



**KwaZulu Natal Society of Arts
(Registration number 004-833 NPO)
Annual financial statements
for the year ended 31 March 2025**

MPVR Cloud Accountants
Chartered Accountants (SA)
Registered Auditors

**These annual financial statements have been audited in compliance with the applicable requirements of the Non profit Organisation Act of 1997.
Issued 30 September 2025**

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

General Information

Country of incorporation and domicile

South Africa

Nature of business and principal activities

To foster the development of art in Kwazulu Natal

Members

Elizabeth Ampofo	President
Rachel Baasch	Vice President
Thobekile Shange	Secretary
Onwell Msomi	Treasurer
Robin Moodley	Member
Ismael Mahomed	Member
Paul Jones	Member
Richard Gevers	Member
Rohini Amratlal	Member
Bandile Mbuli	Member
Nondumiso Mbambo	Member
Niamh Walsh-Vorster	resigned 2 April 2025

Registered office

166 Bulwer Road
Durban
4001

Business address

166 Bulwer Road
Durban
4001

Postal address

Postnet Suite 150
Private Bag X04
Dalbridge
4014

Auditors

MPVR Cloud Accountants
Chartered Accountants (SA)
Registered Auditors

Company registration number

004-833 NPO

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Non profit Organisation Act of 1997.

Preparer

The annual financial statements were independently compiled by:
Monique Kurvers

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Non profit Organisation Act of 1997.

Preparer

Monique Kurvers

Published

30 September 2025

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

Board of Councils' Responsibilities and Approval

The Board of Council are required by the Non profit Organisation Act of 1997, 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 association 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 accounting policies as set out below. 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 accounting policies as set out below and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The Board of Council 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 Board of Council have reviewed the association's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the association 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 association's annual financial statements. The annual financial statements have been examined by the association's external auditors and their report is presented on page 6 - 8.

The annual financial statements set out on pages 9 to 19, which have been prepared on the going concern basis, were approved by the Board of Council on 30 September 2025 and were signed on its behalf by:

Approval of annual financial statements



Elizabeth Ampofo

29/11/2025

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

Board of Councils' Report

The members have pleasure in submitting their report on the annual financial statements of KwaZulu Natal Society of Arts for the year ended 31 March 2025.

1. Nature of business

KwaZulu Natal Society of Arts was incorporated in South Africa with interests in the Non-profit industry. The company operates in South Africa.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with accounting policies as set out in Note 1 and the requirements of the Non profit Organisation Act of 1997. 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. Auditors

MPVR Cloud Accountants continued in office as auditors for the association for 2025.

At the AGM, the Board of Council will be requested to reappoint MPVR Cloud Accountants as the independent external auditors of the association and to confirm Mr Matthew van Rensburg as the designated lead audit partner for the 2026 financial year.

4. Secretary

The company secretary is Thobekile Shange.

5. Members

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

Members

Elizabeth Ampofo	President
Rachel Baasch	Vice President
Thobekile Shange	Secretary
Onwell Msomi	Treasurer
Robin Moodley	Member
Ismael Mahomed	Member
Paul Jones	Member
Richard Gevers	Member
Rohini Amratlal	Member
Bandile Mbuli	Member
Nondumiso Mbambo	Member
Niamh Walsh-Vorster	Member

Changes

Resigned Wednesday, 02
April 2025

There have been no changes to the directorate for the period under review.

6. Events after the reporting period

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

KwaZulu Natal Society of Arts

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Annual Financial Statements for the year ended 31 March 2025

Board of Councils' Report

7. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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

8. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Non profit Organisation Act of 1997.

9. Litigation statement

The association becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The association is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

The annual financial statements set out on pages 9 to 19, which have been prepared on the going concern basis, were approved by the board of directors on 30 September 2025, and were signed on its behalf by:

Approval of annual financial statements



Elizabeth Ampofo
29/11/2025

Tuesday, 30 September 2025



Independent Auditor's Report

To the Shareholder of KwaZulu Natal Society of Arts

Qualified Opinion

We have audited the annual financial statements of KwaZulu Natal Society of Arts (the company) set out on pages 9 to 19, which comprise the statement of financial position as at 31 March 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 annual financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the annual financial statements present fairly, in all material respects, the financial position of KwaZulu Natal Society of Arts as at 31 March 2025, and its financial performance and cash flows for the year then ended, in accordance with the accounting policies as set out in Note 1 and the requirements of the Non profit Organisation Act of 1997.

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the council to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly it was impracticable for us to extend our examination beyond the receipts actually recorded.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Basis of preparation

We draw your attention to note 1 in the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the association's own accounting policies to satisfy the needs of the board council. As a result, the financial statements may not be suitable for another purpose.



Independent Auditor's Report

Other Information

The Board of Council are responsible for the other information. The other information comprises the information included in the document titled "KwaZulu Natal Society of Arts annual financial statements for the year ended 31 March 2025", which includes the Board of Councils' Report as required by the Non profit Organisation Act of 1997 and the supplementary information as set out on pages 20 to 21. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, [insert description of matter]. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the [insert description of other information that is misstated] affected by this matter.

Responsibilities of the Directors for the Annual Financial Statements

The Board of Council are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Non profit Organisation Act of 1997, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the 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 Board of Council either intend 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 Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent Auditor's Report

- 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 Board of Council.
- Conclude on the appropriateness of the Board of Council use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of 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.

A handwritten signature in black ink, appearing to read "Matthew van Rensburg", is written over a horizontal line.

MPVR Cloud Accountants
Matthew van Rensburg
Director
Chartered Accountants (SA)
Registered Auditors

30 September 2025
Durban

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	2	89,658	177,192
Current Assets			
Inventories	3	60,664	99,855
Trade and other receivables	4	11,541	82,079
Cash and cash equivalents	5	1,505,696	9,237
		1,577,901	191,171
Total Assets		1,667,559	368,363
Equity and Liabilities			
Equity			
Accumulated loss		(709,966)	(888,537)
Liabilities			
Non-Current Liabilities			
Loan from member	6	235,752	235,752
Loan from staff	7	-	55,000
		235,752	290,752
Current Liabilities			
Trade and other payables	8	2,141,773	966,148
Total Liabilities		2,377,525	1,256,900
Total Equity and Liabilities		1,667,559	368,363

KwaZulu Natal Society of Arts

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Annual Financial Statements for the year ended 31 March 2025

Statement of Comprehensive Income

Figures in Rand	Note(s)	2025	2024
Revenue	9	4,508,603	5,720,183
Cost of sales	10	(2,065,913)	(3,058,952)
Gross profit		2,442,690	2,661,231
Other income	11	1,913,144	642,069
Operating expenses	12	(4,186,339)	(4,115,514)
Operating profit (loss)		169,495	(812,214)
Investment revenue	14	9,902	626
Finance costs	15	(826)	(1,162)
Profit (loss) for the year		178,571	(812,750)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		178,571	(812,750)

KwaZulu Natal Society of Arts

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Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Equity

Figures in Rand	Accumulated loss	Total equity
Balance at 01 April 2023	(75,787)	(75,787)
Loss for the year	(812,750)	(812,750)
Other comprehensive income	-	-
Total comprehensive loss for the year	(812,750)	(812,750)
Balance at 01 April 2024	(888,537)	(888,537)
Profit for the year	178,571	178,571
Other comprehensive income	-	-
Total comprehensive income for the year	178,571	178,571
Balance at 31 March 2025	(709,966)	(709,966)

KwaZulu Natal Society of Arts

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Annual Financial Statements for the year ended 31 March 2025

Statement of Cash Flows

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash receipts from customers		6,492,285	6,297,075
Cash paid to suppliers and employees		(4,938,902)	(6,485,235)
Cash generated from (used in) operations	19	1,553,383	(188,160)
Interest income		9,902	626
Finance costs		(826)	(1,162)
Net cash from operating activities		1,562,459	(188,696)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(11,000)	(11,500)
Cash flows from financing activities			
Net movement of loans from shareholders		-	235,752
Repayments of other financial liabilities		(55,000)	55,000
Net movement in project control -NAC		-	(181,544)
Net cash from financing activities		(55,000)	109,208
Total cash movement for the year		1,496,459	(90,988)
Cash and cash equivalents at the beginning of the year		9,237	100,225
Total cash at end of the year	5	1,505,696	9,237

KwaZulu Natal Society of Arts

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Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. 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 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

The association reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. During the current year, the directors determined that the useful lives of certain items of surveillance equipment should be shortened, due to developments in technology.

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to increase the depreciation expense in the current financial year and for the next 3 years, by the following amounts:

1.2 Property, plant and equipment

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

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

Item	Depreciation method	Average useful life
Leasehold property	Straight line	30 Years
Furniture and fixtures	Straight line	5 Years
IT equipment	Straight line	3 Years
Catering equipment	Straight line	5 Years
Equipment (Arts Cafe)	Straight line	5 Years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

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Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.2 Property, plant and equipment (continued)

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

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

1.3 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 and trade payables. They 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.

1.4 Inventories

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

1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model may be impaired.

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

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

1.6 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.

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Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.7 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

1.8 Revenue

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

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

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand

2025

2024

2. Property, plant and equipment

	2025			2024		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Leasehold property	2,261,427	(2,188,880)	72,547	2,261,427	(2,098,788)	162,639
Furniture and fixtures	28,995	(28,995)	-	28,995	(28,995)	-
IT equipment	230,091	(230,091)	-	230,091	(226,399)	3,692
Catering equipment	169,157	(152,046)	17,111	158,157	(147,296)	10,861
Total	2,689,670	(2,600,012)	89,658	2,678,670	(2,501,478)	177,192

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
Leasehold property	162,639	-	(90,092)	72,547
IT equipment	3,692	-	(3,692)	-
Catering equipment	10,861	11,000	(4,750)	17,111
	177,192	11,000	(98,534)	89,658

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Leasehold property	252,731	-	(90,092)	162,639
Furniture and fixtures	8,708	-	(8,708)	-
IT equipment	6,511	-	(2,819)	3,692
Catering equipment	-	11,500	(639)	10,861
	267,950	11,500	(102,258)	177,192

3. Inventories

Shop Inventory	31,712	47,414
Art Cafe Stock	28,952	52,441
	60,664	99,855

4. Trade and other receivables

Trade receivables	3,128	53,471
Deposits	500	500
Sales control	7,913	28,108
	11,541	82,079

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3,500	2,500
Bank balances	1,502,196	6,737
	1,505,696	9,237

KwaZulu Natal Society of Arts

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
6. Loan from member		
Marc Kalina	(235,752)	(235,752)
This loan is unsecured, interest - free and repayable over 12 months.		
7. Loan from staff		
At amortised cost		
Angela Shaw	-	55,000
This loan is unsecured, interest - free and repayable over 12 months.		
Non-current liabilities		
At amortised cost	-	55,000
8. Trade and other payables		
VAT	52,868	107,670
Trade payables	365,858	611,336
Reimbursement Account	1,915	-
Other payroll payables	3,334	22,090
Deposits received	85,611	4,240
Conditional Grant - FirstRand Trust Craft Ranges	1,407,597	-
Conditional Grant - Rand Mutual Assurance YAP	200,000	-
Conditional Grant - NAC ArtResearchLAB	8,726	-
Cafe Functions Tip Control	-	2,580
Artist payout control	12,206	116,526
Salary control account	3,658	101,706
	2,141,773	966,148
9. Revenue		
Sale of goods-Gallery	584,833	949,608
Sale of goods-Shop	1,388,681	1,887,783
Sale of goods-Arts Cafe	2,535,089	2,882,792
	4,508,603	5,720,183
10. Cost of sales		
Sale of goods		
Cost of goods sold	835,077	1,172,795
Rendering of services		
Cost of services	88,050	560,882
Cost of manufactured goods		
Raw materials consumed	1,142,786	1,325,275
	2,065,913	3,058,952

KwaZulu Natal Society of Arts

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Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
11. Other income		
Funding Income Artbank Interns	136,800	298,200
Grant Income - NAC ArtResearchLAB	166,274	-
Grant Income - FirstRand Trust Craft Ranges	392,403	-
Sundry income	230,067	214,163
Subscription Membership-Gallery	40,391	32,141
Donation recieved	931,535	91,670
Sundry function recoveries	15,674	5,895
	1,913,144	642,069
12. Operating expenses		
Operating expenses include the following expenses:		
Depreciation and amortisation	98,534	102,258
Employee costs	2,048,939	2,467,630
Research and development costs	1,319	-
13. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		
Property, plant and equipment	98,534	102,258
14. Investment revenue		
Interest revenue		
Bank	9,902	626
15. Finance costs		
Bank	826	1,162
16. Auditor's remuneration		
Fees	29,135	16,687
17. Employee cost		
Employee costs		
Basic	2,009,776	2,421,012
UIF	14,901	19,446
WCA	5,141	3,277
SDL	19,121	23,895
	2,048,939	2,467,630
18. Taxation		
Non provision of tax		

No provision has been made for taxation as the association is exempt from taxation in terms of Section 30 of the Income Tax act.

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
19. Cash generated from (used in) operations		
Net profit (loss) before taxation	178,571	(812,753)
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	98,534	102,258
Investment income	(9,902)	(626)
Finance costs	826	1,162
Changes in working capital:		
(Increase) decrease in inventories	39,191	10,178
(Increase) decrease in trade and other receivables	70,538	(65,177)
Increase (decrease) in trade and other payables	1,175,625	576,795
	1,553,383	(188,163)

20. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The board of council 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 association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The board of council are not aware of any new material changes that may adversely impact the association. 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 association.

21. Events after the reporting period

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

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Revenue			
Sale of goods-Gallery		584,833	949,608
Sale of goods-Shop		1,388,681	1,887,783
Sale of goods-Arts Cafe		2,535,089	2,882,792
	9	4,508,603	5,720,183
Cost of sales			
Opening stock		(99,855)	(110,033)
Purchases		(883,936)	(1,723,499)
Cost of manufactured goods		(1,142,786)	(1,325,275)
Closing stock		60,664	99,855
	10	(2,065,913)	(3,058,952)
Gross profit		2,442,690	2,661,231
Other income			
Funding Income Artbank Interns		136,800	298,200
Grant Income - NAC ArtResearchLAB		166,274	-
Grant Income - FirstRand Trust Craft Ranges		392,403	-
Sundry income		230,067	214,163
Membership fees		40,391	32,141
Donations received		931,535	91,670
Sundry function recoveries		15,674	5,895
		1,913,144	642,069
Expenses (Refer to page 21)		(4,186,337)	(4,115,517)
Operating profit (loss)		169,497	(812,217)
Investment income	14	9,902	626
Finance costs	15	(826)	(1,162)
		9,076	(536)
Surplus/(Deficit) for the year		178,573	(812,753)

KwaZulu Natal Society of Arts

(Registration number: 004-833 NPO)

Annual Financial Statements for the year ended 31 March 2025

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Operating expenses			
Accounting fees		(151,942)	(92,052)
Advertising		(11,584)	(22,430)
Auditors remuneration	16	(29,135)	(16,687)
Bad debts		-	(2,011)
Bank charges		(125,024)	(161,547)
Cleaning		(86,904)	(75,052)
Commission paid		(2,831)	(6,250)
Computer expenses		(74,643)	(58,619)
Consulting and professional fees		(43,465)	(28,402)
Damaged/missing Artworks		(2,400)	(200)
Depreciation, amortisation and impairments		(98,534)	(102,258)
Employee costs		(2,048,939)	(2,467,630)
Entertainment		(40,730)	(49,465)
Fines and penalties		(15,626)	-
Function expenses		(4,750)	(500)
Gas and burning		(73,590)	(81,613)
IT expenses		(28,444)	(20,312)
Insurance		(38,184)	(34,129)
License fees		(3,600)	(38,830)
Losses due to thefts		-	(8,884)
Municipal expenses		(357,715)	(272,306)
Office Expenses		-	(198)
Postage		(417)	-
Printing and stationery		(43,210)	(55,290)
Project Costs - FirstRand Trust Craft Ranges		(315,629)	-
Project Costs - NAC ArtResearchLAB		(109,469)	-
Repairs and maintenance		(67,339)	(121,429)
Research and development costs		(1,319)	-
Security		(179,378)	(159,400)
Small assets acquisition		(43,793)	(37,880)
Staff welfare		(136,032)	(96,726)
Subscriptions		(21,518)	(15,161)
Sundry expenses		-	(26,608)
Telephone and fax		(4,894)	800
Travel - local		(25,299)	(64,448)
		(4,186,337)	(4,115,517)