



# PAYMENTS ASSOCIATION OF SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

For three decades, PASA has provided disciplined coordination that strengthens confidence in the National Payment System.

As the ecosystem modernises and moves towards a new equilibrium, PASA continues to serve as a stabilising force, supporting continuity today while enabling the collaboration that will strengthen the system for all South Africans.



# 2025



<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	The Payments Association of South Africa (PASA) was established with the objective to organise, manage and regulate all matters affecting interbank payments and payments clearing and settlement of interbank obligations within the payments system. PASA operates in South Africa.
<b>Registered office</b>	1st Floor, Building D Sunnyside Office Park 32 Princess of Wales Terrace Parktown 2193
<b>Business address</b>	1st Floor, Building D Sunnyside Office Park 32 Princess of Wales Terrace Parktown 2193
<b>Postal address</b>	P.O. Box 61380 Marshalltown 2107
<b>Bankers</b>	First National Bank Limited Investec Bank Limited
<b>Auditors</b>	Moore Infinity Incorporated Chartered Accountants (SA) Registered Auditors Partner: Bianca Bester CA(SA) RA
<b>Company secretary</b>	Nadine Bham
<b>Income tax reference number</b>	9036/767/19/3
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the PASA Constitution.
<b>Preparer</b>	The annual financial statements were independently compiled by Reporting Partners Proprietary Limited under the supervision of: Cosmore Pariola.
<b>Issued</b>	21 May 2026

**The reports and statements set out below comprise the annual financial statements presented to the Members**

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## PASA COUNCIL'S RESPONSIBILITIES AND APPROVAL

The Governing Body of PASA, PASA Council, is required by the PASA Constitution to maintain adequate accounting records and is 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 PASA 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 for SMEs<sup>®</sup> Accounting Standard and the Constitution of PASA. 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 for SMEs<sup>®</sup> Accounting Standard as issued by the International Accounting Standards Board (IASB<sup>®</sup>) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

PASA Council is of the opinion, based on the information and explanations given by management, that the system of internal controls provide 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 Annual Financial Statements have not been prepared on a going concern basis due to the SARB's stated intent for the timeous transition of PASA's rulemaking functions to other entities. PASA Council believes that PASA has adequate financial resources to continue current operations until full transition of all current PASA functions and activities is completed. PASA Council has satisfied themselves that PASA is in a sound financial position and capable of meeting its foreseeable cash requirements.

The external auditor is responsible for independently auditing and reporting on the Association's annual financial statements. The annual financial statements have been examined by the Association's external auditor and their report is presented on page 5.

The annual financial statements set out on pages 6 to 11, which have not been prepared on the going concern basis, were approved by the PASA Council on 21 May 2026 and were signed on its behalf by:

**Ingrid Goodspeed**  
Chairperson

**Ghita Erling**  
Chief Executive Officer

## PASA COUNCIL'S REPORT

The PASA Council has pleasure in submitting their report on the annual financial statements.

### 1. Nature of business

PASA was established in accordance with the terms and provisions of its Constitution, on 15 August 1996, by the South African Banking Industry, in conjunction with the South African Reserve Bank (SARB), to act in the interests of the National Payment System (NPS) with the primary objective to organise, manage and regulate all matters affecting interbank payments and payments clearing and settlement of interbank obligations within the NPS. The Association operates in South Africa.

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

### 2. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS for SMEs<sup>®</sup> Accounting Standard and the requirements of the PASA Constitution. 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 Association are set out in these annual financial statements.

### 3. PASA Council

#### The Independent Councillors in office during 2025 are as follows:

Ingrid Goodspeed	(Independent Chair)
Herman Singh	(Independent Deputy Chair)
Fay Mukaddam	(Independent Councillor)
Thami Moatshe	(Independent Councillor)

#### The Member elected Councillors in office during 2025 are as follows:

Principal Councillor	Alternate Councillor
John Anderson	Rufaida Hamilton
Lauren Breetzke	Boitumelo Legabe
Ian Carter	Marijke Guest
Busi Radebe	Marthinus Janse van Rensburg
John Elliott	Gerald Byleveld (resigned June 2025)
Jill Murtagh (resigned June 2025)	Ilze Wagenaar (joined May 2025)
Richard Stocken	Gabriella Teixeira (resigned July 2025)
Gary Cook (joined June 2025)	

#### Ex-officio Councillors

Tim Masela (non-voting) - retired July 2025	Shaun Rayfield (non-voting)
Arif Ismail (non-voting) - joined July 2025	
Ghita Erling (voting)	



## PASA COUNCIL'S REPORT *continued*

### 4. Significant matters

In April 2025, the SARB withdrew its unconditional no objection to the Payments Industry Body (PIB) design report which had been granted in 2023. The PIB design report outlines the industry-approved design for a new industry body, for now called the PIB, intended to replace PASA. While the SARB remains strongly supportive of an industry collaborative and coordination body, the body must align with the changed role of the SARB in the NPS as being implemented by the Payment Ecosystem Modernisation initiative. Accordingly, the SARB invited PASA and the broader industry to review the PIB's design and propose alternate modalities for its establishment and operation, which must exclude the interoperability rulemaking powers. The SARB has further reiterated that, until such time that the recognition of PASA as a payment system management body (PSMB) in the NPS is withdrawn, the status quo will continue to hold. PASA continues to operate in accordance with its Constitution. Late in 2025, the SARB expressed its preference that the transition of PASA rulemaking activities to other entities take place by the end of the first half of 2026.

Further, the SARB has determined that the transition of PASA's rule making function is not dependent on regulatory or legislative changes, and therefore is an administrative and logistical exercise.

### 5. Events after the reporting period

In January 2026, the SARB has further reiterated that, until such time that the recognition of PASA as a PSMB in the NPS is withdrawn, the status quo will continue to hold. In February 2026, the SARB announced that it may withdraw the recognition of PASA as a PSMB earlier to ensure the transition of the PASA rulemaking activities within their desired timeframes.

### 6. Going concern

The Annual Financial Statements have not been prepared on a going concern basis due to the SARB's stated intent for the timeous transition of PASA's rulemaking functions to other entities. PASA Council believes that PASA has adequate financial resources to continue current operations until full transition of all current PASA functions and activities is completed. PASA Council has satisfied themselves that PASA is in a sound financial position, is able to meet its required solvency and liquidity threshold and capable of meeting its foreseeable cash requirements.

PASA Council notes that based on all the information currently available, PASA may have ceased operations in their current form within the next twelve months.

PASA Councillors are not aware of any material non-compliance with statutory or regulatory requirements.

### 7. Company secretary

Nadine Bham continued as the company secretary for the year under review.





# INDEPENDENT AUDITOR'S REPORT

To the Council of the Payments Association of South Africa (PASA Council)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of The Payments Association of South Africa (the Association) set out on pages 8 to 20, which comprise the statement of financial position as at 31 December 2025; and the statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Payments Association of South Africa as at 31 December 2025, and its financial performance and cash flows for the year then ended, in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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.

### Emphasis of Matter

We draw attention to Note 19 on the financial statements which indicates that the entity is no longer a going concern. Our opinion is not modified in respect of this matter.

### Other Information

The PASA Council are responsible for the other information. The other information comprises the information included in the document titled "The Payments Association of South Africa financial statements for the year ended 31 December 2025", which includes the PASA Council's Report as required by the Constitution, the Supplementary Information Note 1: Deferred income analysis, which we obtained prior to the date of this report. 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 Councillors for the Financial Statements

The PASA Council is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the PASA Council 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 PASA Council is responsible for assessing the Association'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 PASA Council either intends to liquidate the Association 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the PASA Council.
- Conclude on the appropriateness of the PASA Council's 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 Association'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 Association 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 PASA Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Moore Infinity Inc.*

**Moore Infinity Incorporation**  
Chartered Accountants (SA)  
Registered Auditors

**Per Bianca Bester CA (SA) RA**  
Registered Auditor  
Associate Director

Silver Stream Business Park  
10 Muswell Road  
Bryanston  
Sandton  
2191

21 May 2026



## STATEMENT OF FINANCIAL POSITION

as at 31 December 2025

	Notes	2025 R	2024 R
<b>Assets</b>			
Property, plant and equipment	2	1 556 345	2 102 696
Trade and other receivables	4	933 144	3 556 261
Other financial assets	3	54 114 914	37 438 833
Cash and cash equivalents	5	28 758 434	37 000 086
<b>Total Assets</b>		<b>85 362 837</b>	<b>80 097 876</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated funds		8 421 982	22 842 364
<b>Liabilities</b>			
Trade and other payables	6	6 536 567	6 604 895
Other financial liabilities	7	54 114 914	37 438 833
Deferred income	8	16 289 374	13 211 784
<b>Total Equity and Liabilities</b>		<b>85 362 837</b>	<b>80 097 876</b>

## STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2025

	Notes	2025 R	2024 R
Revenue	9	128 326 589	118 823 678
Other income	10	16 600 621	3 392 717
Operating expenses	11	(165 417 655)	(141 857 003)
<b>Operating deficit</b>		<b>(20 490 445)</b>	<b>(19 640 608)</b>
Investment revenue	12	6 070 063	7 212 425
<b>Deficit for the year</b>		<b>(14 420 382)</b>	<b>(12 428 183)</b>

## STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2025

	Accumulated funds R	Total equity R
<b>Balance at 01 January 2024</b>	<b>35 270 547</b>	<b>35 270 547</b>
Deficit for the year	(12 428 183)	(12 428 183)
<b>Balance at 01 January 2025</b>	<b>22 842 364</b>	<b>22 842 364</b>
Deficit for the year	(14 420 382)	(14 420 382)
<b>Balance at 31 December 2025</b>	<b>8 421 982</b>	<b>8 421 982</b>

## STATEMENT OF CASH FLOWS

for the year ended 31 December 2025

	Notes	2025 R	2024 R
<b>Cash flows from operating activities</b>			
Cash used in operations	15	(181 157)	(11 978 620)
Investment income		6 070 063	7 212 425
<b>Net cash from operating activities</b>		<b>5 888 906</b>	<b>(4 766 195)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(223 345)	(992 196)
Disposal of property, plant and equipment	2	–	25 277
Acquisition of investments		(21 457 786)	(10 274 647)
Withdrawal of investments		7 550 573	9 392 922
<b>Net cash from investing activities</b>		<b>(14 130 558)</b>	<b>(1 848 644)</b>
<b>Total cash movement for the year</b>		<b>(8 241 652)</b>	<b>(6 614 839)</b>
Cash at the beginning of the year		37 000 086	43 614 925
<b>Total cash at end of the year</b>	<b>5</b>	<b>28 758 434</b>	<b>37 000 086</b>





## ACCOUNTING POLICIES

### 1. Basis of preparation and summary of significant accounting policies

The annual financial statements have not been prepared on a going concern basis in accordance with IFRS for SMEs<sup>®</sup> Accounting Standard as issued by the International Accounting Standards Board (IASB<sup>®</sup>) and PASA Constitution. The annual financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the organisation holds for its own use. As the organisation is no longer considered a going concern, property, plant and equipment are not accounted for on the basis of continued use but rather on the basis of their expected realisation or recovery through sale or settlement.

An item of property, plant and equipment is recognised as an asset when it is probable that economic benefits will be realised from its disposal and the cost or fair value of the item can be measured reliably.

##### Initial measurement

Property, plant and equipment are initially measured at cost. Subsequent measurement (non-going concern basis).

Following initial recognition, property, plant and equipment are measured at the lower of carrying amount and estimated recoverable amount. Values reflect estimated proceeds from orderly disposal, less costs to sell.

##### Depreciation

As the entity is no longer a going concern and assets are not expected to be consumed through use over their useful lives, depreciation should cease from the date the decision to wind up / dissolve the organisation is made.

##### Useful lives and residual values

Previously estimated useful lives and residual values are no longer relevant under the non-going concern basis. Assets are instead assessed based on expected disposal values and timing.

##### Impairment

At each reporting date, property, plant and equipment are assessed for impairment. Where the carrying amount exceeds the estimated recoverable amount, the asset is written down immediately to its recoverable amount, with the impairment loss recognised in profit or loss.

##### Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its disposal. Any gain or loss arising on derecognition, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

#### 1.2 Financial instruments

##### Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### Financial instruments at amortised cost

These include loans, trade receivables, trade payables and cash and cash equivalents. Those debt instruments which meet the criteria in section 11.8(b) of the standard are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

##### Provision for bad and doubtful debts

Receivables that are considered irrecoverable or doubtful are written off or provided for in full or in part according to the policy for doubtful and bad debts. Debtors outstanding for more than 180 days are written off or provided for in full.

Write-offs or provisions are recognised in the Income Statement or Deferred Income depending on where the income was originally recognised. Any future recoveries against these receivables or provisions will result in the income or deferred income being recognised again.

##### Financial instruments at fair value

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

##### Long-Term Incentive Scheme (LTI)

Refer to Note 4 for details on the Long-Term Incentive Scheme.

#### 1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

##### Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

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

#### 1.4 Impairment of assets

PASA assesses, at each reporting date, whether there is any indication that property, plant and equipment or intangible assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of related assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.



## ACCOUNTING POLICIES *continued*

### 1. Basis of preparation and summary of significant accounting policies *continued*

#### 1.5 Employee benefits

##### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

#### 1.6 Provisions and contingencies

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

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

Provisions are not recognised for future operating losses.

#### 1.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services provided in the normal course of business, net of value added tax.

Revenue comprises of net contributions from Members for Payment Clearing House agreements and membership, System Operator activations and annual renewals and PASA Membership subscriptions in terms of the PASA Constitution.

Revenue is recognised in the income statement in proportion to the period to which membership subscriptions relate.

#### 1.8 Other income

Training income is recognised as other income in the income statement in proportion to the expenses incurred in providing training to PASA Members and non-Members. Excess income received is recognised as deferred income for all future periods.

Non-compliance penalty income is recognised as other income in the income statement in proportion to the expenses incurred. The excess income received is recognised as deferred income for all future periods.

Conference income is recognised as other income in the income statement in proportion to the expenses incurred in providing the conferences to PASA Members and non-Members. Excess income received is recognised as deferred income.

The total non-compliance penalty, training and conference net income for the period is transferred to deferred income. A summary of the movements in the deferred income balances is reflected in the Supplementary Note of these annual financial statements.

PASA Council determined that a holistic approach to the utilisation of the Deferred Income Reserves (including all three income streams; non-compliance penalties, training and conferencing) be adopted. The Deferred Income Reserves can only be used for the purposes of:

- Capacity building, education and training, including the appointment of interns to undergo payments training for a stipulated period;
- Research on matters such as new or emerging technologies, Modernisation of Payments, blockchain, etc., as well as new risk or risk mitigation measures and related legal developments, which research would include the development of papers on such aspects; and
- Projects, where such projects would be for the good of the National Payment System.

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

### 1.9 Significant judgements and sources of estimation uncertainty

#### Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

#### Key sources of estimation uncertainty

- Useful lives of property, plant and equipment

PASA reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed significantly since the most recent reporting date. During the current year, management determined that the useful lives are appropriate.





## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 2. Property, plant and equipment

	2025			2024		
	Cost R	Accumulated depreciation and impairment R	Carrying value R	Cost R	Accumulated depreciation and impairment R	Carrying value R
Furniture and fixtures	1 697 765	(1 697 506)	259	1 697 765	(1 650 407)	47 358
Office equipment	2 404 899	(1 678 570)	726 329	2 404 899	(1 410 603)	994 296
IT equipment	3 963 136	(3 165 917)	797 219	3 885 173	(2 883 345)	1 001 828
Security equipment	300 341	(267 803)	32 538	300 341	(241 127)	59 214
<b>Total</b>	<b>8 366 141</b>	<b>(6 809 796)</b>	<b>1 556 345</b>	<b>8 288 178</b>	<b>(6 185 482)</b>	<b>2 102 696</b>

#### Reconciliation of property, plant and equipment

	Opening balance R	Additions R	Disposals R	Depreciation R	Closing balance R
<b>2025</b>					
Furniture and fixtures	47 358	–	–	(47 099)	259
Office equipment	994 296	–	–	(267 967)	726 329
IT equipment	1 001 828	223 345	–	(427 954)	797 219
Security equipment	59 214	–	–	(26 676)	32 538
	<b>2 102 696</b>	<b>223 345</b>		<b>(769 696)</b>	<b>1 556 345</b>
<b>2024</b>					
Furniture and fixtures	132 595	42 853	–	(128 090)	47 358
Office equipment	685 883	555 453	–	(247 040)	994 296
IT equipment	1 083 549	393 890	(25 277)	(450 334)	1 001 828
Security equipment	108 215	–	–	(49 001)	59 214
	<b>2 010 242</b>	<b>992 196</b>	<b>(25 277)</b>	<b>(874 465)</b>	<b>2 102 696</b>

### 3. Other financial assets

#### At fair value

	2025 R	2024 R
Glacier Investment Plan - Designated at fair value through profit/loss	54 114 914	37 438 833

#### Fair value information

Financial assets at fair value through profit or loss are recognised at fair value, which is therefore equal to their carrying amounts.

#### Glacier Investment Plan – Vested portion

The investment consists of incentive or retention bonuses vested and payable to the employees within 12 months from the balance sheet date.

#### Glacier Investment Plan – Non-Vested portion

The investment consists of incentive or retention bonuses granted to employees which do not vest in the 12 months after the balance sheet date.

#### Long-Term Incentive Scheme

The Long-Term Incentive Scheme provides for retention bonuses to key management and some qualifying employees as well as a once-off transition retention LTI.

The retention LTI vesting periods are as follows: 33% of the bonus allocation vests 3 years after the grant date, 33% vests 4 years after the grant date and the balance vests 5 years after the grant date. Payment is made to employees after vesting date. Furthermore, the allocation is forfeited if the employee leaves the entity before vesting and the amount forfeited vests as an investment for PASA.

The transition retention LTI was allocated to individual Glacier Investment Funds on award and will vest as follows:

- 70% of the transition retention LTI will be paid out on the date of the withdrawal of PASA's PSMB recognition.
- The remaining 30% will be paid out six months thereafter to all employees who remain in the employ of the entity to which they were transitioned.

#### Long-term incentive reserve

A long-term incentive reserve is funded annually as part of the budgeting process. The reserve may be used for long-term incentive purposes such as to retain key employees, incentivise medium to long term high performance and to support sign-on bonuses for scarce skills.

### 4. Trade and other receivables

Trade receivables	5 750	27 803
Prepaid expenses	3 258	1 255 403
Lease deposit	528 104	440 581
VAT	319 005	1 832 350
Sundry debtors	77 027	124
	<b>933 144</b>	<b>3 556 261</b>



## NOTES TO THE ANNUAL FINANCIAL STATEMENTS *continued*

### 5. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025 R	2024 R
Bank balances	27 828 311	32 731 996
Short-term deposits	524 730	3 890 637
Medium-term deposits	405 393	377 453
	<b>28 758 434</b>	<b>37 000 086</b>

### 6. Trade and other payables

Trade payables	578 177	1 044 863
Accrued leave-pay	3 139 160	3 372 603
Other payables	2 819 230	2 187 429
	<b>6 536 567</b>	<b>6 604 895</b>

### 7. Other financial liabilities

#### At fair value

Long-Term Incentive Scheme – At fair value	54 114 914	37 438 833
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#### Long-Term Incentive Scheme – Vested portion

The liability consists of the vested portions of the Long-Term Incentive Scheme which are payable to qualifying LTI recipients. The liability is recognised as the fair value of the investment it relates to. Refer to other financial assets for more details regarding the investments.

#### Long-Term Incentive Scheme – Non-Vested portion

This liability consists of the non-vested portions of the Long-Term Incentive Scheme which are payable to qualifying LTI recipients. The liability is recognised as the present value of the amounts payable to the employees in future.

The fair values of the financial liabilities were determined as being equal to their carrying value.

### 8. Deferred income

Non-compliance penalties	5 630 541	5 605 541
Industry Training	9 821 535	5 275 548
Payments Industry Conference	837 298	2 330 695
	<b>16 289 374</b>	<b>13 211 784</b>

### 9. Revenue

	2025 R	2024 R
Membership subscriptions	127 212 589	118 060 959
PCH agreements and membership	342 000	–
System operator activations and annual renewals	772 000	762 719
	<b>128 326 589</b>	<b>118 823 678</b>

#### Membership subscriptions

In accordance with PASA Constitution all income and assets of PASA, however derived, shall be applied wholly towards the promotion of the objectives of PASA. No portion of the income and assets is transferrable, directly or indirectly, to the Members or any other person.

### 10. Other income

Training income recognised (See note 1.9)	3 318 612	3 365 117
Conference income (See note 1.9)	11 339 026	–
Other income	40 508	27 600
Other income - SARB (PEM)	1 902 475	–
	<b>16 600 621</b>	<b>3 392 717</b>

### 11. Operating (deficit)/ surplus

Operating (deficit)/ surplus for the year is stated after accounting for the following:

#### Operating lease charges

##### Premises

• Contractual amounts	914 605	857 997
Impairment on intangible assets	–	1 304 964
Loss on exchange differences	26 649	39 237
Depreciation on property, plant and equipment	769 696	874 465
Employee costs	107 832 120	90 108 654
IT expenses (including membership portal)	10 271 668	10 415 719
Training	1 620 343	1 462 649
Industry training expenses	3 228 639	3 364 151
PASA international payments conference (PIPC)	11 339 026	–

### 12. Investment revenue

Interest received	6 070 063	7 212 425
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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS *continued*

### 13. Taxation

PASA is exempt from Income Tax under Section 10(1)(cA)(i) of the Income Tax Act, 58 of 1962. PASA needs to comply with requirements annually to retain its exempt status.

### 14. Auditor's remuneration

	2025 R	2024 R
Audit fees	179 352	153 700
Other	11 660	11 450
	<b>191 012</b>	<b>165 150</b>

### 15. Cash used in operations

Deficit before taxation	(14 420 382)	(12 428 183)
<b>Adjustments for:</b>		
Depreciation	769 696	874 465
Impairment of intangible asset	–	1 304 964
Non-cash flow items liability (LTI allocations and fair value adjustments)	16 676 081	986 384
Non-cash flow items investments	(2 768 868)	(1 604 656)
Interest received	(6 070 063)	(7 212 425)
<b>Changes in working capital:</b>		
Trade and other receivables	2 623 117	941 454
Trade and other payables	(68 328)	639 604
Deferred income	3 077 590	4 519 773
	<b>(181 157)</b>	<b>(11 978 620)</b>

### 16. Commitments

#### Operating leases – as lessee (expense)

#### Minimum lease payments due

– within one year	648 246	1 816 041
– within two years	–	767 554
	<b>648 246</b>	<b>2 583 595</b>

### 17. Independent Councillors

Ingrid Goodspeed (Independent Chair)

Herman Singh (Deputy Chair)

Fay Mukaddam (Independent Councillor)

Thami Moatshe (Independent Councillor)

	2025 R	2024 R
<b>Compensation paid to Independent Councillors</b>		
– For PASA Council duties	2 730 447	2 010 391

### 18. Compensation paid to key management

Key management remuneration	30 536 902	30 051 677
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### 19. Going concern

The Annual Financial Statements have not been prepared on a going concern basis due to the SARB's stated intent for the timeous transition of PASA's rulemaking functions to other entities. PASA Council believes that PASA has adequate financial resources to continue current operations until full transition of all current PASA functions and activities is completed. PASA Council has satisfied themselves that PASA is in a sound financial position, is able to meet its required solvency and liquidity threshold and capable of meeting its foreseeable cash requirements.

PASA Council notes that based on all the information currently available, PASA may have ceased operations in their current form within the next twelve months.

PASA Councillors are not aware of any material non-compliance with statutory or regulatory requirements.

### 20. Significant matters

In April 2025, the SARB withdrew its unconditional no objection to the Payments Industry Body (PIB) design report which had been granted in 2023. The PIB design report outlines the industry-approved design for a new industry body, for now called the PIB, intended to replace PASA. While the SARB remains strongly supportive of an industry collaborative and coordination body, the body must align with the changed role of the SARB in the NPS as being implemented by the Payment Ecosystem Modernisation initiative. Accordingly, the SARB invited PASA and the broader industry to review the PIB's design and propose alternate modalities for its establishment and operation, which must exclude the interoperability rulemaking powers. The SARB has further reiterated that, until such time that the recognition of PASA as a payment system management body in the NPS is withdrawn, the status quo will continue to hold. PASA continues to operate in accordance with its Constitution. Late in 2025, the SARB expressed its preference that the transition of PASA rulemaking activities to other entities take place by the end of the first half of 2026.

Further, the SARB has determined that the transition of PASA's rule making function is not dependent on regulatory or legislative changes, and therefore is an administrative and logistical exercise.

### 21. Events after the reporting period

In January 2026, the SARB has further reiterated that, until such time that the recognition of PASA as a PSMB in the NPS is withdrawn, the status quo will continue to hold. In February 2026, the SARB announced that it may withdraw the recognition of PASA as a PSMB earlier to ensure the transition of the PASA rulemaking activities within their desired timeframes.



## SUPPLEMENTARY INFORMATION

### Note 1: Deferred income analysis

	2025 R	2024 R
<b>Non-compliance penalties</b>		
Opening balance	5 605 541	5 613 941
Income	25 000	–
Expense	–	(8 400)
<b>Closing balance</b>	<b>5 630 541</b>	<b>5 605 541</b>
<b>Training: industry</b>		
Opening balance	5 275 548	2 499 045
Income received in advance (liability)	1 805 560	1 187 890
Income received for the year	7 048 051	5 003 248
Expenses incurred triggering the release of deferred income	(4 307 589)	(3 414 635)
<b>Closing balance</b>	<b>9 821 570</b>	<b>5 275 548</b>
<b>PASA International Payments Conference</b>		
Opening balance	2 330 695	579 025
Income received in advance (liability)	–	1 751 670
Income received for the year	9 927 872	–
Expenses incurred	(11 421 304)	–
<b>Closing balance</b>	<b>837 263</b>	<b>2 330 695</b>
<b>Total deferred income at the end of the year</b>	<b>16 289 374</b>	<b>13 211 784</b>

The supplementary information presented does not form part of the annual financial statements and is unaudited.