



**THE OWL HOUSE FOUNDATION (NPC)**  
**NO.1999 / 000317 / 08**  
**NIEU-BETHESDA**

FINANCIAL STATEMENTS - 30 JUNE 2019

**THE OWL HOUSE FOUNDATION (NPC), NO. 1999/000317/08**

**NIEU-BETHESDA**

**FINANCIAL STATEMENTS - 30 JUNE 2019**

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**THE OWL HOUSE FOUNDATION (NPC), NO. 1999 / 000317 / 08**

**NIEU-BETHESDA**

**INDEPENDENT REVIEWER'S REPORT FOR THE YEAR ENDED**

**30 JUNE 2019**

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**To the Members of The Owl House Foundation (NPC), No. 1999 / 000317 / 08**

We have reviewed the accompanying financial statements of The Owl House Foundation (NPC), that comprise the statement of financial position as at 30 June 2019, income statement for the year ended 30 June 2019, statement of changes in equity, cashflow statement and a summary of significant accounting policies and other explanatory notes, and the directors' report as set out on pages 1 - 2.

**Management's Responsibility for the Financial Statements**

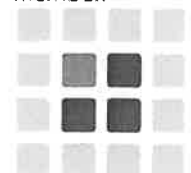
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with International Standards on Review Engagements ISRE 2400, Engagements to Review Historical Financial Statements. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements. A review of financial statements in accordance with ISRE 2400 consists primarily of making inquiries of management and other within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review also requires performance of additional procedures when the practitioner becomes aware of matters that cause the practitioner to believe the financial statements as a whole may be misstated.

2/...

Member:



We believe that the evidence we have obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

The procedures performed in a review are less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

#### **Events after reporting date**

During the year under review it came to our attention that a contract for the digitisation of archival material is under dispute with the contractor.


The total sum of R 44 000.00 was paid for the fulfillment of the contract, but the project was not delivered. The directors have liaised with the contractor and due to non performance have cancelled the contract.

The directors have requested that archival material still in the possession at the contractor be returned to the Owl House Foundation. No action was forthcoming in this regard and the matter has been handed to SAHRA for further action.

The cancellation of the contract due to non performance will result in a contingent loss as the work will have to be redone.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of The Owl House Foundation (NPC) as at 30 June 2019 and of its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards for Small and Medium-sized Entities.

  
\_\_\_\_\_  
**B.R. BURGER**

Date: 03/10/2019

NAME OF PRACTITIONER  
PROFESSIONAL BODY  
PRACTICE NO  
ADDRESS

BRENDON ROLAND BURGER  
SAIBR 618  
BAPIR 009  
38 SOMERSET STREET  
GRAAFF-REINET  
6280

## **THE OWL HOUSE FOUNDATION (NPC), NO. 1999/000317/08**

### **NIEU-BETHESDA**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019**

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#### **TO THE MEMBERS**

Your Directors have pleasure in submitting the report together with the Reviewed Financial Statements for the year ended 30 June 2019.

#### **NATURE OF BUSINESS**

The Company's business is to manage the structure, contents and admission to the Public, of the building known as "The Owl House", a Museum situated at Erf 306, Nieu-Bethesda, Eastern Cape.

#### **STATE OF THE COMPANY'S AFFAIRS**

The State of the Company's affairs are fully detailed in the statements accompanying this report and we have no further comments to make.

#### **DIRECTORS**

The elected Directors for the year were :

J.J Nel

Business Address:

Postal Address:

Cnr Church and Grave Street, Nieu-Bethesda, 6286

Poste Restante, Nieu-Bethesda, 6286

C.P Coetzee

Business Address:

Postal Address:

Riverdene Farm, Nieu-Bethesda, 6286

P.O Box 125, Graaff-Reinet, 6280

A.M. Schep

Business Address:

Postal Address:

Ruspunt, Nieu-Bethesda, 6286

Poste Restante, Nieu-Bethesda, 6286

F.U.A de Stefanis  
Business Address:  
Postal Address:

1 Martin Street, Nieu-Bethesda, 6286  
1 Martin Street, Nieu-Bethesda, 6286

A.L Graaff  
Business Address:

Murraysfield, Cnr. Church and Grave Street  
Nieu-Bethesda, 6286

Postal Address:

Murraysfield, Cnr. Church and Grave Street  
Nieu-Bethesda, 6286

S.J Graham  
Business Address:  
Postal Address:

86 Stockenstroom Street, Graaff-Reinet, 6280  
86 Stockenstroom Street, Graaff-Reinet, 6280

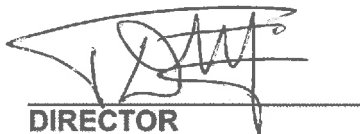
L.Fouché  
Business Address:  
Postal Address:

37 Park Street, Graaff-Reinet, 6280  
37 Park Street, Graaff-Reinet, 6280

D.J.S van der Merwe  
Business Address:  
Postal Address:

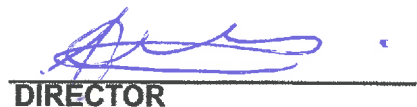
12 Young Avenue, Houghton Estate, Johannesburg, 2198  
12 Young Avenue, Houghton Estate, Johannesburg, 2198

The report of the Directors and the annual Financial Statements were approved by the Directors and is signed on their behalf by :



DIRECTOR

Date: 25/11/2019



DIRECTOR

Date: 25/11/2019

THE OWL HOUSE FOUNDATION (NPC), NO. 1999 / 000317 / 08

NIEU-BETHESDA

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Notes	2019 R	2018 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
		1,716,544	1,646,093
Land and Buildings	3	465,778	465,778
Moveable Assets	4	11,310	23,949
Investments	5	1,239,456	1,156,366
<b>CURRENT ASSETS</b>			
		273,040	332,228
Bank		89,874	122,845
Cash on Hand		36,266	39,988
Stock on Hand		141,986	166,930
Staff Loans		50	0
EFT / Card Deposits		4,864	2,465
<b>TOTAL ASSETS</b>		<u>1,989,584</u>	<u>1,978,321</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
		1,957,758	1,897,221
Retained Income		1,957,758	1,897,221
<b>CURRENT LIABILITIES</b>			
		31,826	81,100
Accounts Payable	6	31,826	81,100
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,989,584</u>	<u>1,978,321</u>

THE OWL HOUSE FOUNDATION (NPC), NO. 1999 / 000317 / 08

NIEU-BETHESDA

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 R	2018 R
Revenue	7	1,030,383	1,132,481
Cost of Sales	8	(184,460)	(173,471)
<b>GROSS PROFIT / (LOSS)</b>		<u>845,923</u>	<u>959,010</u>
Other Income	9	30,023	29,906
Operating Expenses	10	(897,617)	(860,115)
<b>OPERATING PROFIT / (LOSS)</b>		<u>(21,671)</u>	<u>128,801</u>
Interest Received	11	83,090	65,203
<b>NET PROFIT / (LOSS)</b>		<u><u>61,419</u></u>	<u><u>194,004</u></u>



THE OWL HOUSE FOUNDATION (NPC), NO. 1999/000317/08

NIEU-BETHESDA

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING

30 JUNE 2019

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	<u>Retained Income</u>	<u>Total</u>
Balance as at 30 June 2016	1,618,163	1,618,163
Net Profit / (Loss)	<u>85,054</u>	<u>85,054</u>
Balance as at 30 June 2017	1,703,217	1,703,217
Net Profit / (Loss)	<u>194,004</u>	<u>194,004</u>
Balance as at 30 June 2018	1,897,221	1,897,221
Net Profit / (Loss)	61,419	61,419
Prior year adjustment	<u>(882)</u>	<u>(882)</u>
Balance as at 30 June 2019	<u><u>1,957,758</u></u>	<u><u>1,957,758</u></u>

THE OWL HOUSE FOUNDATION (NPC), NO. 1999/000317/08

NIEU-BETHESDA

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	2019 R	2018 R
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>	55,368	237,893
Net Profit / (Loss)	61,419	194,004
Adjustments for:		
Depreciation	17,888	13,183
Interest Received	(83,090)	(65,203)
Operating Profit / (Loss) before Working Capital Changes	(3,783)	141,984
Working Capital Changes	(23,057)	30,706
(Increase) / Decrease in Stock on Hand	24,944	(15,702)
(Increase) / Decrease in Trade Receivables	1,273	(12,254)
Increase / (Decrease) in Trade Payables	(49,274)	58,662
Cash Generated From Operations	(26,840)	172,690
Prior year Adjustment	(882)	0
Interest Received	83,090	65,203
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>	(88,339)	(265,744)
Investments Made	(83,090)	(265,201)
(Increase) / Decrease in Moveable Assets	(5,249)	(543)
<b>NET CASHFLOW FOR YEAR</b>	(32,971)	(27,851)
<b>BANK AT BEGINNING OF YEAR</b>	122,845	150,696
<b>BANK AT END OF YEAR</b>	89,874	122,845

**THE OWL HOUSE FOUNDATION (NPC), NO. 1999/000317/08**

**NIEU-BETHESDA**

**NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2019**

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**1. BASIS OF PREPARATION**

The annual Financial Statements are prepared in accordance with the requirements of Statements of General Accepted Accounting Practice

The measurement basis used is historical cost except for certain assets which were revalued.

**2. ACCOUNTING POLICIES**

There has been no changes in the Accounting Policies during the period.

The following are the principle Accounting Policies used in the preparation of the Financial Statements:

**2.1 REVENUE RECOGNITION**

Revenue is generally recognised when it is probable that economic benefits will flow to the Enterprise and the amount of revenue and cost in respect of the transaction can be measured reliably.

**2.2 MOVEABLE ASSETS**

Furniture and fixtures are stated at cost and depreciated over their estimated useful lives.

Depreciation is not provided on land and buildings as they are considered to be of an investment nature.

**3. LAND AND BUILDINGS**

	2019 R	2018 R
Details of Properties Erf 303 & 304 Nieu-Bethesda held under Title Deed T55060/2003		
Purchase Price : 23/06/2003	371,195	371,195
Additions	<u>94,583</u>	<u>94,583</u>
	<u>465,778</u>	<u>465,778</u>

A register containing the information required by Reg. 25(3) of the Companies Regulations, 2011 is available for inspection at the Registered Office of the Company.

	2019 R	2018 R
<b>4. MOVEABLE ASSETS</b>		
<b>Furniture &amp; Fixtures</b>	11,310	23,949
Opening Balance	164,149	163,606
Purchases	5,249	543
Depreciation	(158,088)	(140,200)
	<u>11,310</u>	<u>23,949</u>
<b>5. INVESTMENTS</b>		
FNB 6 Month Fixed Deposit	1,165,208	1,156,366
FNB 7 Day Notice Deposit	74,248	0
	<u>1,239,456</u>	<u>1,156,366</u>
<b>6. ACCOUNTS PAYABLE</b>		
KFEC Sales Owing	13,586	7,613
Trade Creditors	0	55,247
Provision for Audit/Review Fees	18,240	18,240
	<u>31,826</u>	<u>81,100</u>
<b>7. REVENUE</b>		
Sale of Goods	307,105	318,636
Entrance Tickets	723,278	813,845
	<u>1,030,383</u>	<u>1,132,481</u>
<b>8. COST OF SALES</b>		
Purchases	159,516	189,173
Opening Stock	166,930	151,228
Closing Stock	(141,986)	(166,930)
	<u>184,460</u>	<u>173,471</u>
<b>9. OTHER INCOME</b>		
Donations	18,323	15,206
Membership Fees	11,700	14,700
	<u>30,023</u>	<u>29,906</u>

	2019 R	2018 R
<b>10. OPERATING EXPENSES</b>		
Accounting Secretarial Services	15,611	9,401
Advertising, Printing and Stationery	14,897	23,268
- Printing and Stationery	14,780	18,152
- Advertising	117	5,116
Audit/Review Fees	21,373	19,595
Africlock Fees	1,610	1,368
Archiving Expenses	0	3,000
Bank Charges	33,314	37,604
Book Binding	1,190	0
Cleaning, Office Supplies and Refreshments	8,435	8,528
Computer Expenditure	4,120	4,520
Consulting and Professional Fees	19,286	25,990
Crafters Support Costs	31,465	0
- Rezoning Cost	31,465	0
Depreciation	17,888	13,183
Donations	2,295	0
Gift & Honorarium	2,650	0
Insurance	13,219	9,863
Internet Charges	7,860	9,815
Licences and Permits	689	583
Membership Fees - SAMA	370	370
Municipal Expenses	43,238	38,874
Professional Fees	7,500	0
- Glass Restoration Project	7,500	0
Repairs and Maintenance	18,334	22,417
- Alarms and Security	0	2,250
- Airconditioner Services	1,348	0
- Borehole Repairs	6,645	0
- Buildings	2,641	2,003
- Camel Yard Repairs	0	1,777
- Commemorative Bench Project	666	0
- Garden Improvements / Maintenance / Tools	320	2,430
- Other	6,714	13,957
Salaries and Wages	608,138	576,966
Staff Uniforms	0	2,641
Telephone and Fax	10,822	9,201
- Renewal Post Box & Postage	565	60
- Telephone	10,257	9,141
Transport and Freight	0	431
Travel and Entertainment	1,733	6,708
Website Maintenance	8,640	15,929
Workmans Compensation	1,342	5,663
Workshop Expenses PPC	1,598	0
Visionary Team Expenses	0	14,198
- Bench Project	0	7,538
- Meals & Accommodation	0	6,660
	<u>897,617</u>	<u>860,115</u>

	2019 R	2018 R
<b>11. INTEREST RECEIVED</b>		
FNB	<u>83,090</u>	<u>65,203</u>
<b>12. TAXATION</b>		
Net Profit / (Loss)	<u>61,419</u>	<u>194,004</u>
Tax Rate 28% (2018 : 28%)		
Tax Exempt		