

# **SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC**

**(Registration Number 1961/002506/08)**

**Summary Consolidated Annual Financial Statements  
for the year ended 30 June 2025**

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Annual Financial Statements for the year ended 30 June 2025

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# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Annual Financial Statements for the year ended 30 June 2025

## Directors' Responsibilities and Approval

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The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the summary consolidated annual financial statements and related financial information included in this report. These summary consolidated annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the summary consolidated annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the consolidated and separate statement of financial position, results of operations and business of the group, and explain the transactions and financial position of the business of the group at the end of the financial year. The summary consolidated annual financial statements are based upon appropriate accounting policies consistently applied throughout the group and supported by reasonable and prudent judgements and estimates.

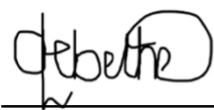
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for 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 group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group 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 summary consolidated 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 and group's cash flow forecast for the year to 30 June 2026 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The summary consolidated financial statements set out on pages 7 to 21 which have been prepared on the going concern basis, were approved by the directors and were signed on 19 November 2025 on their behalf by:



A Lebeth  
Chief Executive Officer



S Mayekiso  
Lead Independent Director

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Annual Financial Statements for the year ended 30 June 2025

## Directors' Report

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The directors present their report for the year ended 30 June 2025.

### 1. Incorporation

The Company is incorporated in the Republic of South Africa under the South African Companies Act as a non-profit company.

### 2. Nature of business

Southern African Music Rights Organisation NPC (SAMRO) carries on the business of administering the copyright in the works created by its members and other rights holders it represents.

### 3. Operating and financial review

The financial results of the group and company are set out on pages 7 to 21.

During the 2021 financial year, SAMRO NPC was awarded Public Benefit Organisation (PBO) Status by the receiver of revenue. This PBO status exempts SAMRO NPC from normal taxation on its profits.

### 4. Going concern

As at 30 June 2025, the group's total assets exceed its liabilities by R60.2 million, and as at 30 June 2024, the group's total assets exceeded its liabilities by R37.4 million.

As at 30 June 2025, the company's total assets exceed its liabilities by R148.7 million, and as at 30 June 2024, the company's total assets exceeded its liabilities by R127.2 million.

The group made a loss of R4.4 million for the year (2024: loss of R4.4 million).

The company made a nil profit/ loss for the year (2024: nil profit/ loss for the year).

The directors have reviewed the company and group's cash flow forecast for the year to 30 June 2026 and, in light of this review and available credit facilities, including other liquid assets, they are satisfied that the company and group has access to adequate resources to continue in operational existence for the foreseeable future.

### 5. Dividend

SAMRO has no share capital and thus does not declare dividends.

### 6. Directors

The directors of the company during the year and up to the date of this report are as follows:

R Hill

S Mayekiso

R Naicker

A Lebethe

L Thomas

LA Bulley

LT Luthuli

MD Nkosi (Appointed 5 December 2024)

N Maweni (Resigned 1 October 2025)

S Vilakazi (Resigned 11 September 2025)

TTS Thekisho (Retired by rotation 12 December 2024)

G Le Roux (Resigned 1 October 2025)

VM Motloutsi (Resigned 11 September 2025)

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Annual Financial Statements for the year ended 30 June 2025

## Directors' Report

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### Directors' interest in contracts

No material contracts involving directors' interests were entered into in the year under review.

### 7. Secretary

The group's designated secretary is Marianne Fourie.

### 8. Independent Auditors

SizweNtsalubaGobodo Grant Thornton Inc. were the independent auditors for the year under review.

### 9. Royalty Distribution

Distributions for the Company for the year, after taking into account social and cultural deductions and amounts transferred from reserves, was determined at R630.2 million (2024: R622.2 million), an increase of R8.0 million or 1.3%.

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Annual Financial Statements for the year ended 30 June 2025

## Certificate by the Company Secretary

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I hereby confirm, in my capacity as company secretary of SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC, that for the financial year ended 30 June 2025, the company has filed all required returns and notices in terms of the Companies Act, 2008, with the Companies and Intellectual Property Commission and that all such returns and notices are to the best of my knowledge and belief true, correct and up to date.



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Marianne Fourie

SAMRO

Company Secretary

Johannesburg

19 November 2025

## **Independent Auditors' Report on the Summary Consolidated Financial Statements**

### **To the members of Southern African Music Rights Organisation NPC**

#### **Opinion**

The summary consolidated financial statements, which comprise the summary consolidated balance sheet as at 30 June 2025, the summary consolidated income statement, summary consolidated statement of changes in equity and summary consolidated cash flow statement for the year then ended, and related notes, are derived from the audited separate and consolidated financial statements of Southern African Music Rights Organisation NPC for the year ended 30 June 2025.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the separate and consolidated audited financial statements, in accordance with (International Accounting Standards) IAS 34 and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

#### **Summary Financial Statements**

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited separate and consolidated financial statements and the auditor's report thereon.

#### **The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited separate and consolidated financial statements in our report dated 08 December 2025.

#### **Director's responsibility for the summary consolidated financial statements**

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the IAS 34 and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

#### **Auditor's responsibilities**

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.



**SizweNtsalubaGobodo Grant Thornton Inc.**

**Jonathan Richard Jansen**

Registered Auditor

Pretoria

**08 December 2025**

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Financial Statements for the year ended 30 June 2025

## Statements of Profit or Loss and Other Comprehensive Income

Figures in R `000	Notes	Group 2025	Group 2024	Company 2025	Company 2024
Revenue	9	687 154	690 120	680 350	683 843
Other income	10	1 735	5 350	2 301	6 975
Distribution expenses (Royalties)		(630 167)	(622 215)	(630 167)	(622 215)
Administrative expenses		(11 290)	(11 341)	(11 059)	(11 119)
Net impairment losses on financial assets	12	(22 461)	(21 250)	(21 500)	(20 397)
Operating expenses		(184 560)	(194 055)	(175 762)	(186 076)
Other gains and (losses)	13	15 883	6 957	15 883	6 959
<b>Loss from operating activities</b>	14	<b>(143 706)</b>	<b>(146 434)</b>	<b>(139 954)</b>	<b>(142 030)</b>
Royalty distributions/ Undistributable income written back		74 163	83 418	74 163	83 418
Investment income	15	65 792	58 613	65 791	58 612
<b>Loss before tax</b>		<b>(3 751)</b>	<b>(4 403)</b>	<b>-</b>	<b>-</b>
Income tax expense		(692)	(18)	-	-
<b>Loss for the year</b>		<b>(4 443)</b>	<b>(4 421)</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income net of tax</b>					
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
Gains on revaluation of Land & buildings/ Musical instruments		5 732	2 360	23	-
(Losses) / gains on remeasurements of Post-employment medical benefits		(192)	323	(192)	323
<b>Total other comprehensive income that will not be reclassified to profit or loss</b>		<b>5 540</b>	<b>2 683</b>	<b>(169)</b>	<b>323</b>
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
<b>Change in Fair value reserves</b>					
Gains on mark-to-market reserve		21 629	11 019	21 629	11 019
<b>Total change in Fair value reserves</b>		<b>21 629</b>	<b>11 019</b>	<b>21 629</b>	<b>11 019</b>
<b>Total other comprehensive income that will be reclassified to profit or loss</b>		<b>21 629</b>	<b>11 019</b>	<b>21 629</b>	<b>11 019</b>
<b>Total other comprehensive income net of tax</b>		<b>27 169</b>	<b>13 702</b>	<b>21 460</b>	<b>11 342</b>
<b>Total comprehensive income attributable to SAMRO members</b>		<b>22 726</b>	<b>9 281</b>	<b>21 460</b>	<b>11 342</b>



# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Financial Statements for the year ended 30 June 2025

## Statements of Financial Position

Figures in R `000	Notes	Group 2025	Group 2024	Company 2025	Company 2024
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment		108 084	105 101	8 855	9 187
Intangible assets		5 796	7 380	5 796	7 380
Investments in subsidiaries		-	-	174	174
Investments	4	322 708	293 121	322 708	293 121
Loan to group company		-	-	173 993	173 024
<b>Total non-current assets</b>		<b>436 588</b>	<b>405 602</b>	<b>511 526</b>	<b>482 886</b>
<b>Current assets</b>					
Inventories		174	270	174	270
Trade and other receivables		183 298	148 266	194 935	159 927
Current tax assets		9 468	9 534	9 468	9 468
Cash and cash equivalents	5	838 173	763 951	837 405	762 841
<b>Total current assets</b>		<b>1 031 113</b>	<b>922 021</b>	<b>1 041 982</b>	<b>932 506</b>
<b>Total assets</b>		<b>1 467 701</b>	<b>1 327 623</b>	<b>1 553 508</b>	<b>1 415 392</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
(Accumulated loss) / retained income		(104 900)	(100 457)	13 988	13 988
Revaluation surplus		32 065	26 333	1 673	1 650
Remeasured post-employment medical benefit reserve		131	323	131	323
Mark - to - market reserve		132 873	111 244	132 873	111 244
<b>Total equity</b>		<b>60 169</b>	<b>37 443</b>	<b>148 665</b>	<b>127 205</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Deferred tax liabilities		1 116	424	-	-
Post-employment medical benefits		16 754	16 703	16 754	16 703
<b>Total non-current liabilities</b>		<b>17 870</b>	<b>17 127</b>	<b>16 754</b>	<b>16 703</b>
<b>Current liabilities</b>					
Trade and other payables		49 352	69 259	47 779	67 690
Social and cultural obligations	6	51 954	51 808	51 954	51 808
Current portion of post-employment medical benefits		1 501	1 417	1 501	1 417
Distributions payable and in progress	7	1 286 855	1 150 569	1 286 855	1 150 569
<b>Total current liabilities</b>		<b>1 389 662</b>	<b>1 273 053</b>	<b>1 388 089</b>	<b>1 271 484</b>
<b>Total liabilities</b>		<b>1 407 532</b>	<b>1 290 180</b>	<b>1 404 843</b>	<b>1 288 187</b>
<b>Total equity and liabilities</b>		<b>1 467 701</b>	<b>1 327 623</b>	<b>1 553 508</b>	<b>1 415 392</b>

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Financial Statements for the year ended 30 June 2025

## Statements of Cash Flows

Figures in R `000	Notes	Group 2025	Group 2024	Company 2025	Company 2024
<b>Net cash flows from operations</b>		<b>449 971</b>	<b>455 976</b>	<b>454 798</b>	<b>453 545</b>
Income taxes refunded / (paid)		39	(243)	-	-
Royalty and social distributions to members and affiliated societies	7	(419 718)	(429 153)	(419 718)	(429 153)
Applied to social and cultural expenses		(25 586)	(20 805)	(25 586)	(20 805)
<b>Net cash flows from operating activities</b>		<b>4 706</b>	<b>5 775</b>	<b>9 494</b>	<b>3 587</b>
<b>Cash flows from investing activities</b>					
Proceeds from sales of property, plant and equipment		52	51	52	51
Purchase of property, plant and equipment		(2 247)	(3 817)	(2 192)	(2 763)
Purchase of intangible assets		(1 991)	(2 339)	(1 991)	(2 339)
Purchases of investments		(5 508)	(22 824)	(5 508)	(22 824)
Proceeds from disposal of investments		13 418	7 594	13 418	7 594
Proceeds from loan to group company	8	-	-	500	3 750
Advancement of loan to group company	8	-	-	(5 000)	(3 000)
Interest received from investments and banks		61 929	54 932	61 928	54 931
Dividends received		3 863	3 681	3 863	3 681
<b>Cash flows from investing activities</b>		<b>69 516</b>	<b>37 278</b>	<b>65 070</b>	<b>39 081</b>
<b>Net increase in cash and cash equivalents</b>		<b>74 222</b>	<b>43 053</b>	<b>74 564</b>	<b>42 668</b>
Cash and cash equivalents at beginning of the year		763 951	720 898	762 841	720 173
<b>Cash and cash equivalents at end of the year</b>	<b>5</b>	<b>838 173</b>	<b>763 951</b>	<b>837 405</b>	<b>762 841</b>

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Financial Statements for the year ended 30 June 2025

## Statements of Changes in Equity - Company

Figures in R `000	Revaluation surplus	Remeasured post- employment medical benefit reserve	Mark- to- market reserve	(Accumulated loss) / retained income	Total
<b>Balance at 1 July 2023</b>	1 650	-	100 225	13 988	115 863
<b>Changes in equity</b>					
Actuarial gain on remeasured post-employment medical benefit	-	323	-	-	323
Fair value gain on investment through other comprehensive income	-	-	11 019	-	11 019
Total comprehensive income	-	323	11 019	-	11 342
<b>Balance at 30 June 2024</b>	<b>1 650</b>	<b>323</b>	<b>111 244</b>	<b>13 988</b>	<b>127 205</b>
<b>Balance at 1 July 2024</b>	<b>1 650</b>	<b>323</b>	<b>111 244</b>	<b>13 988</b>	<b>127 205</b>
<b>Changes in equity</b>					
Revaluation of musical instruments	23	-	-	-	23
Actuarial loss on remeasured post-employment medical benefit	-	(192)	-	-	(192)
Fair value gain on investment through other comprehensive income	-	-	21 629	-	21 629
Total comprehensive income	23	(192)	21 629	-	21 460
<b>Balance at 30 June 2025</b>	<b>1 673</b>	<b>131</b>	<b>132 873</b>	<b>13 988</b>	<b>148 665</b>

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Financial Statements for the year ended 30 June 2025

## Statements of Changes in Equity - Group

Figures in R `000	Revaluation surplus	Remeasured post- employment medical benefit reserve	Mark- to- market reserve	(Accumulated loss) / retained income	Total
<b>Balance at 1 July 2023</b>	23 973	-	100 225	(96 036)	28 162
<b>Changes in equity</b>					
Loss for the year	-	-	-	(4 421)	(4 421)
Revaluation of land and buildings	2 360	-	-	-	2 360
Actuarial gain on remeasured post-employment medical benefit	-	323	-	-	323
Fair value gain on investment through other comprehensive income	-	-	11 019	-	11 019
Total comprehensive income for the year	2 360	323	11 019	(4 421)	9 281
<b>Balance at 30 June 2024</b>	<b>26 333</b>	<b>323</b>	<b>111 244</b>	<b>(100 457)</b>	<b>37 443</b>
<b>Balance at 1 July 2024</b>	26 333	323	111 244	(100 457)	37 443
<b>Changes in equity</b>					
Loss for the year	-	-	-	(4 443)	(4 443)
Revaluation of musical instruments and land and buildings	5 732	-	-	-	5 732
Actuarial loss on remeasured post-employment medical benefit	-	(192)	-	-	(192)
Fair value gain on investment through other comprehensive income	-	-	21 629	-	21 629
Total comprehensive income for the year	5 732	(192)	21 629	(4 443)	22 726
<b>Balance at 30 June 2025</b>	<b>32 065</b>	<b>131</b>	<b>132 873</b>	<b>(104 900)</b>	<b>60 169</b>

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Financial Statements for the year ended 30 June 2025

## Material Accounting Policies

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### 1. General information

SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC ('the company') and its subsidiaries (together, 'the group') is an organisation domiciled in South Africa dedicated to the collective management of copyright in musical works of composers, songwriters and publishers.

### 2. Basis of preparation and material accounting policy information

These summarised consolidated financial statements for the year ended 30 June 2025 have been extracted from the full set of audited consolidated annual financial statements for the year ended 30 June 2025, which have been prepared in accordance with IFRS Accounting Standards and the Companies Act of South Africa. The summarised consolidated financial statements have been prepared using the principles of IAS 34 "Interim Financial Reporting" and should be read in conjunction with the full set of audited consolidated annual financial statements. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)

Summary Consolidated Financial Statements for the year ended 30 June 2025

## Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2025	Group 2024	Company 2025	Company 2024
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### 3. Capital expenditure incurred

Property and equipment	2 247	3 817	2 192	2 763
Software development	1 991	2 339	1 991	2 339
	<b>4 238</b>	<b>6 156</b>	<b>4 183</b>	<b>5 102</b>

SAMRO has replaced the Dynamix AX ERP system. However, SAMRO was still able to make use of Dynamics AX with the support provided by the internal IT department, until the development of the new core system (for the Distributions and Member Services departments) was completed and ready for use during FY24 and FY25. The new system includes the system replacements for Licensing, Member Services, Distributions, and Finance.

- Development of the new core system for the Distributions department had been completed in the last quarter of FY24. (Distributions data feeds from the new core system into the new Acumatica system).
- The new Licensing system (i.e. Acumatica) had been implemented and in use as from November 2023.
- Developments for the new Licensing system and Finance system started after November 2023.
- Implementation and use of the new Finance system (i.e. Acumatica) commenced 01 July 2024.
- Development of the distributions section of the Acumatica system in relation to Finance was completed in October 2024.
- Development of the CRM section of the Acumatica system for the Member Services department had also been completed and ready for use as from May 2025.

*Accumulated impairment - Software development	(11 522)	(11 522)	(11 522)	(11 522)
	<b>(11 522)</b>	<b>(11 522)</b>	<b>(11 522)</b>	<b>(11 522)</b>

\*Microsoft had confirmed that it will no longer support Dynamics AX as from October 2023. Therefore, SAMRO had engaged with an external service provider in FY22 to assist with the development of a new core system (for the Distributions and Member services departments). However, the new core system as developed by this external service provider in FY22 and FY23 had not met the development criteria/needs as required by SAMRO. The SAMRO board made a decision on 21 July 2023 to discontinue the services provided by this external service provider. As a result, SAMRO has impaired the total amount of the development costs incurred up to 30 June 2023. The impairment charge for FY23 amounted to R11 522 075.09.

### Contractual commitments for acquisition of intangible assets

The group had committed itself to operational expenditure of R3.7m (Business System Replacement Project costs) and capital expenditure of R4.9m (Project costs) in the 2026 financial year which have been contracted for and would be financed from its existing cash resources (FY25: Budget of R6.7m expenditure in total vs R5.1m operational and capital expenditure actually incurred)

### 4. Investments

At cost	135 438	141 231	135 438	141 231
Market revaluation	132 873	111 244	132 873	111 244
Cumulative impact of Fair value adjustment on Unit Trusts - from OCI to profit	54 397	40 646	54 397	40 646
Financial assets at fair value through OCI and at fair value through profit/ loss	<b>322 708</b>	<b>293 121</b>	<b>322 708</b>	<b>293 121</b>

### 5. Cash and cash equivalents

Cash on hand and balances with banks	819 509	759 895	818 741	758 785
Short term investments	18 664	4 056	18 664	4 056
	<b>838 173</b>	<b>763 951</b>	<b>837 405</b>	<b>762 841</b>

# SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

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Summary Consolidated Financial Statements for the year ended 30 June 2025

## Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2025	Group 2024	Company 2025	Company 2024
<b>6. Social and cultural obligations</b>				
Social and cultural obligations	51 954	51 808	51 954	51 808
Balance at the beginning of the year	51 808	45 068	51 808	45 068
Utilisation during the year	(25 586)	(20 805)	(25 586)	(20 805)
Current funding for the year	25 732	27 545	25 732	27 545
Balance at the end of the year	<b>51 954</b>	<b>51 808</b>	<b>51 954</b>	<b>51 808</b>
<b>6.1 Social Obligations</b>				
<b>Other social funds not included in distributions</b>				
Balance at the beginning of the year	19 981	16 800	19 981	16 800
Utilisation during the year	(14 945)	(10 592)	(14 945)	(10 592)
Current funding for the year	15 475	13 773	15 475	13 773
Balance at the end of the year	<b>20 511</b>	<b>19 981</b>	<b>20 511</b>	<b>19 981</b>
<b>Total social funds</b>	<b>20 511</b>	<b>19 981</b>	<b>20 511</b>	<b>19 981</b>
<b>6.2 Cultural obligations</b>				
<b>SAMRO Foundation and related provisions</b>				
Balance at the beginning of the year	29 842	26 283	29 842	26 283
Utilisation during the year	(10 640)	(10 213)	(10 640)	(10 213)
Current funding for the year	10 256	13 772	10 256	13 772
Balance at the end of the year	<b>29 458</b>	<b>29 842</b>	<b>29 458</b>	<b>29 842</b>
<b>Bequests and donations</b>				
Balance at the beginning of the year	1 985	1 985	1 985	1 985
Utilisation during the year	-	-	-	-
Current funding for the year	-	-	-	-
Balance at the end of the year	<b>1 985</b>	<b>1 985</b>	<b>1 985</b>	<b>1 985</b>
<b>Total cultural funds</b>	<b>31 443</b>	<b>31 827</b>	<b>31 443</b>	<b>31 827</b>
<b>Total social and cultural funds</b>	<b>51 954</b>	<b>51 808</b>	<b>51 954</b>	<b>51 808</b>

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Figures in R `000	Group 2025	Group 2024	Company 2025	Company 2024
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### 7. Royalty distribution payments to members and affiliated societies

Available for distribution at the end of the year	994 774	865 639	994 774	865 639
Distributions in progress at the end of the year	292 081	284 930	292 081	284 930
	<b>1 286 855</b>	<b>1 150 569</b>	<b>1 286 855</b>	<b>1 150 569</b>
Available for distribution at the beginning of the year	(865 639)	(750 538)	(865 639)	(750 538)
Distribution in progress at the beginning of the year	(284 930)	(290 387)	(284 930)	(290 387)
- Shares in musical works	(40 878)	(30 367)	(40 878)	(30 367)
- Musical works	(244 052)	(260 020)	(244 052)	(260 020)
Add:				
Distribution expenses (Royalties)	(630 167)	(622 215)	(630 167)	(622 215)
Royalty distributions/ Undistributable income written back	74 163	83 418	74 163	83 418
Less:				
Available for distribution at the end of the year	994 774	865 639	994 774	865 639
Distributions in progress at the end of the year	292 081	284 930	292 081	284 930
- Shares in musical works	43 086	40 878	43 086	40 878
- Musical works	248 995	244 052	248 995	244 052
<b>Royalty distribution cash payments to members and affiliated societies</b>	<b>(419 718)</b>	<b>(429 153)</b>	<b>(419 718)</b>	<b>(429 153)</b>

### 8. Non-licensing activities

#### (Increase)/ Decrease in related party balances

#### Loan to group company

Opening balance	-	-	(176 478)	(174 006)
Intercompany charges	-	-	4 233	(3 222)
Interest	-	-	-	(1 087)
Administration, computer and management fees	-	-	(567)	(538)
Rental	-	-	4 687	5 593
*Other intercompany charges	-	-	113	(7 190)
(Cash Outflow): Advanced to group company	-	-	(5 000)	(3 000)
Cash inflow: Proceeds from group company	-	-	500	3 750
Closing balance	-	-	(176 745)	(176 478)
<b>(Increase) in loan to group company</b>	<b>-</b>	<b>-</b>	<b>(267)</b>	<b>(2 472)</b>

\*Includes intercompany charges for stationery, telephone, employee benefits, and other operating expenses. FY24 includes payments made by SAMRO, on behalf of Samro House, to the creditors of Samro House totalling R7.2m

### 9. Revenue

Music rights	649 191	648 048	649 191	648 048
Royalties from affiliated societies	31 159	35 795	31 159	35 795
SAMRO House rental income	6 804	6 277	-	-
<b>Total revenue</b>	<b>687 154</b>	<b>690 120</b>	<b>680 350</b>	<b>683 843</b>



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<b>10. Other income</b>				
Sundry income	87	4	87	4
Admin fee income	-	250	-	250
Administration, computer and management fees from subsidiary companies	-	-	567	538
Interest on member loans advanced	988	797	988	797
*Interest from subsidiary companies	-	-	-	1 087
Membership fee income	352	297	352	297
Bad debts recovered	308	4 002	307	4 002
<b>Total other income</b>	<b>1 735</b>	<b>5 350</b>	<b>2 301</b>	<b>6 975</b>
*Up until 30 September 2023, interest was charged at a nominal rate negotiated by both parties annually; the rate was set at 5.5% annually on the interest-bearing portion of the loans. The Group had changed the interest rate on the intercompany loans from 5.5% to 0% with effect from 01 October 2023. No interest has been recognised on the intercompany loans as from 01 October 2023.				
<b>11. Employee benefits expense</b>				
<i>Personnel costs form part of operating expenses (refer note 14) and include:</i>				
Salaries and bonuses	94 725	101 759	94 503	101 389
Training	1 751	2 215	1 751	2 215
Social security levies	1 167	1 153	1 165	1 153
Other employment costs	4 148	3 859	1 939	1 908
Pension - Defined contribution plans	10 970	10 344	10 935	10 344
Post-employment benefits	(58)	131	(58)	131
	<b>112 703</b>	<b>119 461</b>	<b>110 235</b>	<b>117 140</b>
<b>12. Net impairment losses on financial assets</b>				
<b>Net impairment losses on financial assets comprises</b>				
Trade receivables	22 461	21 501	22 202	21 501
Member advances	-	(251)	-	(251)
Loans to group companies	-	-	(702)	(853)
	<b>22 461</b>	<b>21 250</b>	<b>21 500</b>	<b>20 397</b>
<b>13. Other gains and (losses)</b>				
Profit/ (loss) on disposal of property and equipment	15	(32)	15	(30)
Gain on disposal of investments	2 117	927	2 117	927
Fair value gains and (losses) on unit trusts	13 751	6 062	13 751	6 062
<b>Total other gains and (losses)</b>	<b>15 883</b>	<b>6 957</b>	<b>15 883</b>	<b>6 959</b>

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### 14. Loss from operating activities

Loss from operating activities includes the following items:

Office rental and repairs <sup>1</sup>	6 370	6 925	4 688	5 593
Depreciation <sup>1</sup>	4 961	4 227	2 511	1 798
Amortisation <sup>1</sup>	3 576	10 710	3 576	10 710
Other operating costs <sup>3</sup>	5 526	5 042	5 520	5 032
Professional fees <sup>1</sup>	5 708	2 802	5 597	2 667
IT costs <sup>2</sup>	5 723	5 387	5 718	5 386
Employee benefits <sup>1</sup> - Refer note 11	112 703	119 461	110 235	117 140
Marketing costs <sup>1</sup>	3 934	4 471	3 934	4 471
Other costs <sup>3</sup>	13 301	11 288	11 213	9 524

#### *Auditors remuneration<sup>2</sup>*

Fees (External) - current year	2 320	2 401	2 102	2 193
Fees (Internal) - current year	1 228	1 327	1 228	1 327
Fees - under provision previous years	107	59	106	59
	<b>3 655</b>	<b>3 788</b>	<b>3 436</b>	<b>3 579</b>

#### *Investment management fees<sup>1</sup>*

1 230	1 105	1 230	1 105
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#### *Social and Cultural expenses<sup>1</sup>*

Social	15 476	13 773	15 476	13 773
Cultural	10 256	13 772	10 256	13 772
	<b>25 732</b>	<b>27 545</b>	<b>25 732</b>	<b>27 545</b>

#### Notes:

<sup>1</sup> Included in Operating expenses

<sup>2</sup> Included in Administration expenses

<sup>3</sup> Included in Administration expenses and in Operating expenses

### 15. Investment income

Interest received from Banks	1 195	1 460	1 195	1 460
Interest received from Investments	60 734	53 472	60 733	53 471
Dividends	3 863	3 681	3 863	3 681
<b>Total income from investments</b>	<b>65 792</b>	<b>58 613</b>	<b>65 791</b>	<b>58 612</b>

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<b>16. Key management emoluments</b>				
From the company and its controlled subsidiaries for:				
<b>Directors</b>				
Current emoluments				
- Non-executive directors' - fees	2 638	2 139	2 638	2 139
- Non-executive directors' - other	-	-	-	-
- Salaries	3 915	3 744	3 915	3 744
- Pension and medical contributions	534	433	534	433
- Bonuses and other fringe benefits	984	359	984	359
Total directors' current emoluments	8 071	6 675	8 071	6 675
Post-retirement benefits				
- Estimated post-retirement benefits	-	-	-	-
<b>Total directors' emoluments</b>	<b>8 071</b>	<b>6 675</b>	<b>8 071</b>	<b>6 675</b>
Paid by:				
- Company	8 071	6 675	8 071	6 675
- Subsidiaries	-	-	-	-
<b>Total paid</b>	<b>8 071</b>	<b>6 675</b>	<b>8 071</b>	<b>6 675</b>
<b>Other key management</b>				
Current emoluments				
- Salaries and bonuses	15 733	14 549	15 733	14 549
- Pension and medical aid contributions	1 597	1 478	1 597	1 478
- Other fringe benefits	89	89	89	89
Total other key management current emoluments	17 419	16 116	17 419	16 116
Post-retirement benefits				
- Estimated post-retirement benefits	5	(7)	5	(7)
<b>Total other key management emoluments</b>	<b>17 424</b>	<b>16 109</b>	<b>17 424</b>	<b>16 109</b>
<b>Total key management emoluments</b>	<b>25 495</b>	<b>22 784</b>	<b>25 495</b>	<b>22 784</b>

## 17. Events after the reporting date

No events occurred subsequent to 30 June 2025 that required the company to disclose or adjust the results as presented in these annual financial statements.

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### 18. Going concern

Even though Company revenue has decreased by 0.5% compared to the prior year, it is estimated that licensing revenue may increase by 11.2% during FY2026 compared to FY2025. The directors are consistently monitoring the financial performance, liquidity and solvency in order to ensure the company's ability to continue as a going concern. Operational costs will continue to be tightly controlled to mitigate any possible impact of reduced revenue levels. The directors have reviewed the company's forecasts for the next twelve months and are satisfied that the company has adequate financial resources to continue as a going concern.

As at 30 June 2025, the group's total assets exceed its liabilities by R60.2 million, and as at 30 June 2024, the group's total assets exceeded its liabilities by R37.4 million.

The group made a loss of R4.4 million for the year (2024: loss of R4.4 million).

The directors have reviewed the company and group's cash flow forecast for the year to 30 June 2026 and, in light of this review and available credit facilities, including other liquid assets, they are satisfied that the company and group has access to adequate resources to continue in operational existence for the foreseeable future.

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### 19. New standards, interpretations and amendments

#### Standards, interpretations and amendments that are not yet effective at June 2025:

The Group has considered the following new standards and interpretations and amendments to existing standards, which are not yet effective as at June 2025 but are effective for the financial years commencing as reflected in the table:

Number	Title	Effective for year commencing	Expected effect on Annual Financial statements
Amendments to IAS 21	Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.	1-Jan-25	Impact is still being assessed.
Amendment to IFRS 9	Financial instruments – Transaction Price: This amendment removes the conflict between IFRS 9 and IFRS 15 over the amount at which the trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price e.g., when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price. IFRS 9 has been amended to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.	1-Jan-26	Impact is still being assessed.
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments- These amendments: <ul style="list-style-type: none"> <li>• clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;</li> <li>• clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;</li> <li>• add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and</li> <li>• make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).</li> </ul>	1-Jan-26	Impact is still being assessed.
Annual Improvements to IFRS Accounting Standards Volume 11	The amendments were made to address potential inconsistencies and potential confusions in the standards relating to: IFRS 1 dealing with hedge accounting by a first-time adopter IFRS 7 dealing with gain or loss on derecognition and disclosures in the implementation guidance IFRS 9 dealing with lessee derecognition of lease liabilities and transaction price IFRS 10 dealing with determination of 'de facto agent' IAS 7 dealing with the term 'cost method'	1-Jan-26	Impact is still being assessed.

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### *New standards, interpretations and amendments continued...*

IFRS 18	Presentation and Disclosure in Financial Statements: IFRS 18 replaces IAS 1 Presentation of Financial Statements with a focus on updates to the statement of profit or loss. The amendment requires enhanced profit or loss performance measures that are reported outside the financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.	1-Jan-27	A significant change to the primary financial statements is expected. Impact is still being assessed.
IFRS 19	Subsidiaries without Public Accountability - Disclosures: IFRS 19 simplifies disclosures for subsidiaries without public accountability, reducing costs while maintaining usefulness for stakeholders. Subsidiaries that elect to apply IFRS 19 will follow the same recognition, measurement and presentation requirements of those standards will be replaced with the reduced requirements of IFRS 19.	1-Jan-27	Impact is still being assessed.