible for the preparation and fair presentation of these financial statements in accordance with the Organisation's stated policies and procedures. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matters

Without qualifying our opinion below, we draw attention to the fact that, in common with similar organisations, the entity is dependent on securing donation and grant income to continue operating. The timing and amount of these income flows is subject to various factors and it is accordingly more difficult for the Directors to make forecasts in this regard.

Opinion

In our opinion, the Annual Financial Statements present fairly, in all material respects, the financial position of the Organisation as at 31 December 2025, and its financial performance and its cash flows for the period then ended in accordance with the Organisation's accounting policies and procedures.



LOW AND SCHREIBER
REGISTERED AUDITORS, CAPE TOWN
XX APRIL 2026

SOUTH AFRICAN EDUCATION PROJECT

SUMMARY REPORT OF THE MEMBERS

The Members have pleasure in submitting this their report together with the audited Financial Statements for the year ended 31 December 2025.

NATURE OF BUSINESS

To prepare children and youth at key stages of their development through education, life skills and psycho-social support.

MATERIAL FACTS OR CIRCUMSTANCES

No material facts or circumstances have occurred between the accounting date and the date of this report.

GOING CONCERN

In common with similar organisations, SAEP is dependent on donation and grant income to fulfil its activities. The timing and amount of such receipts is often difficult to predict. However, the board is committed to securing appropriate funding to ensure that the entity is able to continue to operate and provide services as it has in the past. Should appropriate funding not be secured, then certain programmes and services will have to be re-evaluated or curtailed.

MEMBERS

The following persons served as Members during the financial year to 31 December 2025:

<u>Board Member</u>	<u>Position</u>	<u>Changes</u>
Isabel Essen	Chairperson	
Winile Dubazane	Vice-Chairperson	
Lindie Scholtz CA (SA)	Treasurer	
Kathrin Friester	Vice-Treasurer	
Noma-Afrika Nkwenkwe-Maxwele	Secretary	
Helena Duk		
Dr Gemma Oberth		
Dr Jessica Horler		Appointed September 2025
Shaun Van Renen		Resigned January 2025
Kayin Scholtz		Resigned September 2025

AUDITORS

Low and Schreiber

SOUTH AFRICAN EDUCATION PROJECT

STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 R	2024 R
ASSETS			
NON-CURRENT ASSETS			
Property and Equipment	2	19,214	74,454
CURRENT ASSETS			
Receivables		4,610	330,477
Deposits and Prepayments		29,200	31,646
Cash and Cash Equivalents	3	4,064,536	3,615,426
TOTAL ASSETS		<u>4,117,560</u>	<u>4,052,003</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Specific Programme Reserves	4	1,175,773	820,579
Accumulated Funds		2,838,193	3,097,233
Capital Replacement Reserve		19,214	74,454
CURRENT LIABILITIES			
Accounts Payable		84,380	59,737
TOTAL EQUITY AND LIABILITIES		<u>4,117,560</u>	<u>4,052,003</u>

SOUTH AFRICAN EDUCATION PROJECT

STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	2025 R	2024 R
INCOME	Pg 10 4,684,752	4,449,270
Donations Received	3,786,451	3,453,798
Interest Received and Sundry	232,835	269,496
Government Grant	665,466	725,976
EXPENDITURE	4,626,871	5,378,044
Programme Services	2,417,013	3,025,261
Support Costs	1,887,404	2,034,939
Fundraising	322,454	317,844
NET SURPLUS BEFORE TRANSFERS	57,881	(928,774)
TRANSFER - RESERVES	(316,921)	1,038,284
NET (DEFICIT)/ SURPLUS FOR THE YEAR	(259,040)	109,511
ACCUMULATED FUNDS at beginning of the year	3,097,233	2,987,722
ACCUMULATED FUNDS at end of the year	<u>2,838,193</u>	<u>3,097,233</u>

SOUTH AFRICAN EDUCATION PROJECT

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

1. ACCOUNTING POLICIES

The Annual Financial Statements were prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement.

These Annual Financial Statements are presented in South African rand which is the functional currency of SAEP.

These Annual Financial Statements were prepared based on the expectation that the entity will continue as a going concern for at least the next twelve (12) months.

The principal accounting policies applied in the preparation of these Annual Financial Statements are set out below. These accounting policies are consistent with those applied in the preparation of prior year Annual Financial Statements.

1.1 Property and Equipment

Capital purchases, such as office equipment and furniture, are expensed in the year of purchase. The Organisation only carries purchases as Property and Equipment and depreciates them if the asset is a motor vehicle or if it is stipulated by a donor in a grant agreement. The Organisation depreciates its Property and Equipment according to the straight-line method over a period of 5 years (20% per annum).

1.2 Revenue Recognition

Revenue comprises funds received from donations, grants and from other programme services. The revenue is recognised when it accrues to the Organisation. Funds that are due under signed contract, but have not yet been received, can be booked as accounts receivable if the contract with the funder permits. Restricted funds are recognised as revenue, but kept in a ring-fenced reserve.

2. PROPERTY AND EQUIPMENT

	Cost R	Accum Depr R	2025 Net Book Value R	2024 Net Book Value R
Motor Vehicles	240,174	220,960	19,214	74,454
	<u>240,174</u>	<u>220,960</u>	<u>19,214</u>	<u>74,454</u>

SOUTH AFRICAN EDUCATION PROJECT

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2025

	2025	2024
	R	R
3. CASH AND CASH EQUIVALENTS		
Bank Balance (Current)	1,303,433	932,686
Bank Balance (Investment/Savings)	2,760,911	2,678,577
Cash on Hand	192	4,163
	<u>4,064,536</u>	<u>3,615,426</u>

The banking facilities are unsecured.

4. OTHER SPECIFIC PROGRAMME RESERVES

Early Childhood Development Programme Reserves	943,309	699,050
Hope Scholars Programme Reserve	95,930	-
Tertiary Support Funds	17,876	27,838
Siyakhathala Primary Project Reserve	118,658	93,691
	<u>1,175,773</u>	<u>820,579</u>

These funds were received for specified purposes and/or projects and had not been fully applied to those purposes and/or projects during the year under review.

5. TAXATION

The non-profit organisation has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act (the Act) and the receipts and accruals are exempt from tax in terms of Section 10(1)(cN) of the Act.

The public benefit organisation has been approved for purposes of Section 18A(1)(a) of the Act and donations to the organisation will be tax deductible in the hands of the donor in terms of and subject to the limitations prescribed in Section 18A of the Act.

No provision has been made for taxation as the entity had no taxable income for the year under review. It is a non-profit organisation and is registered as a public Benefit Organisation with the South African Revenue Service.

SOUTH AFRICAN EDUCATION PROJECT

ANALYSIS OF REVENUE

For the year ended 31 December 2025

	2025 R	2024 R
GRANTS INCOME	979,882	2,116,008
Department of Social Development	-	725,976
Western Cape Education Department	665,466	-
SAEP US	315,746	956,422
SANBI	(1,330)	433,610
CORPORATE INCOME	1,100,000	900,000
Coronation Asset Managers	800,000	650,000
Infra Impact Investment Managers	-	250,000
Lewis Stores	300,000	-
TRUSTS AND FOUNDATION INCOME	1,836,494	558,850
ER Tonnesen Will Trust	74,150	71,350
Hilary and Dorothy Champion Charitable Trust	200,000	200,000
Wenhold Family Trust	710,844	287,500
DG Murray Trust	120,000	-
Joan St Ledger Lindbergh Charitable Trust	50,000	-
Holz Hoheisen Charitable Trust	681,500	-
DONATIONS INCOME – Individuals and Institutions	535,541	573,832
INTEREST AND OTHER	232,835	240,769
TOTAL REVENUE	<u>4,684,752</u>	<u>4,449,270</u>