

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

**ANNUAL FINANCIAL STATEMENTS**

**31 December 2018**

# CRUSADE FOR CHRIST

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

## ANNUAL FINANCIAL STATEMENTS

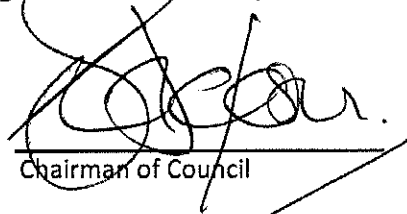
31 DECEMBER 2018


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

	Pages
Independent auditor's report	2 - 3
Directors' report	4 - 5
Statement of financial position	6
Statement of income and retained earnings	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the annual financial statements	10 - 14
Detailed income statement	15 - 16

### 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 17 FEB 2019 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 2018, 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**

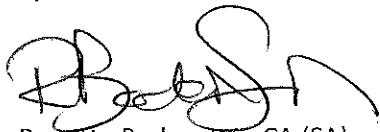
In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collection from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond receipts actually 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 2018, 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 28/03/2019

# **CRUSADE FOR CHRIST**

## **COUNCIL'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

The Council has pleasure in submitting its report together with the annual financial statements for the year ended 31 December 2018.

### **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 2018 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 2018**

### **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 2018

	Notes	2018 R	2017 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1 352 000	1 352 000
		<u>1 352 000</u>	<u>1 352 000</u>
<b>Current assets</b>			
Bank, cash and cash equivalents	5	149 328	175 007
		<u>149 328</u>	<u>175 007</u>
<b>Total assets</b>		<u>1 501 328</u>	<u>1 527 007</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Retained earnings		1 491 319	1 512 198
		<u>1 491 319</u>	<u>1 512 198</u>
<b>Current liabilities</b>			
Trade and other payables		10 009	14 809
		<u>10 009</u>	<u>14 809</u>
<b>Total equity and liabilities</b>		<u>1 501 328</u>	<u>1 527 007</u>

# CRUSADE FOR CHRIST

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 R	2017 R
<b>Income</b>			
Revenue		574 915	725 408
Other income		339 461	419 557
<b>Total income</b>		<u>914 376</u>	<u>1 144 965</u>
<b>Expenses</b>			
Operating expenses		(935 255)	(1 288 109)
<b>(Loss) for the year</b>		<u>(20 879)</u>	<u>(143 144)</u>
<b>Retained earnings at the beginning of the year</b>		<u>1 509 198</u>	<u>1 652 342</u>
<b>Retained earnings at the end of the year</b>		<u><u>1 488 319</u></u>	<u><u>1 509 198</u></u>



## CRUSADE FOR CHRIST

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Retained earnings R	Total R
Balance at 28 February 2016	1 655 342	1 655 342
Net loss for the year	(143 144)	(143 144)
Balance at 31 December 2017	<u>1 512 198</u>	<u>1 512 198</u>
Net loss for the year	(20 879)	(20 879)
Balance at 31 December 2018	<u><u>1 491 319</u></u>	<u><u>1 491 319</u></u>

# CRUSADE FOR CHRIST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 R	2017 R
<b>Net cash withdrawn from operating activities</b>		(25 679)	(105 053)
Cash receipts from customers		574 915	730 879
Cash paid to suppliers and employees		(940 013)	(1 255 489)
<b>Cash generated from operating activities</b>		(365 119)	(524 610)
Interest received		4 797	7 398
Sundry income		334 664	412 159
<b>Net decrease in cash and cash equivalents</b>		(25 679)	(105 053)
<b>Cash and cash equivalents at beginning of year</b>		175 007	280 060
<b>Cash and cash equivalents at end of year</b>		149 328	175 007

# CRUSADE FOR CHRIST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 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 2018

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 2018

### 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 2018

#### 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

	2018			2017		
	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	(314 500)	-
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>(661 704)</u>	<u>1 352 000</u>

The carrying amounts for 2018 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
	<u>1 352 000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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 2018

	2018	2017
	R	R
<b>5. Bank, cash and cash equivalents</b>		
Bank and cash balances at year end comprise:		
Petty cash	5 411	8 844
Deposits Refundable	-	-
First National Bank Limited - Cheque account	15 775	17 499
First National Bank Limited - Money market	110 138	146 291
First National Bank Limited - CFC Ministries	18 004	2 373
	<u>149 329</u>	<u>175 007</u>

# CRUSADE FOR CHRIST

## DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	<b>2018</b>	<b>2017</b>
	<b>R</b>	<b>R</b>
Revenue	574 915	725 408
Donation income	574 915	725 408
Gross profit	574 915	725 408
Other income	339 461	419 557
Accommodation and rental	201 154	167 604
Courses, Functions and Bible sales	131 182	111 540
Fund raising	1 250	-
Skills development income	-	7 407
Rent received	-	4 500
Discount received for cash	1 078	1 791
Interest received	4 797	7 398
Insurance claims	-	119 317
Total Income	914 376	1 144 965
Operating expenses	(935 255)	(1 288 109)
Accounting fees	8 348	7 668
Advertising & promotions	13 572	6 349
Bank charges	8 724	13 898
Catering	28 783	11 663
Cleaning	12 632	11 322
Computer expenses	6 154	6 394
Consumables	19 171	63 127
Depreciation	-	29 800
Electricity & water	78 553	90 895
Gas	13 431	13 468
Grounds maintenance	58 768	56 013
Insurance	47 214	32 678
Interest paid	43	931
Internet hosting fees	-	9 217
Motor vehicle expenses	14 412	21 572
Outreach expenses	-	8 970
Printing, postage and stationery	28 024	28 545
Protective clothing	1 914	831
Repairs & maintenance	124 468	418 458
Salaries & wages	284 360	279 178



## CRUSADE FOR CHRIST

### DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

Security	12 318	12 596
Seminars and conferences	460	3 852
Skills development costs	23 263	23 255
South Coast Bible School expenses	137 579	124 199
Staff uniforms	-	583
Telephone & fax	13 064	9 841
Travel & accommodation	-	2 805
<b>(Loss) before taxation</b>	<b>(20 879)</b>	<b>(143 144)</b>
<b>Net (loss) for the period</b>	<b><u>(20 879)</u></b>	<b><u>(143 144)</u></b>