A year with no income

Worked example • Example Community Project (fictional)

Year ended 28 February 2026. The project started the year with R150 saved from the previous year. It received no income and paid R150 in bank charges. It had no other assets or debts.

Income and expenses for the year

Income received	**R0**
Bank charges paid	**R150**
Deficit for the year	**R150**

Financial position at 28 February 2026

Bank balance (total assets)	**R0**
Liabilities (amounts owed)	**R0**
Accumulated funds at year end	**R0**

Why the figures balance

Opening funds of R150 less the R150 deficit leave R0. That equals the closing assets of R0 less liabilities of R0. The opening R150 belongs to the previous year.

Try it with your own figures

Learning template for a simple cash example. Use your bank records and enter the period that belongs to your organisation.

Organisation _____

Period from _____ to _____

Income and expenses

Total income received	**R** _____
Total expenses paid	**R** _____
Surplus or (deficit) = income less expenses	**R** _____

At the end of the period

Total assets, including the closing bank balance	**R** _____
Total liabilities	**R** _____
Closing funds = total assets less liabilities	**R** _____

Check your result

For a simple case like page 1, opening funds plus the surplus (or less the deficit) should equal closing funds. Include other assets, amounts owed and transactions if they apply.

Use this sheet for practice. For a SARS application, use your actual financial statements where required. SARS lists them for organisations operating for at least 12 months and for each year covered by a retrospective application.