LIFE CHOICES NPO

(Registration number 086-084-NPO, PBO-930036135)
Annual Financial Statements
for the year ended 31 December 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Youth development organisation
Board members	NJ Njela (Chairperson) R Geel (executive) CM Hardie (executive) I Masayira (executive) C Higgins (independent non-executive) I Khumalo (independent non-executive) KC Makubele (independent non-executive) A van der Walt (independent non-executive)
Registered office	314 Imam Haron Road Lansdowne Cape Town 7780
Business address	314 Imam Haron Road Lansdowne Cape Town 7780
Postal address	PO Box 14290 Kenwyn 7790
Bankers	Standard Bank of South Africa Limited
Auditors	LPH Chartered Accountants Incorporated Registered Auditors
Organisation registration numbers	086-084-NPO, PBO-930036135
Preparer	The annual financial statements were internally compiled by: ER Livesey CA(SA) | RA
Level of assurance	These annual financial statements have been audited voluntarily.

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

Board Members' Responsibilities and Approval

The board is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the board's responsibility to ensure that the financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the basis of accounting described in Note 1. The external auditors are engaged to express an independent opinion on the annual financial statements.

The financial statements are prepared in accordance with the basis of accounting described in Note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The board is 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 board has reviewed the organisation's cash flow forecast for the year to 31 December 2026 and, in the light of this review and the current financial position, it is satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the organisation's annual financial statements. The annual financial statements have been examined by the organisation's external auditors and their report is presented on pages 4 and 5.

The financial statements, and supplementary information, set out on pages 7 to 14, which have been prepared on the going concern basis, were approved by the board on ....25 June 2026................ and were signed on its behalf by:

Chairperson	**Managing Director**

Independent Auditor's Report

To the Board Members of Life Choices NPO

Opinion

We have audited the annual financial statements of Life Choices NPO set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements of Life Choices NPO for the year ended 31 December 2025 are prepared, in all material respects, in accordance with the accounting policies as set out in Note 1 to the annual financial statements and the requirements of the Non-Profit Act No. 71 of 1997 and the manner required by the Constitution.

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 Annual Financial Statements section of our report. We are independent of the organisation 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.

Emphasis of Matter

We draw attention to Note 1 to the annual financial statements, which describes the basis of accounting. The annual financial statements are prepared in accordance with the non-profit organisation's own accounting policies to satisfy the financial information needs of its members. As a result, the annual financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The Board Members are responsible for the other information. The other information comprises the Board Members' Report and the supplementary information as set out on pages 15 to 17. The other information does not include the annual financial statements and our auditor's report 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.

LPH Chartered Accountants Incorporated
Registered Auditors
Registration No: 1998/020830/21
IRBA Practice No: 900537
LPH Services Proprietary Limited
Registration No: 2018/565454/07

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Observatory
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P O Box 14043
Mowbray 7705
Cape Town

Responsibilities of the Board Members for the Annual Financial Statements

The organisation's board is responsible for the preparation and fair presentation of the annual financial statements in accordance with the accounting policies as set out in Note 1 to the financial statements and the requirements of the constitution, and for such internal control as the board determines 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 board is responsible for assessing the entity'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 board either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Conclude on the appropriateness of the board 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 organisation'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 entity to cease to continue as a going concern.

We communicate with the board 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.

LPH.

LPH Chartered Accountants Incorporated
Registered Auditors
Per: AG Pettenuzzo
Chartered Accountant (SA)
Registered Auditor
Associate

8 July 2026
Cape Town

Board Members' Report

The board submits its report on the annual financial statements of Life Choices NPO for the year ended 31 December 2025.

1. Nature of business

The organisation is engaged in youth development for less privileged communities and operates in South Africa.

There have been no material changes to the nature of the organisation's business from the prior year.

2. Board Members

The board members in office at the date of this report are as follows:

Name	Changes
NJ Njela (Chairperson)	
R Geel (executive)	
CM Hardie (executive)	
I Masayira (executive)	
R Govender (chairperson)	Resigned Friday, 20 June 2025
C Higgins (independent non-executive)	
I Khumalo (independent non-executive)	Appointed Friday, 20 June 2025
KC Makubele (independent non-executive)	Appointed Friday, 20 June 2025
E Mancebo (deputy chairperson)	Resigned Friday, 20 June 2025
A van der Walt (independent non-executive)	Appointed Friday, 20 June 2025

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with the basis of accounting described in Note 1 of the financial statements. The accounting policies have been applied consistently compared to the prior year.

The operating results and state of affairs of the organisation are fully set out in the attached financial statements and do not, in our opinion, require any further comment.

4. Events after the reporting period

The board is not aware of any material event which occurred after the end of the financial year, up to and including the date the financial statements were approved, not otherwise dealt with in this report or the annual financial statements, that would significantly affect the organisation's operations or the result of those operations

5. Going concern

The board believes that the organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The board has satisfied themselves that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The board is not aware of any new material changes that may adversely impact the organisation. The board is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the organisation.

6. Independent Auditor

LPH Chartered Accountants Incorporated will continue in office as auditor of the entity for the 2026 financial year.

Life Choices NPO

(Registration number: 086-084-NPO, PBO-930036135)
Annual Financial Statements for the year ended 31 December 2025

Statement of Financial Position as at 31 December 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Current Assets			
Cash and cash equivalents	2	8 996 530	5 591 666
Trade and other receivables	3	542 874	626 312
		9 539 404	**6 217 978**
Total Assets		**9 539 404**	**6 217 978**
Reserves and Liabilities			
Reserves			
Reserve fund		5 235 135	3 530 007
Liabilities			
Current Liabilities			
Current tax payable	4	53 026	-
Deferred income		4 048 154	2 540 716
Provisions	5	99 462	84 457
Trade and other payables	6	103 627	62 798
		4 304 269	**2 687 971**
Total Equity and Liabilities		**9 539 404**	**6 217 978**

Statement of Comprehensive Income

Figures in Rand	Note(s)	2025	2024
Revenue	7	18 763 276	18 530 905
Other income		17 425	17 866
Operating expenses		(17 393 048)	(17 262 780)
Operating profit		**1 387 653**	**1 285 991**
Investment revenue	8	370 501	373 811
Surplus before taxation		**1 758 154**	**1 659 802**
Taxation	9	(53 026)	-
Surplus for the year		**1 705 128**	**1 659 802**

Statement of Changes in Reserves

Figures in Rand	Reserve fund	Total reserves
Balance at 01 January 2024	**1 870 205**	**1 870 205**
Surplus for the year	1 659 802	1 659 802
Balance at 01 January 2025	**3 530 007**	**3 530 007**
Surplus for the year	1 705 128	1 705 128
Balance at 31 December 2025	**5 235 135**	**5 235 135**

Statement of Cash Flows

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash generated from (used in) operations	10	3 034 363	(144 840)
Interest income		370 501	373 811
Net cash from operating activities		**3 404 864**	**228 971**
Total cash movement for the year		**3 404 864**	**228 971**
Cash and cash equivalents at the beginning of the year		5 591 666	5 362 695
Total cash at end of the year	2	**8 996 530**	**5 591 666**

Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with the accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Items of property plant and equipment are accounted for as expenses, through the statement of comprehensive income, in the period of acquisition.

1.2 Financial instruments

Deferred income

The organisation accounts for unspent funds, donated towards specified projects and to be utilised in a subsequent financial period, as deferred income. The amount is reflected as a liability on the statement of financial position.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessor

Operating lease income is recognised as an income over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

1.4 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.

1.5 Provisions and contingencies

Provisions are recognised when:

- the organisation has an obligation at the reporting date as a result of a past event;
- it is probable that the organisation will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Given that annual leave is only paid out upon a staff member leaving the organisation's employ, accumulates for only six months past a given leave cycle, and must be taken during the month of December (the organisation's year end month), no leave pay provision is recognised. Contingent assets and contingent liabilities are also not recognised.

Accounting Policies

1.6 Revenue

Revenue comprises the fair value of donations received, or services rendered, and excludes investment and other non-operating income and value added taxation. Revenue is generally recognised on receipt, as most donations and grants are unconditional and immediately available for use by the organisation.

Where donor funding is subject to specific conditions, or where funds are earmarked for programmes or activities that relate to future financial periods, the amounts received are not recognised as revenue on receipt.

Instead, such receipts are recognised as Deferred Income (a liability) in the statement of financial position; and Revenue is only recognised in the period in which the related expenditure is incurred, or when the conditions attached to the funding have been met.

Interest is recognised, in profit or loss, using the effective interest rate method.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

2. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	197	589
Bank balances	8 996 333	5 591 077
	8 996 530	**5 591 666**

3. Trade and other receivables

Accrued income	34 721	24 227
ETI receivable	261 299	44 374
Other receivables	1 624	3 016
Payroll receivable	-	4 800
Prepayments	60 271	55 482
Trade receivables	184 959	494 413
	542 874	**626 312**

4. Current tax receivable (payable)

Normal tax	(53 026)	-

Net current tax receivable (payable)

Current liabilities	(53 026)	-

5. Provisions

Reconciliation of provisions - 2025

	Opening balance	Additions	Closing balance
Provision for audit fees	84 457	15 005	99 462

Reconciliation of provisions - 2024

	Opening balance	Additions	Utilised during the year	Closing balance
Provision for audit fees	80 000	84 457	(80 000)	84 457

6. Trade and other payables

Accruals	9 018	21 340
Other payables	-	5 124
Value-added tax	94 609	36 334
	103 627	**62 798**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

7. Revenue

Donations received	17 154 436	16 427 599
Other income streams	1 608 840	2 103 306
	18 763 276	**18 530 905**

8. Investment revenue

Interest revenue

Bank	370 501	373 811

9. Taxation

Major components of the tax expense

Current taxation

South African normal tax - year	53 026	-

The non-profit organisation is taxed in accordance with section 10(1)(cN) of the Income Tax Act.

10. Cash generated from (used in) operations

Net profit before taxation	1 758 154	1 659 802
Adjustments for non-cash items:		
Movement in provisions	15 005	4 457
Adjust for items which are presented separately:		
Interest received	(370 501)	(373 811)
Changes in working capital:		
Trade and other receivables	83 438	(49 030)
Trade and other payables	40 829	18 121
Deferred income	1 507 438	(1 404 379)
	3 034 363	**(144 840)**

11. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year	349 536	302 634

Operating lease payments represent rentals payable by the organisation for certain of its office properties. In terms of the lease agreement, either party thereto can terminate the lease with six months notice to the counter party.The amount disclosed above is therefore the commitment for six months' rental. No contingent rent is payable.

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Income from Donors			
Altron TMT (Pty) Ltd		50 000	-
AnBer Fondation		-	250 000
Argon Asset Management		150 000	150 000
Bischöfliches Hilfswerk Misereor e.V.		1 656 884	1 631 764
Chance Youth Foundation		674 307	-
Cover 2 Cover Books		-	50 000
Department of Social Development		1 051 064	929 714
Don Bosco Mondo e.V. - V.I.K		-	112 546
Dr. Rau Stiftung		500 000	506 073
FW de Klerk Foundation		120 000	55 000
Futuregrowth Asset Management		50 000	50 000
Goods in kind		-	281 400
Gultch Resources		12 500	-
HCI Foundation		300 000	250 000
Individual giving		53 184	83 036
Industrial Development Corporation (IDC)		650 000	640 000
Jugendhilfe Weltweit JuWe - H4L		1 151 153	1 072 731
Jugendhilfe Weltweit JuWe - LCA		3 337 150	3 057 090
LC Studios-Managed Services		-	565 904
Lourenzo & Stella Philanthropy		80 000	-
MBA Development Trust		145 966	100 000
MSC Sports (Pty) Ltd		23 500	-
Maria Marina Foundation		3 000 000	2 169 456
Meltwater SA (Pty) Ltd		10 000	10 000
Momentum Group Foundation		1 949 000	1 700 000
Mukuru Shared Services (Pty) Ltd		200 000	-
My School Card		9 291	13 410
Naked Financial Technology		60 000	40 000
Nangu Thina-NGO		475 000	5 000
Nurturer SA		35 000	31 155
Orange Films CC		-	15 000
Other Income-Giving		-	5 080
PEPFAR Community Grant		-	709 031
Prince M Foundation		40 000	-
Rolf Stephan Nussbaum Foundation		149 810	250 000
Rolf Stephan Nussbaum Foundation		-	116 106
Scheck-Stiftung		-	389 323
Special Effects Media		-	10 000
Staff donations		30 500	30 300
Stella and Paul Loewenstein Charitable and Educational Trust		1 150 000	1 000 000
T & W (Pty) Ltd		50 000	-
The Syfrets SA Association Charity Fund		-	50 000
USP-Bongani Khumalo		14 000	-
Ukhambe Lezwe Trust		2 755 940	1 900 000
Van Kesteren Foundation		947 891	988 892
Vaxowave (Pty) Ltd		-	100 000
Walter und Louise M. Davidson Stiftung		216 450	201 207
Wetility (Pty) Ltd		50 000	-
Wouter Johannes Prinsloo		15 000	15 000
Zandile Mqwathi- (Uhambo Lwam)		39 000	-
	7	**21 202 590**	**19 534 218**

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Deferred income			
Deferred income		4 048 154	2 540 716
		4 048 154	**2 540 716**
Revenue recognised in current year		**17 154 436**	**16 993 503**
Other income			
Interest received		370 501	373 811
Profit on disposal of assets		17 425	5 850
Recycling income		284	-
Sundry income		-	12 016
		388 210	**391 677**
Trading Income			
Coding placement fees		-	20 000
Green Solar Academy		892 482	894 490
Internship income		555 208	358 760
Life Choices Studio		124 218	134 702
Rental income		13 122	73 200
Training income		23 525	56 250
		1 608 555	**1 537 402**

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Operating expenses			
Overheads - employee costs		**2 922 585**	**2 640 282**
Monitoring and evaluation costs		**1 448 724**	**801 730**
Programme costs		**10 475 610**	**10 568 626**
Employee costs		8 329 437	8 501 898
Marketing costs		49 591	44 874
Material, equipment and refreshments		381 113	797 507
Staff training and development		121 188	48 226
Training		944 804	538 551
Transport		649 477	637 570
Administrative costs		**2 124 517**	**1 993 453**
Accounting fees		46 634	37 425
Auditors remuneration		129 268	110 720
Bank charges		82 310	75 658
Communication costs		652 485	601 125
Entertainment and Boards costs		64 781	38 404
NPO legal matters		1 843	2 400
Insurance		92 754	-
Printing and stationery		100 303	111 255
Office rent, electricity and water		818 846	765 592
Repairs and maintenance		58 512	115 974
Travel and accommodation		58 269	52 736
Health and safety		18 512	-
Commercial activity costs		**421 611**	**1 258 689**
Green Solar Academy		411 964	778 866
Life Choices Studio		9 647	479 824
Total expenses		**17 393 048**	**17 262 780**
Operating surplus (deficit)		**1 758 154**	**1 659 802**
Taxation	9	(53 026)	-
Surplus (deficit) for the year		**1 705 128**	**1 659 802**