



**BAKER TILLY**  
MORRISON MURRAY

**Narrative Foundation NPC**

(Registration number Reg. No. 2005/018545/08)

Annual Financial Statements

for the year ended 28 February 2015

# Narrative Foundation NPC

(Registration number Reg. No. 2005/018545/08)

Annual Financial Statements for the year ended 28 February 2015

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

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# Narrative Foundation NPC

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## Directors' Responsibilities and Approval

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The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

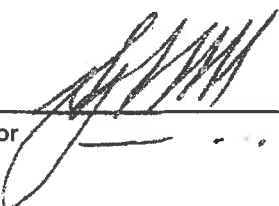
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the sets standards for internal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


The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 29 February 2016 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 3.

The annual financial statements set out on pages 5 to 11, which have been prepared on the going concern basis, were approved by the directors and were signed on its behalf by:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director



**BAKER TILLY  
MORRISON MURRAY**

Registered Auditors  
Chartered Accountants (SA)  
20 Westville Road, Westville, 3629  
PO Box 1098, Westville, 3630  
South Africa  
Docex 21 Westville

T: +27 (0)31 267 5300  
F: +27 (0)31 267 1838

mail@bakertillymm.co.za  
www.bakertillymm.co.za

## **Independent Auditors' Report**

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### **To the shareholders of Narrative Foundation NPC**

We have audited the annual financial statements of Narrative Foundation NPC, as set out on pages 6 to 10, which comprise the statement of financial position as at 28 February 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### **Directors' Responsibility for the Annual Financial Statements**

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Qualification**

In common with similar associations it is not feasible for the association to institute accounting controls over cash collections from various sources prior to the initial entry of the collections in the accounting records. Accordingly, it is impracticable for us to extend our examination beyond the receipts actually recorded. The financial statements have been prepared on the going concern basis which assumes additional funding will be provided by the directors.

**Qualified audit opinion**

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the annual financial statements present fairly, in all material respects, the financial position of the association as at 28 February 2015, and of its financial performance for the year ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the Companies Act of South Africa.

*Baker Tilly Morrison Murray*

**Baker Tilly Morrison Murray**  
**Registered Auditors**  
**Westville**  
**Per: RA Kemp**

*27-3-2015*

# Narrative Foundation NPC

(Registration number Reg. No. 2005/018545/08)

Annual Financial Statements for the year ended 28 February 2015

## Directors' Report

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The directors have pleasure in submitting their report on the annual financial statements of Narrative Foundation NPC for the year ended 28 February 2015.

### 1. Incorporation

The company was incorporated on 23 May 2005. It started operation on 01 November 2005.

### 2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

### 3. General review

The main objective of the association is:

- To promote critical thinking and responsible action.
- To strengthen social fabric and
- To support community development activities.

### 4. Directors

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

H Sliep  
Y Sliep  
A Van Der Maas  
S Van Dyk

### 5. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

# Narrative Foundation NPC

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Annual Financial Statements for the year ended 28 February 2015

## Statement of Financial Position as at 28 February 2015

Figures in Rand	Note(s)	2015	2014
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		63,431	36,520
<b>Total Assets</b>		<b>63,431</b>	<b>36,520</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated surplus		60,039	33,440
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable		3,392	3,080
<b>Total Equity and Liabilities</b>		<b>63,431</b>	<b>36,520</b>

## Narrative Foundation NPC

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### Statement of Comprehensive Income

Figures in Rand	Note(s)	2015	2014
Donations and fees received		300,135	201,696
Operating expenses		(273,536)	(194,705)
<b>Operating surplus</b>		<b>26,599</b>	<b>6,991</b>
<b>Surplus for the year</b>		<b>26,599</b>	<b>6,991</b>

### Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
<b>Balance at 01 March 2013</b>	<b>26,449</b>	<b>26,449</b>
<b>Surplus for the year</b>	<b>6,991</b>	<b>6,991</b>
<b>Balance at 01 March 2014</b>	<b>33,440</b>	<b>33,440</b>
<b>Surplus for the year</b>	<b>26,599</b>	<b>26,599</b>
<b>Balance at 28 February 2015</b>	<b>60,039</b>	<b>60,039</b>



## Narrative Foundation NPC

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Annual Financial Statements for the year ended 28 February 2015

### Statement of Cash Flows

Figures in Rand	Note(s)	2015	2014
<b>Cash flows from operating activities</b>			
Cash generated from operations	4	26,911	7,271
<b>Total cash movement for the year</b>		<b>26,911</b>	<b>7,271</b>
Cash at the beginning of the year		36,520	29,249
<b>Total cash at end of the year</b>		<b>63,431</b>	<b>36,520</b>

# Narrative Foundation NPC

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Annual Financial Statements for the year ended 28 February 2015

## Accounting Policies

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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. 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.

#### 1.1 Financial instruments

##### Financial instruments at amortised cost

Debt instruments, as defined in 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 the end of 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 so, an impairment loss is recognised.

## Narrative Foundation NPC

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### Notes to the Annual Financial Statements

Figures in Rand	2015	2014
<b>2. Directors emoluments</b>		
For services as directors	-	-
Other emoluments	42,000	34,395
	<b>42,000</b>	<b>34,395</b>
<b>3. Taxation</b>		
No provision has been made for 2015 tax as the association has no taxable income.		
<b>4. Cash generated from operations</b>		
Surplus before taxation	26,599	6,991
<b>Changes in working capital:</b>		
Accounts payable	312	280
	<b>26,911</b>	<b>7,271</b>

## Narrative Foundation NPC

(Registration number Reg. No. 2005/018545/08)

Annual Financial Statements for the year ended 28 February 2015

### Detailed Income Statement

Figures in Rand	Note(s)	2015	2014
<b>Revenue</b>			
Donations received		300,135	201,696
<b>Operating expenses</b>			
Auditors remuneration		3,390	3,080
Bank charges		1,314	1,272
Community development projects		196,821	120,283
Computer expenses		2,692	5,400
Printing, stationery and sundries		148	1,815
Salaries		66,671	58,115
Secretarial fees		2,500	3,250
Telephone		-	95
Transport		-	1,395
		<b>273,536</b>	<b>194,705</b>
<b>Surplus for the year</b>		<b>26,599</b>	<b>6,991</b>