BUILDING EXCEPTIONAL LEADERSHIP IN AFRICA

The Mandela Rhodes Foundation Trust

(Registration number IT5164/2003)

Annual Financial Statements

for the year ended 31 December 2025

General Information

Trust registration number	IT5164/2003
Country of incorporation and domicile	South Africa
Nature of business and principal activities	To contribute to the development of exceptional leadership capacity in Africa
Founding person	Late Nelson Rolihlahla Mandela
Chair	Catherine O'Regan
Prescribed Officers	Chief Executive Officer Judy Sikuza Operations Director Ernst Gerber
Trustees	Mustaq Brey Gugulethu Ncube Osmond Mlonyeni Peggy-Sue Khumalo Janet Kabiru John McCall MacBain (Retired 31 December 2025) Rethabile Melamu Catherine O'Regan
Registered office	The Mandela Rhodes Building 150 St Georges Mall Cape Town 8001
Business address	P O Box 15897 Vlaeberg Cape Town 8018
Postal address	The Mandela Rhodes Building 150 St Georges Mall Cape Town 8001
Bankers	Nedbank Limited Nedbank Private Wealth Limited
Auditors	BDO South Africa Incorporated Chartered Accountants (S.A.) Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.
Preparer	The annual financial statements were independently compiled by: CCFO Financial Reporting Proprietary Limited S Scholtz Chartered Accountant (SA)

General Information

Investments Managers and funds in which the Foundation was invested during the year

- Acasta Global Fund
- Investec
- Polar Star Fund
- Ranmore Global Equity
- Credo Cash
- Nedbank Wealth Cash
- Fairtree Flexible Income
- Catalyst Alpha Prescient
- Optis Global
- Orient
- Tangible Segregated Portfolio
- Invesco QQQ Trust
- iShares Core S&P
- Matrix Fixed Income
- Arnott Opportunities
- RSA Government Bonds
- GA-Courtnay Special Situations
- Taquanta
- Alpha Equity Hedge
- Chrysalis
- Peregrine
- RSA Preference Shares
- Truffle General Equity Fund
- Nedgroup Investment Entrepreneur Fund
- iShares 20+ Year Treasuries
- iShares MSCI ACWI ETF

Contents

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

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Cape Town, 8000

Independent Auditor's Report

To the Trustees of

The Mandela Rhodes Foundation Trust

Opinion

We have audited the financial statements of The Mandela Rhodes Foundation Trust (the trust) set out on pages 11 to 38, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Mandela Rhodes Foundation Trust as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Trust Deed.

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 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 trustees are responsible for the other information. The other information comprises the information included in the document titled "The Mandela Rhodes Foundation Trust Annual Financial Statements for the year ended 31 December 2025", which includes the Trustees' Report as required by the Trust Deed. The other information does not include the financial statements and our auditor's report 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 Trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Trust Deed, and for such internal control as the trustees 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 trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust'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 trust 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 trustees 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.

BDO South Africa Incorporated

BDO South Africa Incorporated
Registered Auditors

Karlien Groenewald
Director
Registered Auditor

9 April 2026

119-123 Hertzog Boulevard
Foreshore
Cape Town, 8001

Compilation Report

To the trustees of The Mandela Rhodes Foundation Trust

We have compiled the annual financial statements of The Mandela Rhodes Foundation Trust, as set out on pages 11 to 38, based on the information you have provided. These annual financial statements comprise the statement of financial position of The Mandela Rhodes Foundation Trust as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with IFRS Accounting Standards. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with IFRS Accounting Standards.

CCFO Financial Reporting

CCFO Financial Reporting Proprietary Limited
Surita Scholtz
Director
Chartered Accountant (SA)

Unit 201 The Buchanan
Buchanan Square
160 Sir Lowry Road
District Six
Cape Town
7925

26 March 2026
Woodstock

Trustees' Responsibilities and Approval

The trustees are required in terms of the Trust Property Control Act 57 of 1988 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 trust 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 IFRS Accounting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

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

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

The trustees 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 trustees have reviewed the trust's cash flow forecast for the year to 31 December 2026 and, in light of this review and the current financial position, they are satisfied that the trust has or had 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 trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on page 11, which have been prepared on the going concern basis, were approved by the trustees on 26 March 2026 and were signed on their behalf by:

Approval of financial statements

Catherine O'Regan	**Mustaq Brey**

Trustees' Report

The trustees have pleasure in submitting their report on the annual financial statements of The Mandela Rhodes Foundation Trust for the year ended 31 December 2025.

1. Nature of business

The Mandela Rhodes Foundation Trust was formalised on 9 June 2003 as a joint initiative between the late Nelson Rolihlahla Mandela and the Rhodes Trustees (hereinafter jointly referred to as 'the Founders'). The Rhodes Trust pledged a benefaction over time of Ten Million Pounds Sterling (£10 000 000.00) for the purposes envisaged by the Trust Deed.

The central purpose of the Foundation is to build exceptional leadership in Africa. This objective is advanced through the implementation of programmes, the flagship programme being the Mandela Rhodes Scholarships, which became operational in 2005. Details of the programme are to be found in the foundation's annual yearbooks and on the website www.mandelarhodes.org. The Board of Trustees reviews strategy and implementation annually.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS Accounting Standards. 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 trust are set out in these annual financial statements.

3. 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 trustees believe that the trust 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 trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees 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 trust.

4. Events after the reporting period

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

5. Trustees

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

Trustees	Changes
Mustaq Brey	
Gugulethu Ncube	
Osmond Mlonyeni	
Peggy-Sue Khumalo	
Janet Kabiru	
John McCall MacBain	Retired 31 December 2025
Rethabile Melamu	
Catherine O'Regan	

6. Investment policy and performance

The investment of the Foundation's assets is overseen by the Investment Committee on behalf of the board. The Investment Committee meets at least four times a year. It also receives periodic information and advice from the appointed asset consultants (AlphaWealth) as to the appropriate asset allocation targets and exposures as well as the choice of investment managers and funds to invest in. However the decisions on these matters remain the responsibility of the Investment Committee.

Scholarships are funded from two sources: The Endowment Reserves (which resulted from donors having contributed sufficient capital to fund one or more scholarships each year in perpetuity) and from the Annual Funding Reserves (which holds the aggregate of smaller donations that were sufficient only to fund part or all of one or more scholarships at a time over a limited number of years).

The Investment Portfolio comprises the sum of the Endowment Reserves and that portion of the Annual Funding Reserves that are not expected to be used in the short run. The balance of the Annual Funding Reserves is held in bank deposits.

In the case of the Endowment Reserves, the investment objective for these funds is to achieve a real return (i.e.: the nominal return less the inflation rate) of at least 4.5% p.a. over the long run within acceptable degrees of risk. This is in line with the Board’s intention to maintain the Foundation’s ‘spend rate’ from these Endowment Reserves (i.e.: the total expenses covered by the Endowment Reserves as a percentage of the Endowment Reserves) at or below 4.5% per year over time, thus ensuring the ability to sustainably support the Foundation’s work and the scholarships funded from this source of donations in perpetuity.

The portion of the Annual Funding Reserves which is held in the Investment Portfolio is also invested under the same mandate as the Endowment Reserves.

The assets in the Investment Portfolio are invested in a suitable mix of asset classes including equities, property, bonds and cash as well as in hedged or absolute-return funds. These investments are typically made via collective investment vehicles managed by leading asset managers - domestically and internationally. The array of funds and their respective investment managers is reproduced elsewhere in this document.

The Investment Portfolio continues to outperform the investment objective having achieved an annualised total return (income plus capital gains) of 10.6% compared to the investment target of 9.6% p.a. since the inception of the Portfolio’s mandate 17 years ago in 2009 up until end-December 2025. This equates to a real return of 5.5% p.a. which is comfortably higher than the real return target of 4.5%. Over the more recent past (3 years), the portfolio return has been better still at 14.1% p.a. versus the targeted return of 8.6% - which equates to a real return of 10% p.a. over the period.

For 2025, the investment returns were satisfactory with the portfolio achieving a total return of 10.0% - which was comfortably above the investment target of 8.2% for the year but was not as outstanding as the returns of 16.4% and 14.3% in the prior two years.

The Investment Committee remains vigilant in its oversight of its mandate and continues to monitor and adjust the investment portfolio to achieve the desired investment returns into the future.

7. Executive Committee

The Executive Committee at 31 December 2025 were:

Janet Kabiru
Osmond Mlonyeni
Catherine O'Regan (Chair)

8. Remuneration Committee

The Remuneration Committee at 31 December 2025 were:

Mustaq Brey
Peggy-Sue Khumalo
Catherine O'Regan (Chair)

Trustees' Report

9. Investment Committee

The Investment Committee at 31 December 2025 were:

Jacques Conradie
Tim Cumming (Chair)
Osmond Mlonyeni
Judy Sikuza
Muitheri Wahome

10. Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee at 31 December 2025 were:

Mustaq Brey (Chair)
Janet Kabiru
Thobela Mfeti
Nkazi Sokhulu

11. Auditors

BDO South Africa Incorporated was appointed as auditors for the trust for 2025.

Statement of Financial Position as at 31 December 2025

Figures in Rand	Notes	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	3	11 871 258	11 908 154
Investments at fair value	4	1 191 254 407	1 118 292 878
		1 203 125 665	**1 130 201 032**
Current Assets			
Investments at fair value	4	36 524 049	23 468 913
Related party receivable	5	557 592	131 817
Donations and other receivables	6	2 695 118	2 204 738
Cash and cash equivalents	7	18 640 350	33 358 864
		58 417 109	**59 164 332**
Total Assets		**1 261 542 774**	**1 189 365 364**
Equity and Liabilities			
Equity			
Trust capital	8	6 728 943	6 728 943
Revaluation reserve		505 694 139	401 425 102
Other reserves	9	671 070 515	676 563 867
Retained income		74 477 578	101 529 363
		1 257 971 175	**1 186 247 275**
Liabilities			
Current Liabilities			
Related party payable	10	198 927	-
Trade and other payables	11	3 372 672	3 118 089
		3 571 599	**3 118 089**
Total Equity and Liabilities		**1 261 542 774**	**1 189 365 364**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Notes	2025	2024
Revenue	12	23 322 016	7 725 858
Other expenses		(64 714 260)	(55 299 644)
Operating (loss) profit	13	**(41 392 244)**	**(47 573 786)**
Investment income	14	7 152 276	6 987 321
Finance costs	15	(1)	(1 948)
(Loss) profit for the year		**(34 239 969)**	**(40 588 413)**
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit:			
Gain on equity investments at fair value		105 963 869	162 683 598
Other comprehensive surplus for the year net of taxation	17	**105 963 869**	**162 683 598**
Total comprehensive surplus for the year		**71 723 900**	**122 095 185**

Statement of Changes in Equity

Figures in Rand	Share capital	Revaluation reserve	Other reserves	Total reserves	Retained income	Total equity
Balance at 01 January 2024	**6 728 943**	**237 886 819**	**670 537 940**	**908 424 759**	**148 998 388**	**1 064 152 090**
Loss for the year	-	-	-	-	(40 588 413)	(40 588 413)
Other comprehensive surplus	-	162 683 598	-	162 683 598	-	162 683 598
Total comprehensive surplus for the year	**-**	**162 683 598**	**-**	**162 683 598**	**(40 588 413)**	**122 095 185**
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained income	-	854 685	-	854 685	(854 685)	-
Transfer between reserves	-	-	6 025 927	6 025 927	(6 025 927)	-
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**854 685**	**6 025 927**	**6 880 612**	**(6 880 612)**	**-**
Balance at 01 January 2025	**6 728 943**	**401 425 102**	**676 563 867**	**1 077 988 969**	**101 529 363**	**1 186 247 275**
Loss for the year	-	-	-	-	(34 239 969)	(34 239 969)
Other comprehensive surplus	-	105 963 869	-	105 963 869	-	105 963 869
Total comprehensive surplus (deficit) for the year	**-**	**105 963 869**	**-**	**105 963 869**	**(34 239 969)**	**71 723 900**
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to retained income	-	(1 694 832)	-	(1 694 832)	1 694 832	-
Transfer between reserves	-	-	(5 493 352)	(5 493 352)	5 493 352	-
Balance at 31 December 2025	**6 728 943**	**505 694 139**	**671 070 515**	**1 176 764 654**	**74 477 578**	**1 257 971 175**

Statement of Cash Flows

Figures in Rand	Notes	2025	2024
Cash flows from operating activities			
Cash generated from (used in) operations	18	(41 383 610)	(29 954 362)
Finance income		1 864 024	3 097 349
Finance costs		(1)	(1 948)
Net cash flow used in operating activities		**(39 519 587)**	**(26 858 961)**
Cash flows from investing activities			
Sale of property, plant and equipment	3	-	(6)
Proceeds from disposal of financial assets at fair value through other comprehensive income		25 000 000	13 997 892
Net cash flow from investing activities		**25 000 000**	**13 997 886**
Total cash movement for the year		**(14 718 514)**	**(12 861 075)**
Cash and cash equivalents at the beginning of the year		33 358 864	46 219 939
Total Cash and cash equivalents at end of the year	7	**18 640 350**	**33 358 864**

Accounting Policies

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these annual financial statements.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements and the Trust Property Control Act 57 of 1988.

The annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Pr3actices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on a historical cost basis, except for the following:
• Financial assets at fair value through other comprehensive income

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

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.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Key sources of estimation uncertainty

Financial assets through other comprehensive income

Financial assets at fair value through other comprehensive income are equity investments which are not held for trading and for which the trust has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income. These assets are classified as non-current.

Fair value of investments

The fair value of financial instruments traded in an active market is based on unquoted market prices as at balance sheet date.

The fair value of financial instruments which are unlisted are determined through estimates made.

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on company replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Donation Contracts

Judgement was applied in determining when ultimate authority for the use of donation income transfers to the Foundation.

1.3 Property, plant and equipment

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

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the trust, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

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 trust and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and 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 trust. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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

Item	Depreciation method	Average useful life
Buildings	Straight line	50 years
Computer equipment	Straight line	3 years
Land	Straight line	Indefinite
Office equipment	Straight line	6 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting . If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.3 Property, plant and equipment (continued)

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.

1.4 Financial instruments

Financial instruments held by the trust are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the trust, as applicable, are as follows:

Financial assets which are equity instruments:
- Designated as at fair value through other comprehensive income.

Financial assets which are debt instruments:
- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows).

Financial liabilities:
- Amortised cost.

The financial instruments held by the trust based on their specific classifications are shown in note below.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the trust are presented below:

Donations and other receivables

Donations and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

Donations and other receivables have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the trust's business model is to collect the contractual cash flows on donations and other receivables.

Donations and other receivables are recognised when the trust becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest rate method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The trust recognises a loss allowance for expected credit losses on donations and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The trust measures the loss allowance for donations and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable. The trust applies the simplified approach.

Accounting Policies

1.4 Financial instruments (continued)

Investments in equity instruments

Investments are classified as mandatorily at fair value through other comprehensive income. As an exception to this classification, the trust may make an irrevocable election, on an instrument by instrument basis, and on initial recognition, to designate certain investments in equity instruments as at fair value through other comprehensive income.

The designation as at fair value through other comprehensive income is never made on investments which are either held for trading or contingent consideration in a business combination.

Investments in equity instruments are recognised when the trust becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition, at fair value. Transaction costs are added to the initial carrying amount for those investments which have been designated as at fair value through other comprehensive income. All other transaction costs are recognised in surplus or deficit.

Investments in equity instruments are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (and accumulated in equity in the reserve for valuation of investments) , depending on their classification. Details of the valuation policies and processes are presented in note 22.

Dividends received on equity investments are recognised in surplus or deficit when the Trust's right to received the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in investment income (note 14).

When an investment in an equity instrument is denominated in a foreign currency, the fair value of the investment is determined in the foreign currency. The fair value is then translated to the Rand equivalent using the spot rate at the end of each reporting period. Foreign exchange gains or losses arising on investments at fair value through other comprehensive income are recognised in other comprehensive income and accumulated in equity in the reserve for valuation of investments.

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management (note 21).

Investments in equity instruments are not subject to impairment provisions.

Business model assessment

Management has assessed the Trust’s business model for managing financial assets in accordance with IFRS 9. Financial assets are held within a model whose objective is either to collect contractual cash flows or, in the case of equity investments, to generate long-term investment returns through capital appreciation and dividend income.

Donations and other receivables, related party receivables and cash and cash equivalents are held within a business model whose objective is to collect contractual cash flows and are therefore measured at amortised cost.

Equity investments are held for long term strategic and investment purposes rather than for trading. Accordingly, on initial recognition, the Trust has made an irrevocable election to designate these equity instruments at fair value through other comprehensive income. Dividends arising from these investments are recognised in surplus or deficit unless they clearly represent a recovery of part of the cost of the investment.

Accounting Policies

1.4 Financial instruments (continued)

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Trade and other payables are recognised when the trust becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest rate method results in the recognition of interest expense, then it is included in surplus or deficit in finance costs (note 15).

Trade and other payables expose the trust to liquidity risk and possibly to interest rate risk. Refer to note 21 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments with original maturities of 3 months or less and bank overdrafts that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.5 Revenue

The trust recognises revenue from the following major sources:

- General donations
- Government grants
- Specific purpose donations
- Rental income
- Interest income
- Dividend income

Donations and programme funding

Revenue is recognised when the entity satisfies performance obligations under a contract with donors.

Government grant

Government grant is only recognised as income once all contractual obligations relating to the non-depreciable assets have been met.

Rental income

Rental income from operating leases are recognised on a straight line basis in the statement of comprehensive income.

Interest income

Interest income earned is recognised on a time-proportion basis. The entity calculates interest income by applying the effective interest rate to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired the entity calculates interest income by applying the effective interest rate to the net amortised cost (gross carrying amount less the allowance for expected credit losses) of the financial asset. If the financial asset is no longer deemed to be credit-impaired, the entity reverts to calculating interest income on a gross basis.

Accounting Policies

1.5 Revenue (continued)

Dividend income

Dividends are recognised in surplus or deficit, when the trust's right to receive payment has been established.

1.6 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the trust has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Lack of exchangeability - amendments to IAS 21	01 January 2025	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

The trust has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the trust's accounting periods beginning on or after 01 January 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Unlikely there will be a material impact
• Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards.	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 7 Financial Instruments: Disclosures	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
• Amendments to IAS 10 Statement of Cash flows	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.	01 January 2026	Unlikely there will be a material impact

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

3. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	7 380 490	(710 264)	6 670 226	7 380 490	(673 368)	6 707 122
Computer equipment	41 696	(41 696)	-	41 696	(41 696)	-
Furniture and fixtures	810 958	(809 926)	1 032	810 958	(809 926)	1 032
Land	5 200 000	-	5 200 000	5 200 000	-	5 200 000
Total	**13 433 144**	**(1 561 886)**	**11 871 258**	**13 433 144**	**(1 524 990)**	**11 908 154**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Depreciation	Closing balance
Buildings	6 707 122	(36 896)	6 670 226
Furniture and fixtures	1 032	-	1 032
Land	5 200 000	-	5 200 000
	11 908 154	**(36 896)**	**11 871 258**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Disposals	Depreciation	Closing balance
Buildings	6 744 026	-	(36 904)	6 707 122
Furniture and fixtures	1 052	(20)	-	1 032
Land	5 200 000	-	-	5 200 000
	11 945 078	**(20)**	**(36 904)**	**11 908 154**

Details of properties

ERF 3653 Western Cape (the Mandela Rhodes Building)

	2025	2024
- Cost	4 503 134	4 503 134

ERF 56359 Western Cape (the Bishopscourt Property)

	2025	2024
- Cost	8 077 356	8 077 356

The land and buildings relates to two properties. The Mandela Rhodes Building, ERF 3653 Western Cape, was donated to The Mandela Rhodes Foundation by De Beers Consolidated Mines Limited, the official registration of the building took place in March 2005.

The Bishopscourt property, ERF 56359 Western Cape was purchased during 2008. Certain items of furniture are on loan from De Beers Consolidated Mines Limited. These assets have not been included, as the ownership vests with the respective owners.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

4. Investments at fair value

Investments held by the trust which are measured at fair value, are as follows:		
Equity investments at fair value through other comprehensive income	1 227 778 456	1 141 761 791

Equity investments at fair value through other comprehensive income:

Domestic cash	26 647 183	21 760 813
Domestic equity fund	96 136 467	72 572 169
Domestic fixed income	65 317 721	59 255 903
Domestic hedge funds	299 551 604	263 061 920
Domestic Securities - Government bonds	198 240 060	175 911 422
Foreign Investment cash	9 786 928	1 708 100
Foreign Investment equity fund	237 262 665	321 959 365
Foreign Investment fixed income	40 675 608	73 664 967
Foreign Investment hedge fund	236 477 495	151 867 132
Foreign investment Cryptocurrency	17 682 725	-
	1 227 778 456	**1 141 761 791**

Split between non-current and current portions

Non-current assets	1 191 254 407	1 118 292 878
Current assets	36 524 049	23 468 913
	1 227 778 456	**1 141 761 791**

Fair value information

Refer to note 22 Fair value information for details of valuation policies and processes.

Reconciliation of investments

Opening balance	1 141 761 791	989 187 164
Additions	62 637 043	55 695 593
Disposals	(25 584 734)	(61 653 122)
Fair value gains	60 466 827	162 683 598
Reinvestment of dividends and interest	13 497 529	10 848 558
Withdrawal	(25 000 000)	(15 000 000)
	1 227 778 456	**1 141 761 791**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

5. Related party receivable

Entity with common trustees

The Mandela Rhodes Foundation Trust Two	557 592	131 817

The loan is unsecured, bears no interest and has no fixed terms of repayment.

Split between non-current and current portions

Current assets	557 592	131 817

Exposure to credit risk

Loans receivable inherently expose the trust to credit risk, being the risk that the trust will incur financial loss if counterparties fail to make payments as they fall due.

Loans receivable are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for group loans receivable is calculated based on twelve month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either twelve month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition. If a loan is considered to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition. On the other hand, if a loan is in arrears more than 90 days, then it is assumed that there has been a significant increase in credit risk since initial recognition.

In determining the amount of expected credit losses, the trust has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The maximum exposure to credit risk is the gross carrying amount of the loans as presented below. The trust does not hold collateral or other credit enhancements against group loans receivable.

Credit rating framework

For purposes of determining the credit loss allowances, management determine the credit rating grades of each loan at the end of the reporting period. These ratings are determined either externally through ratings agencies or internally where external ratings are not available.

The table below sets out the internal credit rating framework which is applied by management for loans for which external ratings are not available. The abbreviation "ECL" is used to depict "expected credit losses."

Internal credit grade	Description	Basis for recognising expected credit losses
Performing	Low risk of default and no amounts are past due	12m ECL
Doubtful	Either 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL (not credit impaired)
In default	Either 90 days past due or there is evidence that the asset is credit impaired	Lifetime ECL (credit impaired)
Write-off	There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written off

5. Related party receivable (continued)

Credit loss allowances

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for group loans receivable by credit rating grade:

2025

Instrument	Internal credit rating	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Entities with common trustees					
The Mandela Rhodes Foundation Trust Two	Performing	12m ECL	557 592	-	557 592

2024

Instrument	Internal credit rating	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Entities with common trustees					
The Mandela Rhodes Foundation Trust Two	Performing	12m ECL	131 817	-	131 817

6. Donations and other receivables

	2025	2024
Financial instruments:		
Deposits	1 825	1 825
Donations receivable	144 155	36 231
Non-financial instruments:		
Prepayments	2 262 008	2 047 930
VAT	287 130	118 752
Total donations and other receivables	**2 695 118**	**2 204 738**

There are no customer receivables. However, receivables arise from the timing of the donation being committed and the donation received in the bank account. The cash flows happen soon after the commitment is made by the donor and there is no significant delay in the expected future cash flows. No loss allowance is considered necessary due to the nature of the receivables and the expected payment to be received from the donors.

Financial instrument and non-financial instrument components of donations and other receivables

	2025	2024
At amortised cost	145 980	38 056
Non-financial instruments	2 549 138	2 166 682
	2 695 118	**2 204 738**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

6. Donations and other receivables (continued)

Exposure to credit risk

Donations receivable inherently expose the Trust to credit risk, being the risk that the Trust will incur financial loss if donors fail to make payments as they fall due.

The Trust's historical credit loss experience does not show significantly different loss patterns for different donor segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles.

No loss allowance provision has been recognised as the credit risk is not considered significant.

Exposure to currency risk

Refer to note 21 for details of currency risk management for donations and other receivables.

Fair value of donations and other receivables

The fair value of donations and other receivables approximates their carrying amounts.

7. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025	2024
Cash on hand	5 000	2 000
Bank balances	18 635 350	33 356 864
	18 640 350	**33 358 864**

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings or historical information about counterparty default rates:

	2025	2024
Credit rating		
Nedbank Limited (zaA-1+)	18 635 350	33 356 864

8. Trust capital

	2025	2024
Capital account / Trust capital		
Balance at beginning of year	6 728 943	6 728 943

Trust Fund

The capital represented by the initial donation stipulated in clause 4.1 of the Notarial Deed of Trust, together with such capital and revenue as may from time to time become vested in the Trustees for the purposes of this trust, whether by reason of donation bequest, accrual or otherwise.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

9. Other reserves

Other reserves comprise of:

Property Maintenance Reserve	11 688 544	11 688 544
Other Endowment Reserve	517 026 351	522 519 703
Property Endowment Reserve	12 437 356	12 437 356
Rhodes Endowment Reserve	129 918 264	129 918 264
	671 070 515	**676 563 867**

Rhodes Endowment Reserve

The Rhodes Endowment Reserve is the aggregate amount received from The Rhodes Trust, one of the Founders, and invested in the endowment investment portfolio (refer to note 11). This amount was transferred to other endowments in the prior years. The balance breakdown is as follows:

The Rhodes Trust	129 918 264	129 918 264

Other Endowment Reserve

The Other Endowment Reserve is the actual amount received from donors other than The Rhodes Trust and invested in the endowment investment portfolio. The balance breakdown is as follows:

OUP (via The Mandela Rhodes Foundation Trust Two)	88 631 270	88 631 270
The Leverhulme Trust	133 257 146	133 257 146
McCall MacBain Foundation	76 048 932	106 924 728
Friends of the Mandela Rhodes Foundation (USA)	54 526 645	51 119 618
ABSA Bank Limited	16 000 000	16 000 000
Old Mutual	10 176 000	10 176 000
Peter Cundill Foundation	8 499 500	8 499 500
The Hunter Foundation	7 964 200	7 964 200
46664	7 136 090	7 136 090
David Cohen (via the Friends of Mandela Rhodes Foundation)	-	6 500 000
British American Tobacco	6 500 000	6 000 000
The Rupert Group of Companies	6 000 000	6 000 000
Sibanye-Stillwater	6 000 000	6 000 000
Isaac Shongwe	-	4 000 000
Oxford University Press SA	3 500 000	3 500 000
Unilever	3 500 000	3 500 000
The making a difference charitable trust	3 285 720	3 285 720
Northam Platinum	-	2 400 000
Anglo American Chairman's Fund	-	1 500 000
McCall MacBain Foundation - Cloudless Sunrise Health	49 081 856	18 206 100
David Cohen	17 915 282	11 915 621
This Day Foundation	19 003 710	19 003 710
Friends of the Mandela Rhodes Foundation (EGG Foundation)	-	1 000 000
	517 026 351	**522 519 703**

There have been several substantial contributions to the operational expenses of the Foundation over the years. These donors included De Beers, Anglo American, the Royal Embassy of Norway , Friends of the Mandela Rhodes Foundation USA, Louis Vuitton, Mo Ibrahim Foundation, McCall MacBain Foundation, Isaac Shongwe, Northam Platinum and others.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

10. Related party payable

Entity with common trustees/directors

Related party payable	198 927	-

Exposure to liquidity risk

Refer to note 21 Financial instruments and financial risk management for details of liquidity risk exposure and management.

11. Trade and other payables

Financial instruments:		
Accrued expenses	2 047 013	1 868 609
Accrued leave pay	1 190 052	1 045 483
Deposits received	122 392	119 855
Trade payables	13 215	84 142
	3 372 672	**3 118 089**

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	3 372 672	3 118 089

Fair value of trade and other payables

The fair value of (increase) decrease in trade and other payables approximates their carrying amounts.

12. Revenue

Revenue from donors		
Donations	22 623 677	7 060 156
Revenue other than from donors		
Rental Income	698 339	665 702
	23 322 016	**7 725 858**

13. Operating profit (loss)

Operating (loss) profit for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external		
Audit fees	576 444	515 590
Remuneration, other than to employees		
Donor management expenses	837 795	1 332 856
Consulting and legal fees	561 702	809 352
	1 399 497	**2 142 208**

Employee costs

Salaries and other benefits	4 313 599	5 630 093
Bonuses	933 701	673 852
Post retirement pension	516 222	493 513
Total employee costs	**5 763 522**	**6 797 458**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

13. Operating profit (loss) (continued)

Depreciation

Depreciation of property, plant and equipment	36 896	36 904

Scholarship costs

Scholarship costs are made up of the following:

Alumni relations	545 660	320 796
Communications	429 947	109 867
Conferences	757 471	298 580
Direct expenses	24 638 056	18 855 609
Leadership workshop expenses	4 339 199	3 211 027
Regional gatherings	347 704	48 270
Scholar selections expenses	1 929 483	1 900 089
Scholarship administration	14 023 379	12 712 730
Second year programme	1 311 002	903 306
	48 321 901	**38 360 274**

14. Investment income

Dividend income		
Equity instruments at fair value through other comprehensive income:		
Unlisted investments - Local	5 017 678	3 889 972
Total dividend income	**5 017 678**	**3 889 972**
Interest income		
Investments in financial assets:		
Bank and other cash	2 134 598	3 097 349
Total investment income	**7 152 276**	**6 987 321**

Investment income on financial instruments which are available for sale or held to maturity are only presented for comparative purposes for financial instruments held in the prior reporting period but which were disposed of prior to the beginning current reporting period, which is the date of adoption of IFRS 9 Financial Instruments. Investment income on all other financial assets has been reclassified in compliance with IFRS 9.

15. Finance costs

Bank overdraft	1	1 948

16. Taxation

The Mandela Rhodes Foundation is, in terms of S10 (1) (cN) of the Income Tax Act of 1962, exempt from South African normal tax.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

17. Other comprehensive income

Components of other comprehensive income - 2025

	Gross	Tax	Net
Items that will not be reclassified to profit (loss)			
Movements on revaluation			
Gains (losses) on revaluation of investments	105 963 869	-	105 963 869

Components of other comprehensive income - 2024

	Gross	Tax	Net
Items that will not be reclassified to profit (loss)			
Movements on revaluation			
Gains (losses) on revaluation of investments	162 683 598	-	162 683 598

18. Cash used in operations

	2025	2024
Profit (loss) before taxation	(34 239 969)	(40 588 413)
Adjustments for:		
Depreciation	36 896	36 904
Losses on disposal of property, plant and equipment	-	26
Dividend income	(5 017 678)	(3 889 972)
Interest income	(2 134 598)	(3 097 349)
Finance costs	1	1 948
Non-cashflow transactions in related party balances	235 457	-
Changes in working capital:		
(Increase) decrease in trade and other receivables	(490 380)	16 939 568
Increase (decrease) in trade and other payables	254 583	642 401
(Increase) decrease in related party receivable	(226 849)	525
Increase in related party payable	198 927	-
	(41 383 610)	**(29 954 362)**

19. Contingencies

In terms of the contract entered into between the trust and the Western Cape Provincial Government, a liability of R3,000,000 would arise should the Bishopscourt property be sold. The Foundation has recorded that the property has been purchased to preserve the legacy of Mr Mandela, and it has no intention now or in the future of disposing of the said property.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

20. Related parties

Relationships

Entities with common trustees/directors	The Mandela Rhodes Foundation Trust Two The Mandela Rhodes Foundation NPC The Mandela Rhodes Foundation Two NPC
Entity owned by Investment Committee member	Scatterlinks Proprietary Limited
Prescribed Officers	J Sikuza E Gerber

Related party balances

	2025	2024
Related party balance receivable (payable)		
The Mandela Rhodes Foundation Trust Two	557 592	131 817
The Mandela Rhodes Foundation NPC	(198 927)	-

Related party transactions

	2025	2024
Services fees paid to related party		
Scatterlinks Proprietary Limited	446 544	425 280
Operating expenditure recovered from related party		
The Mandela Rhodes Foundation Trust Two	(425 775)	(525)
Operating expenses paid to related party		
The Mandela Rhodes Foundation NPC	198 927	-
Compensation to prescribed officers		
Salaries	6 166 337	5 897 670
Post-employment benefits - Provident Fund	939 171	899 422
Bonuses	1 662 972	1 533 033
Preferred compensation	198 927	-
	8 967 407	**8 330 125**

21. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2025

	Notes	Fair value through other comprehensive income - equity instruments	Amortised cost	Total
Investments at fair value	4	1 227 778 456	-	1 227 778 456
Related party receivable	5	-	557 592	557 592
Donations and other receivables	6	-	145 980	145 980
Cash and cash equivalents	7	-	18 635 350	18 635 350
		1 227 778 456	**19 338 922**	**1 247 117 378**

2024

	Notes	Fair value through other comprehensive income - equity instruments	Amortised cost	Total
Investments at fair value	4	1 141 761 791	-	1 141 761 791
Related party receivable	5	-	131 817	131 817
Donations and other receivables	6	-	38 056	38 056
Cash and cash equivalents	7	-	33 356 864	33 356 864
		1 141 761 791	**33 526 737**	**1 175 288 528**

Categories of financial liabilities

2025

	Note	Amortised cost	Total
Related party payable	10	198 927	198 927
Trade and other payables	11	3 372 672	3 372 672
		3 571 599	**3 571 599**

2024

	Note	Amortised cost	Total
Trade and other payables	11	3 118 089	3 118 089

21. Financial instruments and risk management (continued)

Financial risk management

Credit risk

Credit risk is the risk of financial loss to the Trust if a counterparty to a financial instrument fails to meet its contractual obligations. The Trust is exposed to credit risk primarily in respect of cash and cash equivalents, donations and other receivables, and related party receivables.

Credit risk relating to cash and cash equivalents is managed by placing funds only with well-established South African financial institutions with high external credit ratings. The Trust's exposure to credit risk is therefore concentrated mainly with a single financial institution; however, management considers this concentration to be acceptable given the institution's strong credit profile.

Donations and other receivables are generally short-term in nature and arise from committed donor funding. Management monitors the collectability of these receivables on an ongoing basis and has not identified any significant increase in credit risk. Related party receivables are assessed separately, taking into account the financial position of the counterparty and the absence of historical defaults.

The maximum exposure to credit risk is represented by the carrying amounts of the financial assets as disclosed below.

		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Related party receivable	5	557 592	-	557 592	131 817	-	131 817
Trade and other receivables	6	2 695 118	-	2 695 118	2 204 738	-	2 204 738
Cash and cash equivalents	7	18 635 350	-	18 635 350	33 356 864	-	33 356 864
		21 888 060	**-**	**21 888 060**	**35 693 419**	**-**	**35 693 419**

Liquidity risk

The trust is exposed to liquidity risk, which is the risk that the trust will encounter difficulties in meeting its obligations as they become due.

The trust manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows.

The maturity profile of contractual cash flows of non-derivative financial liabilities are presented in the following table. The cash flows are undiscounted contractual amounts.

2025

		Less than 1 year	Total	Carrying amount
Current liabilities				
Related party payable	10	198 927	198 927	198 927
Trade and other payables	11	3 372 672	3 372 672	3 372 672

21. Financial instruments and risk management (continued)

2024

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	11	3 118 089	3 118 089	3 118 089

Foreign currency risk

Foreign exchange risk arises when future commercial transactions (mainly donation income, endowment funds and investments) are denominated in a currency that is not the Foundation's functional currency (South African Rand).The Trust invests internationally and is exposed to foreign exchange risk with respect to the US dollar, Euro and the UK pound.

When there are extreme foreign currency fluctuations, the Investment Committee will consider appropriate hedging strategies.

There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

The Trust has certain investments in foreign instruments, whose net assets are exposed to foreign currency translation risk, as highlighted below.

Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

USD exposure	2025 Foreign currency	2025 ZAR	2024 Foreign currency	2024 ZAR
Non-current assets	32 106 723	532 008 400	27 524 439	520 211 890
Current assets	590 632	9 786 772	36 988	699 078
	32 697 355	**541 795 172**	**27 561 427**	**520 910 968**

GBP exposure	2025 Foreign currency	2025 ZAR	2024 Foreign currency	2024 ZAR
Non-current assets	-	-	1 153 470	27 279 566
Current assets	-	-	42 665	1 009 023
	-	**-**	**1 196 135**	**28 288 589**

Exchange rates

	2025	2024
Rand per unit of foreign currency:		
US Dollar	16.570	18.900
Great British Pound	-	23.650

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

21. Financial instruments and risk management (continued)

Foreign currency sensitivity analysis

The following information presents the sensitivity of the trust to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	2025	2025	2024	2024
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on post-tax surplus:				
US Dollar 2% (2024: 2%)	10 835 903	(10 835 903)	10 404 238	(10 404 238)
GBP 2% (2024: 2%)	-	-	545 591	(545 591)
	10 835 903	**(10 835 903)**	**10 949 829**	**(10 949 829)**

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The Trust has significant interest bearing assets and its income operating cash flows can be affected by changes in market interest rates. The Trust has no interest bearing payables or borrowings.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Trust

At 31 December 2025, if the interest rate (JIBAR) had been 2.000% per annum (2024: 2.000%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R 372 707 (2024: R 667 137) lower and R 372 707 (2024: R 667 137) higher.

Price risk

The Trust is exposed to equity securities price risk because of investments held by the Trust and classified on the statement of financial position either as fair value through other comprehensive income. The Trust is not directly exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Trust diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Trust.

Price risk sensitivity analysis

A change in the value of the equity securities of 5% attached to investments, with all other variables held constant, would affect other comprehensive income for the year as follows:

	2025	2025	2024	2024
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss:				
Investments 5% (2024: 5%)	16 669 957	(16 669 957)	29 871 503	(29 871 503)

Figures in Rand	2025	2024

22. Fair value information

Valuation techniques and inputs

The fair values of investments are determined using valuation techniques appropriate to the nature of the instruments and the availability of observable market data.

Quoted equity securities, exchange traded funds and government bonds classified as Level-1 are valued using quoted unadjusted prices in active markets at the reporting date.

Investments classified as Level 3, including hedge funds, private equity funds, unlisted equity instruments and certain foreign investments, are valued using net asset values reported by the respective fund managers or valuation models based on underlying portfolio valuations. These valuations may incorporate significant unobservable inputs, including discount rates, expected future cash flows, earnings multiples and assumptions regarding marketability and liquidity.

Cryptocurrency investments are valued using observable market prices obtained from active cryptocurrency exchanges at the reporting date. Given the inherent volatility of these markets, the valuation of cryptocurrency investments is subject to greater estimation uncertainty than other financial instruments.

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the trust can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 1

Recurring fair value measurements

Assets	Note	2025	2024
Equity investments at fair value through other comprehensive income	4		
Domestic Equity Fund		96 136 467	72 572 169
Domestic Fixed Income		604 961	546 376
Domestic Securities - Government Bonds		198 240 060	175 911 422
Foreign Investment Cryptocurrency		17 682 725	-
Foreign Investment Equity Fund		115 076 131	216 184 721
Foreign Investment Fixed Income		40 585 514	73 664 967
Foreign Investment Hedge Fund		97 112 727	-
Total		**565 438 585**	**538 879 655**

Notes to the Annual Financial Statements

Figures in Rand		2025	2024

22. Fair value information (continued)

Level 3

Recurring fair value measurements

Assets	Note		
Equity investments at fair value through other comprehensive income	4		
Domestic Fixed Income		64 712 759	58 709 527
Domestic Hedge Funds		299 551 604	263 061 920
Foreign Investment Equity Fund		122 186 534	105 774 644
Foreign Investment Hedge Fund		139 364 769	151 867 132
Total		**625 815 666**	**579 413 223**

Reconciliation of assets and liabilities measured at level 3

	Note	Opening balance	Gains (losses) recognised in other comprehensive income	Closing balance
2025				
Assets				
Equity investments at fair value through other comprehensive income	4			
Investments		579 413 223	46 402 443	625 815 666
Total		**579 413 223**	**46 402 443**	**625 815 666**
2024				
Assets				
Equity investments at fair value through other comprehensive income	4			
Investments		479 783 122	99 630 101	579 413 223
Total		**479 783 122**	**99 630 101**	**579 413 223**

Sensitivity to unobservable inputs

A change in significant unobservable inputs used in the valuation of Level 3 investments would result in a corresponding change in the fair value of these investments. Management has assessed that reasonably possible changes in key assumptions would not result in a material change to the Trust's financial position.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

23. Going concern

The Trustees believe that the Trust 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 Trustees have satisfied themselves that the Trust is in a sound financial position and that it has sufficient liquid assets and together the cash flow forecast for the next 12 months to meet its foreseeable cash requirements. The Trustees are not aware of any new material changes that may adversely impact the Trust.

The Trustees 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 Trust.

24. Events after the reporting period

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

Detailed Income Statement

Figures in Rand	Notes	2025	2024
Revenue	12	**23 322 016**	**7 725 858**
Other operating expenses			
Auditor's remuneration	13	(576 444)	(515 590)
BOT expenses		(645 669)	(510 482)
Bank charges		(67 634)	(71 446)
CEO discretionary expenses		(12 220)	(30 195)
Cleaning		(390 059)	(361 640)
Compilation fees		(18 750)	-
Consulting fees		(455 626)	(624 762)
Courier and postage		(3 961)	(11 754)
Depreciation		(36 896)	(36 904)
Donor management fees		(837 795)	(1 332 856)
Employee costs		(5 763 522)	(6 797 458)
Entertainment and functions		(25 752)	(104 319)
Equipment		(184 196)	(111 441)
Fund raising expenses		(446 544)	(425 280)
HR and payroll services		(14 621)	(12 910)
IT expenses		(1 471 824)	(1 403 009)
Insurance		(255 724)	(222 728)
Leases of low value assets		(2 054)	(1 965)
Legal fees		(97 700)	(184 590)
Loss on disposal of property, plant and equipment		-	(26)
Marketing		(103 776)	(42 583)
Municipal expenses		(1 021 941)	(939 469)
Pest control		(16 036)	(17 346)
Pod meetings - materials		(8 376)	-
Preferred compensation		(198 927)	-
Printing and stationery		(41 367)	(60 568)
Recruitment costs		(7 347)	(7 680)
Rental on office equipment		(29 938)	(26 003)
Repairs and maintenance		(778 737)	(901 637)
Scholarships Programme - Alumni relations		(545 660)	(320 796)
Scholarships Programme - Communications		(429 947)	(109 867)
Scholarships Programme - Conferences		(757 471)	(298 580)
Scholarships Programme - Direct expenses		(24 638 056)	(18 855 609)
Scholarships Programme - Leadership workshop expenses		(4 339 199)	(3 211 027)
Scholarships Programme - Regional gatherings		(347 704)	(48 270)
Scholarships Programme - Scholar selections expenses		(1 929 483)	(1 900 089)
Scholarships Programme - Scholarship administration		(14 023 379)	(12 712 730)
Scholarships Programme - Second year programme		(1 311 002)	(903 306)
Security		(636 210)	(605 263)
Small assets		(27 010)	(29 497)
Staff technical support		(102 551)	(82 182)
Staff welfare		(34 417)	(54 036)
Strategy cessions		(370 581)	(152 568)
Subscriptions		(465 478)	(205 983)
Team building		(24 831)	-
Telephone and fax		(234 022)	(237 357)
Training		(676 150)	(495 952)
Travel - local		(90 350)	(150 276)
Travel - overseas		(1 800)	-
Yearbook expenses		(215 523)	(171 615)
		(64 714 260)	**(55 299 644)**
Operating (loss) profit	13	**(41 392 244)**	**(47 573 786)**
Investment income	14	7 152 276	6 987 321
Finance costs	15	(1)	(1 948)
(Loss) profit for the year		**(34 239 969)**	**(40 588 413)**