

## **Operation Smile (South Africa) NPC**

(Registration number 2006/006513/08)

(NPO number 083-117 NPO)

Financial Statements

for the year ended 30 June 2025

These financial statements were prepared by:

Alan Billson

CA(SA)

Moore Cape Town Incorporated

Chartered Accountants (SA)

Registered Auditor

Practice number: 900908

These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

Issued 04/03/2026

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To promote, sponsor and provide voluntary repair and specialised medical services and treatment to indigent children.
<b>Directors</b>	LD Auret A Madaree J Sive JJ Fourie NS Cossie
<b>Business address</b>	The Waverley Business Park Unit 17-103/4 5 Wyecroft Road Observatory 7925
<b>Auditors</b>	Moore Cape Town Incorporated Chartered Accountants (SA) Registered Auditor
<b>Company registration number</b>	2006/006513/08
<b>Tax reference number</b>	9117201161
<b>Level of assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	The financial statements were internally compiled by: Alan Billson CA(SA)

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

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## Operation Smile (South Africa) NPC

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Financial Statements for the year ended 30 June 2025

### Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, 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 company 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 IFRS for SMEs Accounting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the IFRS for SMEs Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

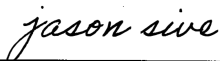
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

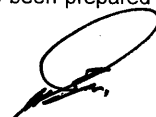
The directors have reviewed the company's cash flow forecast for the 12 month period after signature of these financial statements and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

The financial statements set out on pages 7 to 17, which have been prepared on the going concern basis, were approved by the board and were signed on its behalf by:



J Sive



LD Auret

Cape Town

Date: 04/03/2026

## Independent Auditor's Report

To the Shareholder of Operation Smile (South Africa) NPC

### QUALIFIED OPINION

We have audited the financial statements of Operation Smile (South Africa) NPC (the company) set out on pages 7 to 17, which comprise the statement of financial position as at 30 June 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 financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Operation Smile (South Africa) NPC as at 30 June 2025, and its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

### BASIS FOR QUALIFIED OPINION

In common with similar organizations, it is not feasible for the company to institute accounting controls over cash collections from donations, donation received in kind and the relating expenses thereto, and income received from charitable events prior to initial entry in the accounting records. Accordingly, it was impractical for us to extend our examination beyond receipts actually recorded.

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 company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the 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 qualified opinion.

### OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Operation Smile (South Africa) NPC Annual Financial Statements for the year ended 30 June 2025", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's reports 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.



## RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Moore Cape Town Inc.*

**Moore Cape Town Inc.**

**Per: Adele Smit**

**Director**

**Registered Auditor**

04/03/2026

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Directors' Report

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The directors have pleasure in submitting their report on the financial statements of Operation Smile (South Africa) NPC for the year ended 30 June 2025.

### 1. Nature of business

Operation Smile (South Africa) NPC was incorporated in South Africa.

The company is dedicated to helping underprivileged children born with cleft palate or cleft lip.

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

### 2. Review of financial results and activities

The financial statements have been prepared in accordance with IFRS for SMEs Accounting Standards and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

### 3. Directors

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

#### Directors

LD Auret  
A Madaree  
J Sive  
JJ Fourie  
NS Cossie

There have been no changes to the directorate for the period under review.

### 4. Events after the reporting period

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

### 5. 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.

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

### 6. Secretary

The company had no secretary during the year.

### 7. Auditors

Moore Cape Town Incorporated (Practice number 900908) continued in office as auditors for the company for 2025.

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Statement of Financial Position as at 30 June 2025

Figures in Rand	Note(s)	2025	2024
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	15 832	55 616
Other financial assets	3	5 134 934	4 598 175
		<b>5 150 766</b>	<b>4 653 791</b>
<b>Current Assets</b>			
Trade and other receivables	4	1 594 817	1 062 121
Cash and cash equivalents	5	8 228 541	6 924 891
		<b>9 823 358</b>	<b>7 987 012</b>
<b>Total Assets</b>		<b>14 974 124</b>	<b>12 640 803</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		13 979 401	10 411 013
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	994 723	2 229 790
<b>Total Equity and Liabilities</b>		<b>14 974 124</b>	<b>12 640 803</b>

## Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

### Statement of Comprehensive Income

Figures in Rand	Note(s)	2025	2024
Revenue	7	13 629 408	10 517 727
Other income	8	3 669	27 136
Operating expenses	9	(11 106 720)	(9 913 695)
<b>Operating profit</b>		<b>2 526 357</b>	<b>631 168</b>
Investment revenue	12	563 054	722 076
Finance costs	14	(4 499)	(1 587)
Fair value adjustments	13	483 476	265 252
<b>Profit for the year</b>		<b>3 568 388</b>	<b>1 616 909</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>3 568 388</b>	<b>1 616 909</b>

## Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

### Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 July 2023</b>	<b>8 794 104</b>	<b>8 794 104</b>
Profit for the year	1 616 909	1 616 909
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>1 616 909</b>	<b>1 616 909</b>
<b>Balance at 01 July 2024</b>	<b>10 411 013</b>	<b>10 411 013</b>
Profit for the year	3 568 388	3 568 388
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>3 568 388</b>	<b>3 568 388</b>
<b>Balance at 30 June 2025</b>	<b>13 979 401</b>	<b>13 979 401</b>

## Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

### Statement of Cash Flows

Figures in Rand	Note(s)	2025	2024
<b>Cash flows from operating activities</b>			
Cash generated from operations	16	775 790	2 300 027
Interest income		536 850	722 076
Finance costs		(4 499)	(1 587)
<b>Net cash from operating activities</b>		<b>1 308 141</b>	<b>3 020 516</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(4 491)	(14 021)
Purchases of other financial assets		-	(2 019 592)
<b>Net cash (utilised in) investing activities</b>		<b>(4 491)</b>	<b>(2 033 613)</b>
<b>Total cash movement for the year</b>		<b>1 303 650</b>	<b>986 903</b>
Cash and cash equivalents at the beginning of the year		6 924 891	5 937 988
<b>Total cash at end of the year</b>	5	<b>8 228 541</b>	<b>6 924 891</b>

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Accounting Policies

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### 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 Standards, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, 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 Property, plant and equipment

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

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.

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 company.

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

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Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	6 years
IT equipment	Straight line	3 years

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.

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 profit or loss when the item is derecognised.

#### 1.2 Financial instruments

##### 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 profit or loss) 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.

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Accounting Policies

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### 1.2 Financial instruments (continued)

#### Financial instruments at amortised cost

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 profit or loss.

#### Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

### 1.3 Tax

#### Current tax assets and liabilities

The company has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, and the receipts and accruals are exempt from income tax in terms of section 10(1)(nC) of the Act.

### 1.4 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.

#### 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.

Any contingent rents are expensed in the period they are incurred.

### 1.5 Impairment of assets

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

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) 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 profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) 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 (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Accounting Policies

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### 1.6 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.

### 1.7 Revenue

Revenue represents donations received in cash and kind, as well as grant income received from Operation Smile Incorporated.

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

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Notes to the Financial Statements

Figures in Rand

2025

2024

### 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
Furniture and fixtures	11 543	(11 543)	-	11 543	(9 780)	1 763
Office equipment	4 455	(371)	4 084	-	-	-
IT equipment	156 854	(145 106)	11 748	156 819	(102 966)	53 853
<b>Total</b>	<b>172 852</b>	<b>(157 020)</b>	<b>15 832</b>	<b>168 362</b>	<b>(112 746)</b>	<b>55 616</b>

#### Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	1 763	-	(1 763)	-
Office equipment	-	4 455	(371)	4 084
IT equipment	53 853	36	(42 141)	11 748
	<b>55 616</b>	<b>4 491</b>	<b>(44 275)</b>	<b>15 832</b>

#### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	3 687	-	(1 924)	1 763
IT equipment	94 185	14 021	(54 353)	53 853
	<b>97 872</b>	<b>14 021</b>	<b>(56 277)</b>	<b>55 616</b>

### 3. Other financial assets

#### At fair value

Corion investment	2 513 189	2 206 073
Ninety One investment	2 266 447	2 063 008
	<b>4 779 636</b>	<b>4 269 081</b>

#### At amortised cost

Fixed deposit	355 298	329 094
The fixed deposit has been ceded to Investec Private Bank as security for banking facilities provided.		
	<b>5 134 934</b>	<b>4 598 175</b>

#### Non-current assets

At fair value	4 779 636	4 269 081
At amortised cost	355 298	329 094
	<b>5 134 934</b>	<b>4 598 175</b>

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Notes to the Financial Statements

Figures in Rand	2025	2024
<b>4. Trade and other receivables</b>		
Trade receivables	-	221 350
Employee costs in advance	-	7 606
Prepayments	427 670	-
Deposits	59 166	59 166
VAT	292 756	285 372
Amounts due from Operation Smile Incorporated	815 225	488 627
	<b>1 594 817</b>	<b>1 062 121</b>
<b>5. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	14 958	31 420
Short-term deposits	5 376 245	5 022 439
Other cash and cash equivalents	2 837 338	1 871 032
	<b>8 228 541</b>	<b>6 924 891</b>
Operation Smile (South Africa) NPC has a credit card facility with Investec Private Bank with a credit limit of R300,000.		
<b>6. Trade and other payables</b>		
Trade payables	137 025	736 922
Amounts received in advance	484 689	1 283 958
Amounts due to employees	-	5 504
Investec credit card	91 803	37 145
Provision for leave pay	281 206	166 261
	<b>994 723</b>	<b>2 229 790</b>
<b>7. Revenue</b>		
Donations income	6 618 692	5 789 245
Head office grant	5 976 973	3 872 836
In kind donations	1 033 743	855 646
	<b>13 629 408</b>	<b>10 517 727</b>
<b>8. Other income</b>		
Other income	3 669	27 136
<b>9. Operating expenses</b>		
Operating expenses include the following expenses:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	386 004	296 846
Loss on exchange differences	426 064	261 025
Depreciation and amortisation	44 275	56 277
Employee costs	5 000 544	4 217 567

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Notes to the Financial Statements

Figures in Rand	2025	2024
<b>10. Employee cost</b>		
<b>Employee costs</b>		
Basic	4 885 599	4 342 963
Leave pay provision charge	114 945	(125 396)
	<u>5 000 544</u>	<u>4 217 567</u>
<b>11. Depreciation, amortisation and impairments</b>		
The following items are included within depreciation:		
<b>Depreciation</b>		
Property, plant and equipment	<u>44 275</u>	<u>56 277</u>
<b>12. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	<u>563 054</u>	<u>722 076</u>
<b>13. Fair value adjustments</b>		
Other financial assets	<u>483 476</u>	<u>265 252</u>
<b>14. Finance costs</b>		
Bank	<u>4 499</u>	<u>1 587</u>
<b>15. Taxation</b>		
<b>Non provision of tax</b>		
No provision has been made for 2025 tax as the company has no taxable income. The company has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, and the receipts and accruals are exempt from income tax in terms of section 10(1)(nC) of the Act.		
<b>16. Cash generated from operations</b>		
Net profit before taxation	3 568 388	1 616 909
<b>Adjustments for:</b>		
Depreciation	44 275	49 523
Fair value (gains)	(510 555)	(265 252)
Investment income	(563 054)	(720 740)
Finance costs	4 499	1 587
<b>Changes in working capital:</b>		
(Increase) decrease in trade and other receivables	(532 696)	46 922
Increase (decrease) in trade and other payables	(1 235 067)	1 614 363
	<u>775 790</u>	<u>2 343 312</u>

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Notes to the Financial Statements

Figures in Rand	2025	2024
<b>17. Commitments</b>		
<b>Operating leases – as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	382 219	360 881
- in second to fifth year inclusive	513 710	895 929
	<b>895 929</b>	<b>1 256 810</b>

Operating lease payments represent rentals payable by the company for certain of its office properties. No contingent rent is payable.

### 18. 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.

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

### 19. Events after the reporting period

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

# Operation Smile (South Africa) NPC

(Registration number: 2006/006513/08)

Financial Statements for the year ended 30 June 2025

## Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
<b>Revenue</b>			
Donations income		6 618 692	5 789 245
In kind donations		1 033 743	855 646
Head office grants		5 976 973	3 872 836
	7	<b>13 629 408</b>	<b>10 517 727</b>
<b>Other income</b>			
Other income		3 669	27 136
<b>Operating expenses</b>			
Advertising		155 830	189 706
Auditors remuneration		133 219	93 350
Bank charges		107 754	83 444
Communications		3 117	2 000
Conference expense		-	21 558
Courier and postage		8 882	32 941
Delivery expenses		43 169	21 180
Depreciation		44 275	56 277
Employee costs		5 000 544	4 217 567
General expenses		23 798	196 889
Gifts		75 783	51 846
Insurance		77 862	82 028
Lease rentals on operating lease		386 004	304 081
Loss on exchange differences		426 064	261 025
Medical expenses		222 266	367 927
Non-medical expenses		54 722	77 360
Other consulting and professional fees		734 458	175 131
Printing and stationery		89 175	47 058
Protective clothing		-	12 855
Repairs and maintenance		29 256	50 165
Staff welfare		16 056	220
Subscriptions		98 225	38 228
Telephone and fax		64 331	60 781
Transport and freight		396 218	218 373
Travel - local		2 843 795	3 181 048
Utilities		71 917	70 657
		<b>11 106 720</b>	<b>9 913 695</b>
<b>Operating profit</b>			
		<b>2 526 357</b>	<b>631 168</b>
Investment income	12	563 054	722 076
Finance costs	14	(4 499)	(1 587)
Fair value adjustments		483 476	265 252
		<b>1 042 031</b>	<b>985 741</b>
<b>Profit for the year</b>			
		<b>3 568 388</b>	<b>1 616 909</b>