

**WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF  
SOUTHERN AFRICA**  
(Registration Number 196-297NPO)  
Annual Financial Statements  
for the year ended 31 December 2020

Draft

# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Annual Financial Statements for the year ended 31 December 2020

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# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Annual Financial Statements for the year ended 31 December 2020

## General Information

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<b>COUNTRY OF INCORPORATION AND DOMICILE</b>	South Africa
<b>DIRECTOR</b>	P Ihlenfeldt
<b>PRESIDENT</b>	J Dreyer
<b>TREASURER</b>	J Dreyer
<b>BUSINESS ADDRESS</b>	103 Queens Drive King William's Town Eastern Cape 5600
<b>INCOME TAX REGISTRATION NUMBER</b>	9063185228
<b>COMPLIER</b>	Andrea Kay Graham QACR cc 29 Bushbuck Ridge Pinetown 3610
<b>INDEPENDENT AUDITOR</b>	Scott and Company Chartered Accountant (SA) 27 Saltfleet Road Westville Durban 3629

# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Annual Financial Statements for the year ended 31 December 2020

## Board's Responsibilities and Approval

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The board is required 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 satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the organisation, and explain the transactions and financial position of the business of the organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the organisation and supported by reasonable and prudent judgements and estimates.

The board acknowledges that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the board 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisations business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The board is 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the board has no reason to believe that the organisation will not be a going concern in the foreseeable future. The financial statements support the viability of the organisation.

The financial statements have been audited by the independent auditing firm, Andrea Kay Graham, who have been given unrestricted access to all financial records and related data, including minutes of all meetings. The board believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's PLEASE SELECT AN APPLICABLE REPORT audit report is presented on page 5.

The annual financial statements as set out on pages 6 to 11 were approved by the Board on \_\_\_\_\_ and were signed on its behalf by:

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P Ihlenfeldt

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J Dreyer

# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

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## Management's Report

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The Board present their report for the year ended 31 December 2020.

### 1. Review of activities

#### Main business and operations

The principal activity of the organisation is and there were no major changes herein during the year.

The operating results and statement of financial position of the organisation are fully set out in the attached financial statements and do not in our opinion require any further comment.

### 2. 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.

The boards have given due consideration to the potential impact of the COVID-19 pandemic on the organisation's ability to continue as a going concern. The boards believe that the pandemic will have a temporary impact on the business activities. Notwithstanding these short-term challenges the boards are of the view that the organisation has sufficient resources to continue as a going concern.

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

#### Impact of COVID-19

Since 31 December 2019, the spread of the COVID-19 virus has severely impacted most economies around the globe. In any countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic lockdown. Global stock markets have also experienced great volatility and a significant weakening. Government and the South African Reserve Bank have responded with monetary and fiscal interventions to stabilise economic conditions.

The boards have determined that these events are non-adjusting events. Accordingly, the financial position and results of operations for the year ended 29 February 2020 have not been adjusted to reflect the impact. The duration and impact of the COVID-19 pandemic, as well the effectiveness of Government and The South African Reserve Bank responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial performance and financial position of the organisation for future periods. The boards are not aware of any other material event which occurred after the reporting date and up to the date of this report.

### 4. Board

The board of the organisation during the year and to the date of this report are as follows:

P Ihlenfeldt  
J Dreyer

# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

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## **Management's Report**

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### **5. Independent Auditor**

Scott and Company was the independent auditor for the year under review.

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# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Financial Statements for the year ended 31 December 2020

## Statement of Financial Position

Figures in R	Notes	2020	2019
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	3 647	6 364
<b>Current Assets</b>			
Trade and other receivables	4	361 900	352 725
Cash and cash equivalents	5	466 821	450 015
		<b>828 721</b>	<b>802 740</b>
<b>Total Assets</b>		<b>832 368</b>	<b>809 104</b>
<b>Reserves and Liabilities</b>			
<b>Reserves</b>			
Designated funds	6	833 272	762 479
Surplus / (deficit) for the year		(904)	46 625
		<b>832 368</b>	<b>809 104</b>
<b>Total Reserves and Liabilities</b>		<b>832 368</b>	<b>809 104</b>

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# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Financial Statements for the year ended 31 December 2020

## Statement of Comprehensive Income

Figures in R	Note	2020	2019
<b>Revenue</b>		640 905	941 304
Operating costs		(568 004)	(706 408)
<b>Operating surplus</b>		<b>72 901</b>	<b>234 896</b>
Finance income		4 380	6 059
<b>Surplus before distribution</b>		<b>77 281</b>	<b>240 955</b>
Distributed profit	7	(124 810)	(161 586)
<b>(Deficit) / surplus for the year</b>		<b>(47 529)</b>	<b>79 369</b>
Accumulated loss at 1 January 2020		46 625	(32 744)
(Deficit) / surplus for the year		(47 529)	79 369
Accumulated loss at 31 December 2020		<b>(904)</b>	<b>46 625</b>

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# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Financial Statements for the year ended 31 December 2020

## Statement of Cash Flows

Figures in R	2020	2019
<b>Cash flows used in operating activities</b>		
(Deficit) / surplus for the year	(47 529)	79 369
<i>Adjustments for:</i>		
Depreciation of tangible assets	2 717	2 717
Investment income	(4 380)	(6 059)
<b>Operating cash flow before working capital changes</b>	<u>(49 192)</u>	<u>76 027</u>
<i>Working capital changes</i>		
Increase in trade and other receivables	(9 175)	(125 549)
Investment income	4 380	6 059
<b>Net cash flows used in operating activities</b>	<u><b>(53 987)</b></u>	<u><b>(43 463)</b></u>
<b>Cash flows from investing activities</b>		
<b>Cash flows from / (used in) financing activities</b>		
Increase / (decrease) in Designated funds	70 793	(31 002)
<b>Net cash flows from / (used in) financing activities</b>	<u><b>70 793</b></u>	<u><b>(31 002)</b></u>
Net increase / (decrease) in cash and cash equivalents	16 806	(74 465)
Cash and cash equivalents at beginning of the year	450 015	524 480
<b>Cash and cash equivalents at end of the year</b>	<u><b>466 821</b></u>	<u><b>450 015</b></u>

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# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Financial Statements for the year ended 31 December 2020

## Accounting Policies

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### 1. General information

Women's Department of the Baptist Union of Southern Africa is a non-profit organisation.

### 2. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

#### 2.1 Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivables.

#### 2.2 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 in current liabilities on the statement of financial position.

# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

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Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in R

2020

2019

### 3. Property, plant and equipment

	Cost	Accumulated depreciation	2020 Carrying value	Cost	Accumulated depreciation	2019 Carrying value
<i>Owned assets</i>						
Office equipment	15 506	13 851	<b>1 655</b>	15 506	12 634	2 872
IT equipment	12 104	10 112	<b>1 992</b>	12 104	8 612	3 492
	<u>27 610</u>	<u>23 963</u>	<b><u>3 647</u></b>	<u>27 610</u>	<u>21 246</u>	<u>6 364</u>

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2020 Carrying value at end of year
<i>Owned assets</i>					
Office equipment	2 872	-	-	(1 217)	1 655
IT equipment	3 492	-	-	(1 500)	1 992
	<u>6 364</u>	<u>-</u>	<u>-</u>	<u>(2 717)</u>	<u>3 647</u>

### 4. Trade and other receivables

HT Loans	10 000	-
Income Accrual	50 560	39 719
Baptist Union Account	71 433	70 051
Baptist Union Campsite Account	229 374	238 128
Baptist Union Material	533	4 827
	<u>361 900</u>	<u>352 725</u>

### 5. Cash and cash equivalents

#### Favourable cash balances

Cash on hand	8 000	7 322
FNB Current Account	43 689	28 145
Nedbank Account	32 221	21 330
Nedbank Investment	118 541	89 161
FNB Call Account	197 473	239 045
FNB Money Market Account	66 897	65 012
Nedbank Account - C10	-	-
	<u>466 821</u>	<u>450 015</u>

# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

(Registration Number 196-297NPO)

Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in R	2020	2019
<b>6. Designated funds</b>		
<b>Funds</b>		
Assembly Offering Fund	21 000	21 000
Bibleway	45 939	22 078
Bu Mission Fund	(17 300)	(1 300)
Campaign Ten -Hm	(1 033)	(1 033)
Day Of Prayer	(11 040)	200
Dignity Campaign	23 087	21 277
Free State Funds	54 199	54 199
Lace Fund	(3 059)	(3 059)
New Manse	280 022	228 098
Pastors And Wives Conferences	(5 446)	670
Project Dorcas	(6 079)	(11 783)
Randburg Ht Bank	28 927	16 368
Seminar Fund Reload Con	(48 717)	(46 871)
Short Term Missions Fund	39 533	39 533
Wow Accounting	86 672	69 674
	<u>486 705</u>	<u>409 051</u>
<b>Trusts</b>		
College Bursaries	131 645	126 037
Laura Reimer Widows	145 504	158 651
Manse Fund Offering Investment	69 418	68 740
	<u>346 567</u>	<u>353 428</u>
	<u>833 272</u>	<u>762 479</u>
<b>7. Distibuted profit</b>		
Assembly Offering Fund	-	21 000
Manse Fund	124 810	140 586
	<u>124 810</u>	<u>161 586</u>

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# WOMEN'S DEPARTMENT OF THE BAPTIST UNION OF SOUTHERN AFRICA

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Financial Statements for the year ended 31 December 2020

## Detailed Income Statement

Figures in R	2020	2019
<b>Gross Revenue</b>		
Membership fee	40 880	77 050
Administration fees received	870	52 800
Assembly offering	4 560	40 861
BU Grant	-	44 986
Campsite Tuckshop Profit	3 200	-
Hidden Treasure	280 890	327 540
Hidden Treasure: 40% Contributionsutions	310 505	398 067
	<u>640 905</u>	<u>941 304</u>
<b>Other Income</b>		
Investment income	4 380	6 059
	<u>4 380</u>	<u>6 059</u>
	<b><u>645 285</u></b>	<b><u>947 363</u></b>
<b>Expenditure</b>		
Accounting fees	22 996	22 649
Bank charges	12 821	19 049
Board costs	500	22 507
Campsite expenses	4 525	4 816
Computer expenses	6 107	4 113
Conference expenses	2 189	17 393
Depreciation - Tangible assets	2 717	2 717
Equipment costs	18 208	1 120
Hidden Treasure expenses	100 043	151 267
Insurance	4 000	3 095
Office expenses	192	1 964
Postage	-	6 024
Printing, postage and stationery	12 347	17 345
Salaries	334 494	358 556
Security	1 155	-
T & R Leadership	-	4 870
T & R Ministry Wives	2 019	825
Telephone and internet	8 424	9 370
Tithe	-	7 705
Travel - local	35 267	51 023
	<u>568 004</u>	<u>706 408</u>
<b>Surplus before tax</b>	<b><u>77 281</u></b>	<b><u>240 955</u></b>
Distributed profit	(124 810)	(161 586)
<b>(Deficit) / surplus for the year</b>	<b><u>(47 529)</u></b>	<b><u>79 369</u></b>

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