NINE MILES PROJECT

FINANCIAL STATEMENTS
31 DECEMBER 2025

Boraine Consulting
accounting / consulting / innovation

NINE MILES PROJECT

NPO - Registration number: 116-995

The following is the information of Nine Miles Project, the managers of the organisation.

FINANCIAL STATEMENTS for the year ended 31 December 2025

BOARD OF DIRECTORS

N Savel	Chairperson
A Stewart	Treasurer
K Sedres	Secretary
S Matthews	Portfolio: Fundraising

POSTAL ADDRESS	**PHYSICAL ADDRESS**
15 Utica Way	Strandfontein Pavillion
Strandfontein Village	Cnr Baden Powell & Old Strandfontein Road
Western Cape	Strandfontein Village
7798	7798

Auditor	**Compiler**
SAICA No 901641	**SAIPA Pr No 7851**
C Whittle	C C Boraine
Private Bag X16	49 Allaman Street
Constantia	Kuils River
7848	7580

CONTENTS **PAGE**

*Pages 13-15 are supplementary schedules and are unaudited

NINE MILES PROJECT

NPO - Registration number: 116-995

STATEMENT OF MANAGEMENT RESPONSIBILITIES – NINE MILES PROJECT for the year ended 31 December 2025

The entity is managed in terms of Section 10(1) (cN) of the income tax act and non-profit organisations act No 71,1997. The accounting framework used for the preparation of the financial statements is International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SME's).

The going concern basis has been adopted in preparing the financial statements.

Management is also responsible for the entity's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the assets, as well as to prevent and detect misstatement and loss. Nothing has come to the attention of management to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared by Boraine Consulting, who was given unrestricted access to all financial records and related data. The management believe that all representations made to the accounting officer are valid and appropriate.

The financial statements for the year ended 31 December 2025 were approved by the Management of Nine Miles Project and are signed on behalf of the members:

Chairperson
Date: 14 May 2026

Treasurer
Date: 14 May 2026

CRAIG WHITTLE ACCOUNTING

Chartered Accountants (SA)

Postnet Suite #52, Private Bag X16, Constantia 7848 Tel : 076 456 3270
Practice number : 901641

INDEPENDENT AUDITOR'S REPORT

To the directors of Nine Miles Project

Opinion

We have audited the annual financial statements set out on pages 4-12, which comprise the statement of financial position as at 31 December 2025 and the statement of profit or loss and other comprehensive income for the period then ended, and notes to the financial statements, including a summary of significant policies.

In our opinion the financial statements present fairly, in all material respects, the financial position of Nine Miles Project as at 31 December 2025, and its financial performance for the period then ended in accordance with International Financial Standard for Small and Medium-sized Entities and the requirements of the Non-Profit Organisations Act, 1997.

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 Project 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 responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Non-Profit Organisations Act, 1997, 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 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 directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility 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 it 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 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 entity'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 entity’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 entity 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.

Craig Whittle CA(SA)
Registered Auditor
8 May 2026
Cape Town

NINE MILES PROJECT

STATEMENT OF FINANCIAL POSITION
for the year ended 31 December 2025

	Notes	2025 R	2024 R
ASSETS			
Fixed assets	**4**	936 291	1 326 317
Current assets		171 479	191 789
Inventory	**6**	40 202	41 963
Deposits paid	**5**	-	43 478
Other Receivables	**7**	45 868	66 275
Cash and cash equivalents	**8**	85 409	40 073
Total assets		**1 107 770**	**1 518 106**
EQUITY AND LIABILITIES			
Capital attributable to equity holders of the fund		1 107 770	1 518 106
Accumulated Surplus		1 107 770	1 518 106
Total equity and liabilities		**1 107 770**	**1 518 106**

NINE MILES PROJECT

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025

	Accumulated surplus R	Total R
Dec 2025		
Balance at 1 January	1 518 106	1 518 106
Deficit for the year	(410 336)	(410 336)
Balance at 31 December 2025	1 107 770	1 107 770
Dec 2024		
Balance at 1 January	2 019 553	2 019 553
Deficit for the year	(501 447)	(501 447)
Balance at 31 December 2024	1 518 106	1 518 106

NINE MILES PROJECT

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2025

	Notes	2025 R	2024 R
Income		5 761 675	6 121 135
Operational Income from cash donation transactions		3 848 243	3 925 876
Operational Income from non-cash donation transactions		1 913 432	2 195 259
Other income		332 484	333 657
Sales - café		219 322	239 356
Surfshop sales		62 454	61 379
Surf lessons and events		44 919	26 309
Surf Club Income		5 380	6 017
Finance income		409	596
Expenses		(6 504 495)	(6 956 239)
Cost of sales - café		(110 018)	(89 924)
Cost of sales - surfshop		(4 550)	(6 950)
Operational expenses related to non-cash donations		(1 808 490)	(2 014 021)
Direct expenses related to cash donation transactions		(3 045 323)	(3 280 106)
Administrative expenses		(1 536 114)	(1 565 238)
Net deficit before taxation		(410 336)	(501 447)
Taxation	9	-	-
Deficit for the year		**(410 336)**	**(501 447)**

NINE MILES PROJECT

STATEMENT OF CASH FLOWS
for the year ended 31 December 2025

	Notes	2025 R	2024 R
Cash flow from operating activities			
Cash generated from operations	**10**	269 407	64 317
Cash flow from investment activities			
Purchase of Equipment	**4**	(224 480)	(52 862)
Finance income		409	596
Net movement in cash and cash equivalents		45 336	12 051
Cash and cash equivalents at 1 March		40 073	28 022
Cash and cash equivalents at 31 December		**85 409**	**40 073**

1. GENERAL INFORMATION

Nine Miles Project is an NGO established mainly for the development of the youth and community.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Nine Miles Project have been prepared in accordance with International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SME's). The financial statements have been prepared according to the historical cost convention and incorporate the principal accounting policies set out below.

The preparation of financial statements in conformity with IFRS for SME's requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the NGO's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where there are assumptions and estimates are significant to the financial statements.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in South African Rand (ZAR), which is the entity’s functional and presentation currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Plant and equipment

Building improvements consist mainly of upgrades to the club house.
Donation assets are valued at selling price.

All property and equipment are stated at historical cost less accumulated depreciation, considering the residual value. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the ministry and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Furniture and fittings	5 years
Surf and training equipment	5 years
Vehicles	4 years
Office equipment	5 years
Building improvements	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Income recognition

Income comprises the fair value of the consideration received as donations in the ordinary course of the entity’s activities. Income is shown net of Value Added Tax, returns, rebates and discounts and after eliminating sales within the entity.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

3.1 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Plant and equipment

Depreciation on assets is calculated over their estimated useful lives, considering the residual value of the asset at the end of its useful life.

3.2 Critical judgements in applying the entity's accounting policies

Management did not make any critical judgements in applying the entity's accounting policies.

2025

4. FIXED ASSETS	Furniture & Fittings	Vehicles	Office, Computer, Surf and Sound Equipment	Land, Building & Improvements	Total Carrying Value
Carrying value beginning of year	105 773	370 708	647 263	202 573	1 326 317
Cost price	478 170	684 533	2 563 539	1 516 554	5 242 796
Accumulated depreciation	(372 397)	(313 825)	(1 916 276)	(1 313 981)	(3 916 480)
Addition - Donations	-	-	101 342	-	101 342
Purchases	-	35 000	51 373	138 107	224 480
Depreciation	(26 643)	(143 069)	(334 999)	(211 138)	(715 848)
Carrying value at end of year	79 130	262 639	464 979	129 542	936 291
Cost Price	478 170	719 533	2 716 254	1 654 661	5 568 618
Accumulated depreciation	(399 040)	(456 894)	(2 251 275)	(1 525 119)	(4 632 327)
2024					
Carrying value beginning of year	143 971	525 429	737 086	489 835	1 896 320
Cost price	467 998	684 533	2 346 761	1 516 554	5 015 846
Accumulated depreciation	(324 027)	(159 104)	(1 609 675)	(1 026 719)	(3 119 526)
Addition - Donations	-	-	174 088	-	174 088
Purchases	10 172	-	42 690	-	52 862
Depreciation	(48 370)	(154 721)	(306 601)	(287 262)	(796 954)
Carrying value at end of year	105 773	370 708	647 263	202 573	1 326 317
Cost Price	478 170	684 533	2 563 539	1 516 554	5 242 796
Accumulated depreciation	(372 397)	(313 825)	(1 916 276)	(1 313 981)	(3 916 480)

5. DEPOSITS PAID

In 2024 a piece of land erf 37851, located at 207 Dennegeur Avenue, Strandfontein, Mitchells Plain was acquired. A partial payment of R43,478, excluding VAT was made during that year (2024) of the contract with the price of R138 107 excluding VAT. The land consists of 714 square meters, and was acquired through an auction process. The remaining balance of R94,629 was paid during the current year (2025). After completing the full amount and registering the property, the asset was capitalised.

6. INVENTORY	2025 R	2024 R
Café trading stock	17 902	18 713
Surfshop trading equipment	22 300	23 250
	40 202	**41 963**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2025

	2025 R	2024 R
7. OTHER RECEIVABLES		
VAT-Refund	**45 868**	**66 275**
8. CASH AND CASH EQUIVALENTS		
Bank balance	80 146	10 963
Petty cash	5 263	29 110
	85 409	**40 073**

9. TAXATION

The Entity has been approved as a public benefit organisation (PBO) by the Commissioner of the South African Revenue Services. In terms of Section 30(3) of the Income Tax Act, the income of any PBO is exempt from Income Tax to the extent that it has not arisen from any intergral, occasional or approved business or trading activity. In terms of Section 10(1) (cN) regarding any taxable business trading income of a PBO, the greater of 5% of the trading income, or R200 000, is tax free. The taxable portion of a PBO's trading income is taxed at 28%. No provision has been made for taxation for the year.

10. CASH GENERATED FROM OPERATIONS

	2025 R	2024 R
Deficit for the year	(410 336)	(501 447)
Donations received Non cash inventory and assets	(101 342)	(174 088)
Finance income	(409)	(596)
Depreciation	715 848	796 954
Operating surplus before changes in working capital	203 761	120 823
Change in operating capital		
Decrease in deposits paid	43 478	(43 478)
Decrease/ (increase) in other accounts receivable	20 407	(10 614)
Decrease/(Increase) in inventory	1 761	(2 414)
Cash generated from operations	**269 407**	**64 317**

11. EVENTS ATER THE REPORTING DATE

No material events which may have a significant influence on the financial position of the entity occurred between the financial year end date and the approval date of the financial statements.

NINE MILES PROJECT

DETAILED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2025

(This detailed statement of comprehensive income is for the sole purpose of management and does not form part of the Financial Statements).

	2025	2024
	R	
Total Operational Income	**6 093 750**	**6 454 196**
Social Enterprises	**217 507**	**236 187**
Sales - Café	219 322	239 356
COS - Café	(110 018)	(89 924)
Opening Stock	(18 713)	(16 499)
Cost of Sales-Café purchases and wages	(109 207)	(92 138)
Closing stock	17 902	18 713
Surfshop sales	62 454	61 379
Surf Club income	5 380	6 017
Surf Lessons and events income	44 919	26 309
COS - Surfshop	(4 550)	(6 950)
Surfshop opening stock	(23 250)	(23 050)
Surfshop Equipment donations/purchases	(3 600)	(7 150)
Surfshop closing stock	22 300	23 250
Other income from cash donation transactions	**3 848 243**	**3 925 876**
Donations: International	900 292	1 236 112
Donations Corporates & Organisations	1 165 671	1 208 506
Donations Foundations	410 000	186 000
Donations Government Grants	-	246 689
Donations Private Individuals	121 692	320 639
Donations Trusts	14 000	383 500
Elands Bay Surf Project	110 000	187 919
Fundraising local	1 009 148	79 291
St Francis Surf Project	-	540
Volunteers and other	117 440	76 680
Donation Income Non Cash	**1 913 432**	**2 195 259**
Donations Gift Vouchers - Non cash	5 600	12 700
Donations Other - Non cash	264 877	91 622
Fixed Asset Donations - Non Cash	88 294	36 750
Food Parcels - Non Cash	206 062	213 019
Internet charges - Non Cash	-	41 789
Inventory Donations - Non Cash	13 048	137 338
Rent Paid - Non Cash	75 000	90 000
Surf equipment donations - Non cash	3 600	7 150
Training and Development - Non Cash	77 425	125 856
Wages Donations Leanership/SDL Programmes - Non Cash	1 179 526	1 439 035
Finance income	409	596

NINE MILES PROJECT

DETAILED STATEMENT OF COMPREHENSIVE INCOME (continued)
for the year ended 31 December 2025

	2025	2024
	R	R
Charitable activities - Welfare expenses	**(4 853 813)**	**(5 294 127)**
Donations Expenses Non Cash	**(1 808 490)**	**(2 014 021)**
Donations Gift Vouchers - Non cash	5 600	12 700
Donations Other - Non cash	264 877	91 622
Food Parcels - Non Cash Donations	206 062	213 019
Internet charges - Non Cash	-	41 789
Rent Paid - Non Cash	75 000	90 000
Training and Development - Non Cash	77 425	125 856
Wages Donations Leanership/SDL Programmes - Non Cash	1 179 526	1 439 035
Direct - Welfare expenses from cash donation transactions	**(3 045 323)**	**(3 280 106)**
Education Equipment, Supplies and Services	143 574	86 551
Elands Bay Surf Project expenses	123 093	72 959
Food and Supplies	725 206	750 030
Clothing and Uniforms	60 358	127 531
Community Welfare Support	464 790	380 462
Donations	6 495	14 601
Empowerment Trips	134 219	468 244
Environmental Programmes	124 450	-
Events	25 031	56 189
Gifts	32 944	20 513
Programme Resources	74 565	37 115
Hair and Grooming	11 324	9 708
Kitchen Equipment & Supplies	35 364	32 519
Medical and First Aid	18 414	22 357
Media Equipment and Software	6 568	4 148
Other Sports Equipment	-	3 452
PPE, Health and Safety	750	-
Printing & Stationery	12 197	35 422
Subscription fee	16 111	13 368
Surfing accessories	3 484	21 170
Training and Development	374 347	330 713
Toiletries and Essentials	10 617	30 999
Transport	151 017	153 825
IDT Wages	-	219 921
Wages	490 405	388 309
Gross Profit	**1 125 369**	**1 063 195**

NINE MILES PROJECT

DETAILED STATEMENT OF COMPREHENSIVE INCOME (continued)
for the year ended 31 December 2025

	2025	2024
	R	R
Administrative Expenses	**(820 266)**	**(768 284)**
Accounting Fees	51 105	47 400
Auditing Fees	13 965	13 300
Bank Charges	46 465	45 613
Branding and Marketing	10 640	3 325
Cleaning	11 403	12 473
Communication	13 085	20 184
Computer supplies and expenses	2 638	4 269
Fundraising expenses	192 465	29 800
General expenses	1 838	3 765
Insurance	32 878	29 223
Internet	19 218	-
Office Supplies	4 821	2 338
Parking	2 420	2 833
Rent, lights and water	90 653	85 336
Repairs & Maintenance	22 272	27 445
Salaries and wages	223 213	323 928
Security	5 209	8 465
Storage	15 000	-
Vehicle cost & Petrol	60 978	108 587
Net surplus before depreciation and Tax	**305 512**	**295 507**
Depreciation	(715 848)	(796 954)
Net deficit after Tax	**(410 336)**	**(501 447)**