

**CRUSADE FOR CHRIST**  
(Registration No. NPO Registration No: 058-158)

**ANNUAL FINANCIAL STATEMENTS**

**31 December 2017**

# CRUSADE FOR CHRIST

(Registration No. NPO Registration No: 058-158)

## ANNUAL FINANCIAL STATEMENTS

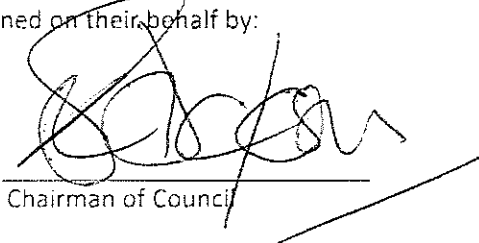
31 DECEMBER 2017

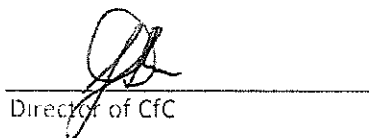
These annual financial statements include statements which have been audited in compliance with the International Financial Reporting Standards for Small and Medium-sized Entities:

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Independent auditor's report	2 - 3
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Statement of financial position	6
Statement of income and retained earnings	7
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### Approval

The annual financial statements set out on pages 1 to 16 are the responsibility of the Council and have been approved for publication by the Council on 13-03-2018 and are signed on their behalf by:

  
Chairman of Council

  
Director of CfC

# Renette Bodenstein & Co

CHARTERED ACCOUNTANT (SA)

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF CRUSADE FOR CHRIST

### Report on the financial statements

We have audited the financial statements of Crusade for Christ set out on pages 6 to 14, which comprise the statement of financial position as at 31 December 2017, the statement of income and retained earnings, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Council's responsibility for the financial statements

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

### Auditor's responsibility

Our responsibility is to express an opinion on these 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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 financial

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

### **Basis for qualified opinion**

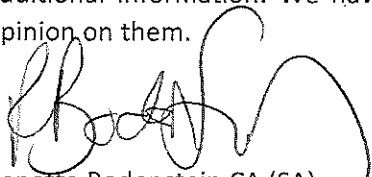
In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collection from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond receipts actually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

### **Qualified opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Crusade for Christ as at 31 December 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

### **Other matter**

Without qualifying our opinion, we draw attention to the fact that the supplementary schedules set out on pages 15 - 16 do not form part of the annual financial statements and are presented as additional information. We have not audited these schedules and accordingly do not express an opinion on them.



Renette Bodenstein CA (SA)  
Registered Auditor

Date of report 4 April 2018

# **CRUSADE FOR CHRIST**

## **COUNCIL'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017**

The Council has pleasure in submitting its report together with the annual financial statements for the year ended 31 December 2017.

### **General review**

The organisation was established solely for the receiving of donations, for the creation and continuous funding of Christian, multi-racial community, ministering to those in need of restoration in their relationship with God, their family, church and society.

No matter which is material to the financial affairs of the organisation has occurred between 31 December 2017 and the date of approval of the financial statements.

### **Statements of responsibility**

The Council is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information.

The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

The Council is also responsible for the organisation's system of internal financial controls. This is designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss.

The financial statements have been prepared on the going concern basis, since the Council have every reason to believe that the organisation has adequate resources in place to continue in operation for the foreseeable future.

These financial statements will be presented at the organisation's annual general meeting for the approval.

### **Financial results**

The results of the organisation for the year under review are fully set out in the attached financial statements and require no further comment.

### **Events after the end of the reporting period**

No material fact or circumstance, which requires comment, has occurred between the reporting date and the date of this report.

# **CRUSADE FOR CHRIST**

## **COUNCIL'S REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

### **Council Members**

The Council members during the accounting period and up to the date of this report were as follows:

B Dickson - Chairman

Rev. GL Sander - Director

Rev. R Seku

Q Elliott

L Wiles

M Sagadaven

### **Auditors**

Renette Bodenstein & Company will continue in office.

# CRUSADE FOR CHRIST

## STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2017

	Notes	2017 R	2016 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1 352 000	1 381 800
<b>Current assets</b>			
Trade and other receivables		-	5 513
Bank, cash and cash equivalents	5	175 007	280 060
<b>Total assets</b>		<u>1 527 007</u>	<u>1 667 373</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Retained earnings		1 512 198	1 655 342
<b>Current liabilities</b>			
Trade and other payables		14 809	12 031
<b>Total equity and liabilities</b>		<u>1 527 007</u>	<u>1 667 373</u>

## CRUSADE FOR CHRIST

### STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 R	2016 R
<b>Income</b>			
Revenue		725 408	1 001 609
Other income		419 557	234 265
<b>Total income</b>		<u>1 144 965</u>	<u>1 235 874</u>
<b>Expenses</b>			
Operating expenses		<u>(1 288 109)</u>	<u>(1 107 700)</u>
<b>(Loss) / profit for the year</b>		<u>(143 144)</u>	<u>128 174</u>
<b>Retained earnings at the beginning of the year</b>		1 652 342	1 524 168
<b>Retained earnings at the end of the year</b>		<u><u>1 509 198</u></u>	<u><u>1 652 342</u></u>



## CRUSADE FOR CHRIST

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Retained earnings R	Total R
Balance at 28 February 2015	1 527 168	1 527 168
Net profit for the year	128 174	128 174
Balance at 31 December 2016	<u>1 655 342</u>	<u>1 655 342</u>
Net loss for the year	(143 144)	(143 144)
Balance at 31 December 2017	<u><u>1 512 198</u></u>	<u><u>1 512 198</u></u>

# CRUSADE FOR CHRIST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 R	2016 R
<b>Net cash withdrawn from / retained in operating activities</b>		(105 053)	179 906
Cash receipts from customers		730 921	1 001 609
Cash paid to suppliers and employees		(1 255 489)	(1 055 968)
<b>Cash generated from operating activities</b>		(524 589)	(54 359)
Interest received		7 398	6 827
Sundry income		412 159	227 438
 <b>Cash flows from investing activities</b>		-	(31 097)
Purchase of property, plant and equipment		-	(31 097)
To increase operating capacity		-	(31 097)
<b>Net decrease / increase in cash and cash equivalents</b>		(105 053)	148 809
<b>Cash and cash equivalents at beginning of year</b>		280 060	131 251
<b>Cash and cash equivalents at end of year</b>		<u>175 007</u>	<u>280 060</u>

# CRUSADE FOR CHRIST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 1. General information

The organisation was established solely for the receiving of donations for the creation and continuous funding of Christian, multi-racial community, ministering to those in need of restoration in their relationship with God, their family, church and society.

### 2. Basis of preparation and accounting policies

The basis of preparation and principal accounting policies of the company, are consistent in all material respects with those applied in the previous year, except as otherwise indicated.

#### *Basis of preparation*

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. They are presented in South African Rands.

#### *Property, plant and equipment*

Property, plant and equipment are tangible assets that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- (b) are expected to be used during more than one period.

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of an item is its cash price equivalent at the recognition date.

The organisation adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits. The carrying amount of the replaced part is also derecognised. All other repairs and maintenance and servicing costs are charged to profit or loss as incurred.

Land is not depreciated.

## CRUSADE FOR CHRIST

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

Depreciation on other assets is charged to profit or loss so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

	Useful life / Rate
Plant and equipment	5 years
Computer equipment	3 years
Office equipment	3 years
Motor vehicles	5 years
Furniture and fittings	6 years

The residual values, useful lives and economic consumption patterns for all items of property, plant and equipment are reviewed if there is an indication that there has been a significant change since the last reporting date. If necessary, the consequent depreciable amounts, rates and methods are adjusted. Any changes are accounted for as changes in accounting estimates and included in profit or loss for the current and future periods by adjusting the relevant future depreciation charges.

Gains or losses on disposal are calculated by deducting the carrying value from the proceeds on the date of disposal and are included in profit or loss.

#### *Trade receivables*

Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

#### *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

Bank overdrafts are shown separately in current liabilities.

# CRUSADE FOR CHRIST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### Trade payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into South African Rands using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

### *Revenue*

Revenue comprises the invoiced value of sales, recorded in the financial Revenue, which excludes Value Added Tax, comprises of the sale of goods, rendering of services and interest received.

Revenue is measured at the fair value of the consideration received or receivable, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from the rendering of services is recognised on an accrual basis in accordance with the substance of the agreement.

Interest received is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the company.

### *Financial instruments*

Financial instruments as stated on the balance sheet include cash and bank balances, investments, receivables, trade creditors and borrowings. These instruments are stated at amortised cost. Where there is objective evidence of impairment, provisions are made accordingly.

### *Cash flows*

For the purposes of the cash flow statement, cash includes cash on hand, deposits held on call with banks, investments in money market instruments, and bank overdrafts.

### *Comparative figures*

Where necessary, comparative figures have been reclassified to conform with changes in presentation for the current year.

# CRUSADE FOR CHRIST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 3. Key sources of estimation uncertainty

Determining the carrying amounts of some assets and liabilities requires estimation of the effects of uncertain future events on those assets and liabilities at the end of the reporting period. These estimates require management's most difficult, subjective or complex judgements. As the number of variables and assumptions affecting these uncertainties increases, so judgements become more subjective, and the potential for material adjustments to the carrying amounts of assets and liabilities increases.

### 4. Property, plant and equipment

	2017			2016		
	Cost	Accum. depreciation.	Carrying value	Cost	Accum. depreciation.	Carrying value
	R	R	R	R	R	R
Land and buildings	1 352 000	-	1 352 000	1 352 000	-	1 352 000
Computer equipment	36 753	(36 753)	-	36 753	(36 753)	-
Office equipment	75 162	(75 162)	-	75 162	(75 162)	-
Motor vehicles	314 500	(314 500)	-	314 500	(284 700)	29 800
Other	173 446	(173 446)	-	173 446	(173 446)	-
Furniture and fittings	61 843	(61 843)	-	61 843	(61 843)	-
	<u>2 013 704</u>	<u>(661 704)</u>	<u>1 352 000</u>	<u>2 013 704</u>	<u>(631 904)</u>	<u>1 381 800</u>

The carrying amounts for 2016 can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Other	Deprec. / impairment	Carrying value at end of year
	R	R	R	R	R	R
Land and buildings	1 352 000	-	-	-	-	1 352 000
Motor vehicles	29 800	-	-	-	(29 800)	-
	<u>1 381 800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29 800)</u>	<u>1 352 000</u>

Land and buildings are described as:

Lot 21, Farm Grasmere 8729, Marina Beach, KZN.

# CRUSADE FOR CHRIST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	R	R
<b>5. Bank, cash and cash equivalents</b>		
Bank and cash balances at year end comprise:		
Petty cash	8 844	9 031
Deposits Refundable	-	7 566
First National Bank Limited - Cheque account	17 499	56 358
First National Bank Limited - Money market	146 291	200 894
First National Bank Limited - CFC Ministries	2 373	6 210
	<u>175 007</u>	<u>280 060</u>

# CRUSADE FOR CHRIST

## DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 R	2016 R
Revenue	725 408	1 001 609
Donation income	725 408	925 299
Special projects	-	76 310
Other income	419 557	234 265
Accommodation and Rental	167 604	135 132
Courses, Functions and Bible sales	99 990	61 995
Designated gifts	-	8 310
Discount received for cash	1 791	1 881
Insurance claims	119 317	9 349
Interest received	7 398	6 827
Rent received	4 500	-
Skills development funds income	7 407	8 065
Sundry Income	11 550	2 706
Total Income	1 144 965	1 235 874
Operating expenses	(1 288 109)	(1 107 700)
Accounting and auditing fee	7 668	9 900
Advertising & promotions	6 349	7 395
Bank charges	13 899	12 859
Catering	11 663	35 528
Cleaning	11 322	7 049
Computer expenses	6 394	5 645
Consumables	63 127	25 890
Depreciation	29 800	64 784
Electricity and water	90 895	52 528
Gas	13 468	11 165
Grounds maintenance	56 013	56 046
Honorariums	-	7 560
Insurance	32 678	21 376
Interest paid	931	7 885
Internet hosting fees	9 217	5 224
Interpreters fees	-	3 880
Land surveying costs	-	7 410
Leasing & hire costs	7 711	7 063
Motor vehicle expenses	21 572	24 132



## CRUSADE FOR CHRIST

### DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

Outreach expenses	8 970	-
Personal gifts	-	12 625
Printing, postage and stationery	20 834	10 996
Protective clothing	831	2 102
Repairs and maintenance	418 458	330 838
Salaries and wages	279 178	175 053
Security	12 596	20 014
Seminars and conferences	2 000	-
Skills development costs	23 255	90 152
South Coast Bible School expenses	126 051	74 224
Staff uniforms	583	306
Telephone & fax	9 841	9 010
Transport and fuel costs	-	4 401
Travel & accommodation	2 805	4 658
<b>Net (loss) / profit for the period</b>	<b>(143 144)</b>	<b>128 174</b>