Radio Islam (Non-Profit Company)
(Registration number 1994/010170/08)
Annual Financial Statements
for the year ended 28 February 2026

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Operating a radio station for the broadcasting of Islamic programming and to create an understanding of the virtues, glories and bounties of Islam within the community
Directors	A.D. Suleman B.A.S. Patel F. Adam M. Motala M.Y. Mia N.A.R. Karolia S. Manga
Registered office	35 Cuckoo Avenue Lenasia 1820
Postal address	PO Box 2580 Lenasia 1820
Bankers	First National Bank Albaraka Bank
Auditors	Karolia Jeena Inc. Registered Auditors
Tax reference number	9483597846
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

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

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual 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 Standard. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the IFRS for SMEs® Accounting Standard 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 annual 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 year to 28 February 2027 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 annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 6 - 7.

The annual financial statements set out on pages 8 to 17, which have been prepared on the going concern basis, were approved by the board of directors on 06 July 2026 and were signed on its behalf by:

Approval of annual financial statements

B.A.S. Patel Director	**M.Y. Mia** Director

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Radio Islam (Non-Profit Company) for the year ended 28 February 2026.

1. Nature of business

Radio Islam (Non-Profit Company) was incorporated in South Africa with interests in the audio broadcasting industry. The company operates in South Africa.

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 annual financial statements have been prepared in accordance with the IFRS for SMEs® Accounting Standard and the requirements of the Companies Act 71 of 2008. 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 annual financial statements.

3. Directors

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

Directors
A.D. Suleman
B.A.S. Patel
F. Adam
M. Motala
M.Y. Mia
N.A.R. Karolia
S. Manga

There have been no other 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 annual 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 annual 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. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008.

Directors' Report

7. Auditors

Karolia Jeena Inc. continued in office as auditors for the company for 2026.

At the AGM, the chairman will be requested to reappoint Karolia Jeena Inc. as the independent external auditors of the company and to confirm Mr N.M.S. Hadjee as the designated lead audit partner for the 2027 financial year.

8. Secretary

The company has not officially appointed a secretary.

KAROLIA JEENA INC.
chartered accountants (S.A)
Registration No: 2000 / 007138 / 21

Independent Auditor's Report

To the Shareholders of Radio Islam (Non-Profit Company)

Opinion

We have audited the annual financial statements of Radio Islam (Non-Profit Company) (the company) set out on pages 8 to 17, which comprise the statement of financial position as at 28 February 2026; 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 present fairly, in all material respects, the financial position of Radio Islam (Non-Profit Company) as at 28 February 2026, 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 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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 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 opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Radio Islam (Non-Profit Company) annual financial statements for the year ended 28 February 2026", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the supplementary information as set out on pages 18 to 19, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion 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 on the other information obtained prior to the date of this auditor's report, 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 Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual 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 71 of 2008, and for such internal control as the directors determine 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 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.

4 Wabord Road
Parktown
2193

www.kji.co.za

Private Bag X2677
Saxonwold - 2132
T: +2711 482 4141
F: +2786 731 7746

Directors: M. Jeena • M.A. Kaka • N.M.S. Hadjee • F. Ebrahim

Independent Auditor's Report

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

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual 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.

Karolia Jeena Inc.
Registered Auditors

Per: N.M.S. Hadjee
Chartered Accountant (S.A.)
Registered Auditor

06 July 2026
Parktown

Statement of Financial Position as at 28 February 2026

	Note(s)	2026 R	2025 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	1 626 791	1 590 003
Current Assets			
Inventories	3	73 095	413 741
Trade and other receivables		1 285 603	377 312
Cash and cash equivalents	4	4 259 555	2 529 541
		5 618 253	**3 320 594**
Total Assets		**7 245 044**	**4 910 597**
Equity and Liabilities			
Equity			
Retained income		5 562 942	4 016 687
Liabilities			
Current Liabilities			
Trade and other payables		1 570 577	786 785
Provisions	5	111 525	107 125
		1 682 102	**893 910**
Total Equity and Liabilities		**7 245 044**	**4 910 597**

Statement of Comprehensive Income

	Note(s)	2026 R	2025 R
Revenue		12 858 223	11 075 834
Cost of sales		(457 909)	(466 683)
Gross profit		**12 400 314**	**10 609 151**
Other income	7	3 428 343	3 540 626
Operating expenses	8	(14 419 133)	(13 921 453)
Operating profit		**1 409 524**	**228 324**
Investment revenue	11	136 731	187 378
Profit for the year		**1 546 255**	**415 702**
Other comprehensive income		-	-
Total comprehensive income for the year		**1 546 255**	**415 702**

Statement of Changes in Equity

	Retained income R	Total equity R
Balance at 01 March 2024	**3 600 985**	**3 600 985**
Profit for the year	415 702	415 702
Other comprehensive income	-	-
Total comprehensive income for the year	**415 702**	**415 702**
Balance at 01 March 2025	**4 016 687**	**4 016 687**
Profit for the year	1 546 255	1 546 255
Other comprehensive income	-	-
Total comprehensive income for the year	**1 546 255**	**1 546 255**
Balance at 28 February 2026	**5 562 942**	**5 562 942**

Statement of Cash Flows

	Note(s)	2026 R	2025 R
Cash flows from operating activities			
Cash receipts from customers and donors		15 250 666	14 664 284
Cash paid to suppliers and employees		(13 167 268)	(13 549 103)
Cash generated from operations		2 083 398	1 115 181
Investment income		136 731	187 378
Net cash from operating activities		**2 220 129**	**1 302 559**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(617 724)	(892 607)
Proceeds from sale of property, plant and equipment	2	127 609	-
Net cash from investing activities		**(490 115)**	**(892 607)**
Total cash movement for the year		**1 730 014**	**409 952**
Cash and cash equivalents at the beginning of the year		2 529 541	2 119 589
Total cash at end of the year	4	**4 259 555**	**2 529 541**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the IFRS for SMEs® Accounting Standard, and the Companies Act 71 of 2008. The annual 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 or replace part of 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Leasehold improvements	Straight line	2 years
Transmitters	Straight line	3 years
Other fixed assets	Straight line	5 years
Solar equipment	Straight line	6 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.

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

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

1.2 Tax

Current tax assets and liabilities

The Association is exempt from income tax in terms of Section 30(b) of the Income Tax Act. Donations by or to the Association are exempt from donations tax in terms of Section 56(1)(h) of the Act.

Accounting Policies

1.3 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

1.4 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.

1.5 Provisions and contingencies

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

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.6 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Revenue comprises of advertising and sponsorship revenue as well as sales of goods relating to broadcasting.

During the current financial year, donation and sponsorship revenue increased significantly due to the timing of Ramadaan falling twice within the reporting period. Historically, only one such event occurs per financial year. This represents an exceptional, non-recurring increase in the donation and sponsorship income.

Notes to the Annual Financial Statements

	2026 R	2025 R

2. Property, plant and equipment

	2026			2025		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	954 025	(932 832)	21 193	930 905	(905 360)	25 545
Furniture and fixtures: Durban	41 574	(41 574)	-	41 574	(41 574)	-
Motor vehicles	821 748	(733 640)	88 108	1 196 752	(1 112 426)	84 326
Office equipment	4 073 136	(3 283 152)	789 984	3 632 852	(3 033 183)	599 669
Office equipment: Durban	878 738	(878 738)	-	878 738	(878 738)	-
IT equipment	2 960 996	(2 839 027)	121 969	2 866 677	(2 748 931)	117 746
Leasehold improvements	170 244	(170 244)	-	170 244	(170 244)	-
Solar equipment	855 100	(249 570)	605 530	855 100	(106 959)	748 141
Transmitters	2 401 358	(2 401 351)	7	2 401 358	(2 386 783)	14 575
Other fixed assets	(91 690)	91 690	-	91 690	(91 689)	1
Total	**13 065 229**	**(11 438 438)**	**1 626 791**	**13 065 890**	**(11 475 887)**	**1 590 003**

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	25 545	23 121	(27 473)	21 193
Motor vehicles	84 326	60 000	(56 218)	88 108
Office equipment	599 669	440 285	(249 970)	789 984
IT Equipment	117 746	94 318	(90 095)	121 969
Solar equipment	748 141	-	(142 611)	605 530
Transmitters	14 575	-	(14 568)	7
Other fixed assets	1	-	(1)	-
	1 590 003	**617 724**	**(580 936)**	**1 626 791**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	77 159	-	(51 614)	25 545
Furniture and fixtures - Durban	5	-	(5)	-
Motor vehicles	131 544	-	(47 218)	84 326
Office equipment	914 428	-	(314 759)	599 669
Office equipment - Durban	12	-	(12)	-
IT Equipment	80 796	37 507	(557)	117 746
Solar equipment	-	855 100	(106 959)	748 141
Transmitters	49 542	-	(34 967)	14 575
Other fixed assets	1	-	-	1
	1 253 487	**892 607**	**(556 091)**	**1 590 003**

3. Inventories

Merchandise	73 095	413 741

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Notes to the Annual Financial Statements

	2026 R	2025 R

4. Cash and cash equivalents (continued)

	2026 R	2025 R
Cash on hand	4 822	9 697
Bank balances	2 228 557	696 558
Short-term deposits	1 885 208	1 748 477
Credit card balances	140 968	74 809
	4 259 555	**2 529 541**

5. Provisions

Reconciliation of provisions - 2026

	Opening balance	Additions	Utilised during the year	Closing balance
Provisions for employee benefits	107 125	111 525	(107 125)	111 525

Reconciliation of provisions - 2025

	Opening balance	Additions	Utilised during the year	Closing balance
Provisions for employee benefits	105 000	107 125	(105 000)	107 125

6. Special project - Mobile clinic

	2026 R	2025 R
Opening balance	131 433	-
Funds raised	620 644	581 433
Disbursements	(532 893)	(450 000)
	219 184	**131 433**

The company, together with other partners, are involved in running a Mobile Clinic service. The partner's involved in this project are the Jamiatul Ulama of South Africa, Islamic Medical Association (Roshnee Branch) and the Radio Station.

A free medical service is provided to underprivileged people in various townships. The Clinic is manned by a driver and qualified nurse, who can dispense medication. This service is provided Monday to Friday.

The Islamic Medical Association (Roshnee Branch) takes care of the day to day supervision of the Mobile Clinic. The Radio Station is responsible for the cost of providing all the expenses of the Mobile Clinic, including the salary of the nurse and the driver, as well as the cost of maintenance and operation of the vehicle and the cost of the medication.

The above balance is included in trade and other payables.

7. Other income

	2026 R	2025 R
Donation income	3 057 664	3 537 876
Insurance claim received	240 120	-
Membership fees	2 950	2 750
Gains on disposal of assets	127 609	-
	3 428 343	**3 540 626**

Notes to the Annual Financial Statements

	2026 R	2025 R

8. Operating expenses

Operating expenses include the following expenses:

	2026 R	2025 R
Operating lease charges		
Premises		
• Contractual amounts	346 783	144 000
Depreciation	580 936	556 091
Employee costs	6 457 517	6 411 875

9. Auditor's remuneration

	2026 R	2025 R
Fees	29 975	40 000

10. Employee cost

	2026 R	2025 R
Total employee costs	6 181 698	6 145 304
Post-employment benefits - Pension	275 819	266 571
	6 457 517	**6 411 875**

11. Investment revenue

	2026 R	2025 R
Investment revenue	136 731	187 378

12. Commitments

Operating leases – as lessee (expense)

	2026 R	2025 R
Minimum lease payments due		
- within one year	365 217	346 783

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

13. Related parties

Related party balances and transactions with entities with control, joint control or significant influence over the company

Related party transactions

	2026 R	2025 R
Rent paid to related parties		
Jamiatul Ulama South Africa Property (Non-Profit Company)	346 783	144 000

Notes to the Annual Financial Statements

	2026 R	2025 R

14. Key management cost to company

2026

	Emoluments	Total
Administration	2 419 470	2 419 470

2025

	Emoluments	Total
Administration	2 490 660	2 490 660