

**BAPTIST THEOLOGICAL COLLEGE OF SOUTHERN AFRICA NPC
(REGISTRATION NUMBER 2003/019542/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Baptist Theological College of Southern Africa NPC

(Registration number: 2003/019542/08)

Annual Financial Statements for the year ended 31 December 2019

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Educational institution
Directors	Rev G.G. Wood Rev G.E. Johnston Rev J. Luface Mr G.M. Ngamlana Mrs J.V. Sukhdeo Mr G.M. Taylor Mr G. Heydenrych
Registered office	260 Oak Avenue Randburg 2194
Postal address	P.O. Box 50710 Randburg Johannesburg 2125
Bankers	The Standard Bank of South Africa Ltd
Auditors	Wayne Smith and Associates Registered Auditors
Company registration number	2003/019542/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: B.D. Boake CA(SA)
Issued	13 February 2020

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Independent Auditor's Report

To the members of Baptist Theological College of Southern Africa NPC

Report on the Audit of the Annual Financial Statements

Qualified opinion

We have audited the annual financial statements of Baptist Theological College of Southern Africa NPC (the company) set out on pages 8 to 18, which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and 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 Baptist Theological College of Southern Africa NPC as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for qualified opinion

As is common with similar organisations, it is not feasible for the company to institute accounting controls over the cash collections from donations prior to the initial entry of the collections in the accounting records. Accordingly, it is impractical for us to extend our examination beyond the receipt 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1 and 3) (IESBA Code) and other independence requirements applicable to performing audits of annual financial statements in . We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in . We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Baptist Theological College of Southern Africa NPC annual financial statements for the year ended 31 December 2019", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the Detailed Statement of Financial Performance, which we obtained prior to the date of this report. 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Independent Auditor's Report

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, 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 company'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 directors either intend to liquidate the company 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.

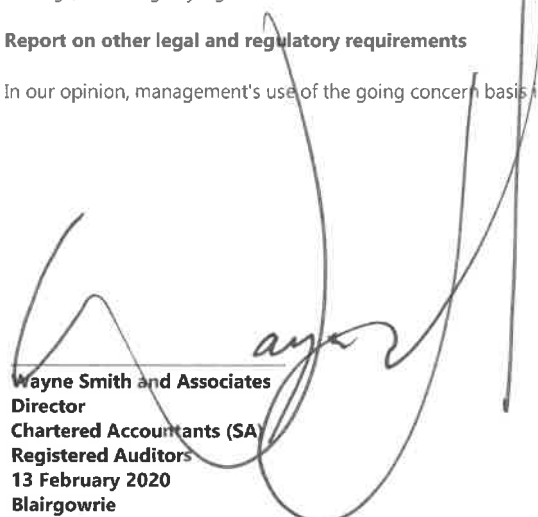
As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.
- 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company 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 directors 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.

Report on other legal and regulatory requirements

In our opinion, management's use of the going concern basis in the preparation of the financial statements is considered to be appropriate.



Wayne Smith and Associates
Director
Chartered Accountants (SA)
Registered Auditors
13 February 2020
Blairgowrie

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2019

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 company 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 International Financial Reporting Standard for Small and Medium-sized Entities. 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 International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The directors 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 directors have reviewed the company's cash flow forecast for the year to 31 December 2020 and, in the light of this review and the current financial position, They are satisfied that the company 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 company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 3.

The annual financial statements set out on pages 8 to 20, which have been prepared on the going concern basis, were approved by the board on 13 February 2020 and were signed on its behalf by:



Rev G.G. Wood



Mr G. Heydenrych

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2019

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Baptist Theological College of Southern Africa NPC for the year ended 31 December 2019.

1. Nature of business

Baptist Theological College of Southern Africa NPC was incorporated in South Africa with interests in the Christian education 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 International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. 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. Directors

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

Directors	Changes
Rev G.G. Wood	
Rev G.E. Johnston	
Rev J. Luface	
Mr G.M. Ngamlana	
Mrs J.V. Sukhdeo	
Mr G.M. Taylor	
Mr G. Heydenrych	
Mr J.F. Buchanan	Resigned 17 December 2019
Rev S.O. Cranna	Resigned 17 December 2019
Mr H.E. Twine	Resigned 17 December 2019
Dr G. Aziz	Resigned 17 December 2019
Rev A. Scheepers	Resigned 17 December 2019

4. Events after the reporting period

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

5. Going concern

The directors 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 company is in a sound financial position and that it has access to resources to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. 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 company.

6. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company 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.

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Directors' Report

7. Secretary

The company did not have a secretary during the year.

8. Date of authorisation for issue of annual financial statements

The annual financial statements have been authorised for issue by the directors on 28 March 2019. No authority was given to anyone to amend the annual financial statements after the date of issue.

9. Acknowledgements

Thanks and appreciation are extended to all of our shareholders, staff, suppliers and consumers for their continued support of the company.

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Statement of Financial Position as at 31 December 2019

	Notes	2019 R	2018 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	819 338	407 260
Current Assets			
Inventories	3	240 258	240 666
Trade and other receivables	4	272 854	442 988
Other financial assets	5	1 397 070	4 727 993
Cash and cash equivalents	6	4 781 311	3 397 219
		6 691 493	8 808 866
Total Assets		7 510 831	9 216 126
Equity and Liabilities			
Equity			
Special purpose funds and revaluation reserve		2 223 405	2 799 967
Retained income		4 610 805	5 274 679
		6 834 210	8 074 646
Liabilities			
Current Liabilities			
Trade and other payables	7	676 621	1 141 480
Total Equity and Liabilities		7 510 831	9 216 126

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Statement of Comprehensive Income

	Notes	2019 R	2018 R
Revenue	8	6 572 594	5 139 613
Other income	9	2 682 809	3 441 849
Operating expenses		(10 887 318)	(8 368 037)
Operating surplus	10	(1 631 915)	213 425
Investment revenue	11	579 291	432 931
Fair value adjustments	12	-	(23 940)
Finance costs	13	(109)	-
Surplus before taxation		(1 052 733)	622 416
Taxation	14	-	-
Surplus for the year		(1 052 733)	622 416
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(1 052 733)	622 416

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Statement of Changes in Equity

	Revaluation reserve	Special purpose funds	Special purpose funds and revaluation reserve	Retained income	Total equity
	R	R	R	R	R
Balance at 01 January 2018	187 703	3 154 011	3 341 714	4 110 516	7 452 230
Profit for the year	-	-	-	622 416	622 416
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	622 416	622 416
Net decrease in special purpose funds	-	(541 747)	(541 747)	541 747	-
Total changes	-	(541 747)	(541 747)	541 747	-
Balance at 01 January 2019	187 703	2 612 264	2 799 967	5 274 679	8 074 646
Loss for the year	-	-	-	(1 052 733)	(1 052 733)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1 052 733)	(1 052 733)
Reversal of fair value on investments	(187 703)	-	(187 703)	-	(187 703)
Net decrease in special purpose funds	-	(388 859)	(388 859)	388 859	-
Total changes	(187 703)	(388 859)	(576 562)	388 859	(187 703)
Balance at 31 December 2019	-	2 223 405	2 223 405	4 610 805	6 834 210

Note

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Statement of Cash Flows

	Notes	2019 R	2018 R
Cash flows from operating activities			
Cash (used in) generated from operations	16	(1 929 166)	747 989
Interest income		579 291	430 642
Finance costs		(109)	-
Net cash from operating activities		(1 349 984)	1 178 631
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(596 850)	(384 266)
Movement in other financial assets		3 330 926	124 121
Dividends received		-	2 289
Net cash from investing activities		2 734 076	(257 856)
Total cash movement for the year			
Cash at the beginning of the year		3 397 219	2 476 444
Total cash at end of the year	6	4 781 311	3 397 219

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Annual Financial Statements for the year ended 31 December 2019

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 International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, 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 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	10 years
Machinery	Straight line	5 years
Furniture and fittings	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	3 years
Computer software	Straight line	2 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.

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.

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Accounting Policies

1.2 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. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

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Accounting Policies

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 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.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.7 Revenue

Revenue is recognised to the extent that the company 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 company. 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.

1.8 Borrowing costs

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

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2019

Notes to the Annual Financial Statements

	2019 R	2018 R
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2. Property, plant and equipment

	2019			2018		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Leasehold property	352 485	(20 316)	332 169	-	-	-
Computer equipment	385 602	(331 124)	54 478	332 573	(249 938)	82 635
Computer software	111 318	(111 318)	-	111 318	(111 318)	-
Furniture and fixtures	535 649	(166 087)	369 562	389 893	(96 924)	292 969
Office equipment	123 132	(60 483)	62 649	77 555	(46 618)	30 937
Plant and equipment	9 199	(8 719)	480	9 199	(8 480)	719
Total	1 517 385	(698 047)	819 338	920 538	(513 278)	407 260

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciation	Closing balance
Leasehold property	-	352 485	(20 316)	332 169
Plant and equipment	719	-	(239)	480
Furniture and fittings	292 969	145 757	(69 164)	369 562
Office equipment	30 937	45 579	(13 867)	62 649
Computer equipment	82 635	53 029	(81 186)	54 478
	407 260	596 850	(184 772)	819 338

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Closing balance
Plant and equipment	959	-	(240)	719
Furniture and fixtures	29 524	277 420	(13 975)	292 969
Office equipment	12 979	26 424	(8 466)	30 937
Computer equipment	24 932	80 422	(22 719)	82 635
	68 394	384 266	(45 400)	407 260

3. Inventories

Goods in transit	11 475	-
Textbooks	228 783	240 666
	240 258	240 666

4. Trade and other receivables

Trade receivables	646 849	669 019
Provision for bad debts	(500 000)	(300 000)
Prepayments	126 005	6 316
Deposits	-	9 631
Sundry debtors	-	58 022
	272 854	442 988

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Notes to the Annual Financial Statements

	2019 R	2018 R
5. Other financial assets		
At fair value		
Alexander Forbes Investment Solutions Superior Yield Unit Trusts	-	3 847 787
Stanlib Equity Fund	-	278 494
	-	4 126 281
At amortised cost		
Nedbank Corporate Saver 2	-	95 578
Standard Bank Money Market Call Account	897 070	6 134
Standard Bank Money Market Educational Guarantee Account	500 000	500 000
	1 397 070	601 712
Total other financial assets	1 397 070	4 727 993
Current assets		
At fair value	-	4 126 281
At amortised cost	1 397 070	601 712
	1 397 070	4 727 993
The fair value of listed investments are based on the quoted market price at reporting period date.		
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	2 521	11 776
Bank balances	235 228	359 078
Short-term deposits	4 543 562	3 026 365
	4 781 311	3 397 219
7. Trade and other payables		
Trade payables	(1)	119 125
Amounts received in advance	270 584	424 516
Other payables	-	2 249
Leave pay provision	117 319	200 583
Deposits received	64 573	67 703
Other payables	224 146	327 304
	676 621	1 141 480
8. Revenue		
Sale of textbooks	336 473	279 924
Fee income	6 236 121	4 859 689
	6 572 594	5 139 613

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Notes to the Annual Financial Statements

	2019 R	2018 R
9. Other income		
Bad debts recovered	33 538	-
Church givings	477 951	572 641
Donations received	144 651	1 799 036
Other income	77 529	36 176
Profit on sale of investments	187 703	-
Rental income	623 918	631 726
Special purpose funds donations	1 137 519	402 270
	2 682 809	3 441 849
10. Operating surplus		
Operating surplus for the year is stated after accounting for the following:		
Listed financial assets - local	187 703	-
Depreciation	184 772	45 400
Employee costs	5 145 386	4 307 182
11. Investment revenue		
Dividend revenue		
Listed financial assets - Local	-	2 203
REIT dividends	-	86
	-	2 289
Interest revenue		
Bank	579 291	430 642
	579 291	432 931
12. Fair value adjustments		
Other financial assets	-	(23 940)
13. Finance costs		
Interest paid	109	-
14. Taxation		
The company is not liable for tax as it is an exempt organisation for tax purposes.		
15. Auditor's remuneration		
Fees	89 907	55 018

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Annual Financial Statements for the year ended 31 December 2019

Notes to the Annual Financial Statements

	2019 R	2018 R
16. Cash (used in) generated from operations		
Surplus before taxation	(1 052 733)	622 416
Adjustments for:		
Depreciation	184 772	45 400
Profit on sale of property, plant and equipment	(187 703)	-
Dividends received	-	(2 289)
Interest received	(579 291)	(430 642)
Finance costs	109	-
Fair value adjustments	-	23 940
Changes in working capital:		
Inventories	408	(2 345)
Trade and other receivables	170 134	214 458
Trade and other payables	(464 862)	277 051
	(1 929 166)	747 989

17. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

18. Special Purpose Funds

Fund	Balance at 01 January 2019	Donations received	Amounts utilised	Interest received	Transfers between funds	Balance at 31 December 2019
Bursary Funds	727 160	430 169	(400 000)	-	-	757 329
Prize Funds	-	55 683	(55 683)	-	-	-
Principal's Discretionary Fund	1 113 547	400 643	(457 656)	-	174 294	1 230 828
Needy Student Funds	174 294	-	-	-	(174 294)	-
Hidden Treasure	43 577	38 144	(76 175)	-	-	5 546
Maintenance Funds						
Gutsche donation	553 686	212 880	(536 864)	-	-	229 702
	2 612 264	1 137 519	(1 526 378)	-	-	2 223 405

19. Comparative figures

Certain comparative figures have been reclassified.

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.

21. Events after the reporting period

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

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Annual Financial Statements for the year ended 31 December 2019

Detailed Statement of Financial Performance

	Notes	2019 R	2018 R
Revenue	8	6 572 594	5 139 613
Other income			
Bad debts recovered	9	33 538	-
Church giving	9	477 951	572 641
Dividends received	11	-	2 289
Donations received	9	144 651	1 799 036
Interest received	11	579 291	430 642
Other income	9	77 529	36 176
Profit on sale of investments	9	187 703	-
Rental income	9	623 918	631 726
Special purpose funds donations	9	1 137 519	402 270
		3 262 100	3 874 780
Expenses (Refer to page 20)		(10 887 318)	(8 235 874)
Operating surplus	10	(1 052 624)	778 519
Finance costs	13	(109)	-
Fair value adjustments	12	-	(23 940)
		(109)	(23 940)
Taxation	14	-	-
Surplus for the year		(1 052 733)	754 579

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Annual Financial Statements for the year ended 31 December 2019

Detailed Statement of Financial Performance

	Notes	2019 R	2018 R
Operating expenses			
Accounting fees		-	(24 973)
Advertising		(72 957)	(45 304)
Annual duty		-	(450)
Assessment rates		-	(28 099)
Auditors' remuneration	15	(89 907)	(55 018)
Bad debts		(651 202)	(53 492)
Bank charges		(63 171)	(65 370)
Cleaning		(3 112)	-
Computer expenses		(449 579)	(406 892)
Conferences and events		(138 506)	(477)
Consulting and professional fees		-	(12 160)
Council of higher learning		(10 900)	(8 076)
Council on higher education		(24 846)	-
Depreciation		(184 772)	(45 400)
Deputation		-	(4 000)
Employee costs		(5 145 386)	(4 307 182)
Entertainment		(18 182)	(20 467)
Gifts		(9 620)	(4 055)
Graduation		(66 392)	(35 112)
Insurance		(81 105)	(64 086)
Legal expenses		(6 398)	-
Levies		-	(961)
Library purchases		(343 535)	(309 510)
Misappropriation of funds		(57 013)	-
Motor vehicle expenses		(54 354)	(80 465)
Other general expenses		(4 097)	(53 827)
Postage		(18 386)	(25 086)
Practical ministry		(93 766)	(95 977)
Printing and stationery		(435 906)	(695 708)
Repairs and maintenance		(455 785)	(359 752)
Research grant		(25 535)	(95 907)
Security		(18 732)	(25 595)
Special purpose funds utilised		(1 526 378)	(559 760)
Staff welfare		(89 395)	(83 576)
Sundry expenses		(5 129)	(87 299)
Telephone, internet and fax		(96 946)	(117 591)
Training		(3 463)	(4 456)
Travel - local		(92 913)	(23 692)
Travel - overseas		(2 127)	(12 968)
Utilities		(547 823)	(423 131)
		(10 887 318)	(8 235 874)