

**BAPTIST THEOLOGICAL COLLEGE OF SOUTHERN AFRICA NPC
(REGISTRATION NUMBER 2003/019542/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Baptist Theological College of Southern Africa NPC

(Registration number: 2003/019542/08)

Annual Financial Statements for the year ended 31 December 2022

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 Rev G.M. Ngamlana Mrs J.V. Sukhdeo Mr G. Heydenrych Dr A.D. Soal Rev C.M. Diesel
Registered office and business address	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 Inc. Chartered Accountants (SA) 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 of South Africa.
Preparer	The annual financial statements were independently compiled by: B.D. Boake CA(SA)
Issued	17 February 2023

Baptist Theological College of Southern Africa NPC

(Registration number: 2003/019542/08)

Annual Financial Statements for the year ended 31 December 2022

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WAYNE SMITH & ASSOCIATES Inc

Registered Accountants, Auditors and Tax Consultants

Reg. No. 1999/025776/21

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Craighall 2024

Unit 14d, Ridgeview Office Park 248 Kent Avenue

Ferndale, Randburg 2194

Independent Auditor's Report

To the members of Baptist Theological College of Southern Africa NPC

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements Baptist Theological College of Southern Africa NPC (the company) set out on pages 8 to 22, which comprise the statement of financial position as at 31 December 2022, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, 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 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for Opinion

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 Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 2022", 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.



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Independent Auditor's Report (continues)

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.

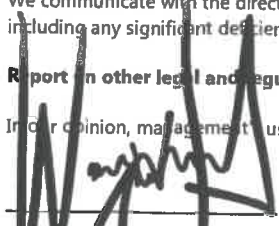
As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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
Wayne Smith and Associates Inc.
Chartered Accountants (SA)
Registered Auditors
24 April 2023
Blairgowrie

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, 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 directors set 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.

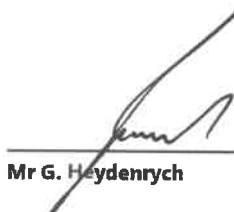
The directors have reviewed the company's cash flow forecast for the year to 31 December 2023 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 - 4.

The annual financial statements set out on pages 6 to 22, which have been prepared on the going concern basis, were approved by the board of directors on 17 February 2023 and were signed on its behalf by:



Rev G.G. Wood



Mr G. Heydenrych

Baptist Theological College of Southern Africa NPC

(Registration number: 2003/019542/08)

Annual Financial Statements for the year ended 31 December 2022

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 2022.

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 of South Africa. 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

Rev G.G. Wood
Rev G.E. Johnston
Rev J. Luface
Rev G.M. Ngamlana
Mrs J.V. Sukhdeo
Mr G. Heydenrych
Prof G.C. Pereira
Dr A.D. Soal
Rev C.M. Diesel

Changes

Resigned 31 December 2022

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 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 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 sufficient borrowing facilities 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.

7. Secretary

The company did not have a secretary during the year.

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

Directors' Report

8. Date of authorisation for issue of annual financial statements

The annual financial statements have been authorised for issue by the directors on 17 February 2023. 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.

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

Statement of Financial Position as at 31 December 2022

	Notes	2022 R	2021 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	803 700	742 849
Other financial assets	3	500 000	500 000
		1 303 700	1 242 849
Current Assets			
Inventories	4	339 850	330 822
Trade and other receivables	5	555 245	353 329
Cash and cash equivalents	6	5 810 184	5 725 209
		6 705 279	6 409 360
Total Assets		8 008 979	7 652 209
Equity and Liabilities			
Equity			
Special purpose funds	7	2 171 761	1 442 520
Retained income		5 094 456	5 464 633
		7 266 217	6 907 153
Liabilities			
Current Liabilities			
Trade and other payables	8	742 762	745 056
Total Equity and Liabilities		8 008 979	7 652 209

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

Statement of Comprehensive Income

	Notes	2022 R	2021 R
Revenue	9	6 750 605	7 081 828
Other income	10	3 326 489	2 841 199
Operating expenses	11	(10 032 955)	(10 078 511)
Operating profit (loss)		44 139	(155 484)
Investment revenue	13	314 925	175 332
Profit for the year		359 064	19 848
Other comprehensive income		-	-
Total comprehensive income for the year		359 064	19 848

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

Statement of Changes in Equity

	Special purpose funds R	Retained income R	Total equity R
Balance at 01 January 2021	1 458 572	5 428 733	6 887 305
Profit for the year	-	19 848	19 848
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	19 848	19 848
Net decrease in special purpose funds	(16 052)	16 052	-
Total changes	(16 052)	16 052	-
Balance at 01 January 2022	1 442 520	5 464 633	6 907 153
Profit for the year	-	359 064	359 064
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	359 064	359 064
Net increase in special purpose funds	729 241	(729 241)	-
Total changes	729 241	(729 241)	-
Balance at 31 December 2022	2 171 761	5 094 456	7 266 217
Note	7		

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

Statement of Cash Flows

	Notes	2022 R	2021 R
Cash flows from operating activities			
Cash receipts from customers		9 889 308	7 139 585
Cash paid to suppliers and employees		(9 866 694)	(7 084 642)
Cash generated from operations	15	22 614	54 943
Interest income		314 925	175 332
Net cash from operating activities		337 539	230 275
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(252 564)	(190 450)
Total cash movement for the year		84 975	39 825
Cash and cash equivalents at the beginning of the year		5 725 209	5 685 384
Total cash at end of the year	6	5 810 184	5 725 209

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

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 of South Africa. The annual financial statements have been prepared on the historical cost basis, 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 fixtures	Straight line	6 Years
Motor vehicles	Straight line	5 Years
Office equipment	Straight line	5 Years
IT 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.

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

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. They 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 or 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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Annual Financial Statements for the year ended 31 December 2022

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.

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Annual Financial Statements for the year ended 31 December 2022

Notes to the Annual Financial Statements

	2022			2021		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Leasehold property	710 642	(166 762)	543 880	559 973	(105 271)	454 702
Plant and machinery	21 198	(11 399)	9 799	9 199	(9 199)	-
Furniture and fixtures	584 685	(400 596)	184 089	554 386	(320 706)	233 680
Office equipment	123 132	(108 461)	14 671	123 132	(93 657)	29 475
IT equipment	483 436	(433 550)	49 886	423 839	(401 871)	21 968
Computer software	114 617	(113 242)	1 375	114 617	(111 593)	3 024
Total	2 037 710	(1 234 010)	803 700	1 785 146	(1 042 297)	742 849

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Leasehold property	454 702	150 668	(61 490)	543 880
Plant and machinery	-	11 999	(2 200)	9 799
Furniture and fixtures	233 680	30 299	(79 890)	184 089
Office equipment	29 475	-	(14 804)	14 671
IT equipment	21 968	59 597	(31 679)	49 886
Computer software	3 024	-	(1 649)	1 375
	742 849	252 563	(191 712)	803 700

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Closing balance
Leasehold property	328 640	172 568	(46 506)	454 702
Plant and machinery	240	-	(240)	-
Furniture and fixtures	295 921	14 583	(76 824)	233 680
Office equipment	45 625	-	(16 150)	29 475
IT equipment	52 723	-	(30 755)	21 968
Computer software	-	3 299	(275)	3 024
	723 149	190 450	(170 750)	742 849

Details of properties

The Baptist Theological College of SA NPC operates from premises owned and made available to the College by the Baptist Union of Southern Africa.

Baptist Theological College of Southern Africa NPC

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Annual Financial Statements for the year ended 31 December 2022

Notes to the Annual Financial Statements

	2022 R	2021 R
3. Other financial assets		
At amortised cost		
Standard Bank Money Market Educational Guarantee Account	500 000	500 000
Non-current assets		
At amortised cost	500 000	500 000
4. Inventories		
Textbooks	339 850	330 822
5. Trade and other receivables		
Trade receivables	503 501	272 602
Deposits	15 666	-
Prepayments	36 078	80 727
	555 245	353 329
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	778	1 249
Bank balances	165 454	114 699
Short-term deposits	5 643 952	5 609 261
	5 810 184	5 725 209

The company does not make use of an overdraft facility and therefore no current assets are at risk for securities.

Baptist Theological College of Southern Africa NPC

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Notes to the Annual Financial Statements

	2022 R	2021 R			
7. Special Purpose Funds					
<p>The special purpose funds consist of donations and bequests received. The movement in the special purpose funds are accounted for on an annual basis and the income and expenses are recognised on an annual basis.</p>					
Fund	Balance at 01 January 2022	Donations received	Amounts utilised	Transfers between funds	Balance at 31 December 2022
Bursary Funds	1 058 787	1 392 444	(700 648)	-	1 750 583
Prize Funds	-	92 702	(60 000)	-	32 702
Principal's Discretionary Fund	263 501	117 020	(164 908)	-	215 613
Hidden Treasure Maintenance Funds	32 295	-	-	-	32 295
Special projects income	74 890	-	(74 158)	-	732
Educational Fund	13 047	192 767	(65 978)	-	139 836
	1 442 520	1 794 933	(1 065 692)	-	2 171 761
8. Trade and other payables					
Amounts due to related parties				16 925	29 902
Amounts received in advance				94 130	253 706
Deposits received				33 090	47 605
Leave pay provision				133 733	133 733
Other payables				-	7 508
Provision for bad debts				392 884	272 602
Provision for bonuses				72 000	-
				742 762	745 056
9. Revenue					
Sale of goods				293 838	362 090
Rendering of services				6 456 767	6 719 738
				6 750 605	7 081 828
10. Other income					
Bad debts recovered				47 100	21 375
Church givings				403 230	414 193
Donations received				343 378	300 184
Other income				33 690	35 460
Rental income				704 159	614 978
Special purpose funds donations				1 794 932	1 455 009
				3 326 489	2 841 199

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Annual Financial Statements for the year ended 31 December 2022

Notes to the Annual Financial Statements

	2022 R	2021 R
11. Operating expenses		
Operating expenses include the following expenses:		
Depreciation and amortisation	191 346	170 750
Employee costs	5 651 677	5 312 231
12. Auditor's remuneration		
Fees	97 888	117 398
13. Investment revenue		
Interest revenue		
Bank	314 925	175 332
14. Taxation		
Non provision of tax		
The company is not liable for tax as it is an exempt organisation for tax purposes.		
15. Cash generated from operations		
Net profit before taxation	359 064	19 848
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	191 346	170 750
Investment income	(314 925)	(175 332)
Changes in working capital:		
(Increase) decrease in inventories	(9 028)	(4 013)
(Increase) decrease in trade and other receivables	(187 786)	57 757
Increase (decrease) in trade and other payables	(16 422)	(14 067)
	22 249	54 943

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Notes to the Annual Financial Statements

	2022 R	2021 R	
16. Directors' and prescribed officer's remuneration			
Executive			
2022			
Directors' emoluments	Part time lecturing	Principal	Total
Other services			
Rev G.G. Wood	45 579	-	45 579
Rev G.E. Johnston	33 225	-	33 225
Rev J. Luface	59 287	-	59 287
Prof G.C. Pereira	-	866 265	866 265
Dr A.D. Soal	13 500	-	13 500
	151 591	866 265	1 017 856
2021			
Directors' emoluments	Part time lecturing	Principal	Total
Other services			
Rev G.G. Wood	64 790	-	64 790
Rev G.E. Johnston	22 385	-	22 385
Rev J. Luface	56 588	-	56 588
Prof G.C. Pereira	-	828 000	828 000
Dr A.D. Soal	13 000	-	13 000
Rev C.M. Diesel	11 800	-	11 800
	168 563	828 000	996 563

17. Related parties

Relationships

Associate

Members of key management

Baptist Union of Southern Africa

Refer to Note 3 of the Directors Report

18. Comparative figures

Certain comparative figures have been reclassified.

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Annual Financial Statements for the year ended 31 December 2022

Notes to the Annual Financial Statements

2022	2021
R	R

19. 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 sufficient borrowing facilities 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.

20. Events after the reporting period

The directors are not aware of any material events 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 2022

Detailed Statement of Financial Performance

	Notes	2022 R	2021 R
Revenue	9	6 750 605	7 081 828
Cost of sales		-	-
Other income			
Bad debts recovered	10	47 100	21 375
Church giving	10	403 230	414 193
Donations received	10	343 378	300 184
Other income	10	33 690	35 460
Rental income	10	704 159	614 978
Special purpose funds donations	10	1 794 932	1 455 009
		3 326 489	2 841 199
Expenses (Refer to page 22)		(10 032 955)	(10 078 511)
Operating profit (loss)		44 139	(155 484)
Investment income	13	314 925	175 332
Profit for the year		359 064	19 848

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Annual Financial Statements for the year ended 31 December 2022

Detailed Statement of Financial Performance

	Notes	2022 R	2021 R
Operating expenses			
Accounting fees		(30 550)	(10 053)
Advertising		(37 055)	(31 648)
Auditor's remuneration	12	(97 888)	(117 398)
Bad debts		(500 004)	(421 483)
Bank charges		(44 792)	(43 627)
Baptist Union of Southern Africa		(25 714)	(20 408)
Board meetings		(2 260)	(2 380)
Book cost of sales		(246 707)	(360 800)
Choir		1 763	(14 043)
Cleaning		(9 683)	(7 831)
Computer expenses		(462 048)	(460 590)
Conferences and events		(34 004)	(47 117)
Council of higher learning		(3 600)	(6 854)
Depreciation		(191 713)	(170 750)
Discount allowed		(16 051)	(30 444)
Educational expenses		(221 922)	(253 004)
Employee costs		(5 651 677)	(5 312 231)
Entertainment		(14 509)	(14 861)
General expenses		(14 629)	(17 410)
Gifts		(3 463)	(8 325)
Graduation		(55 775)	(64 485)
Health and safety		(19 714)	(34 430)
Insurance		(116 723)	(95 779)
Library purchases		(54 032)	(28 029)
Postage		(14 329)	(30 851)
Practical ministry		(50 206)	(57 021)
Printing and stationery		(100 349)	(80 180)
Repairs and maintenance		(312 285)	(350 908)
Research grant		(40 719)	(35 142)
SRC Expenses		(21 923)	(19 169)
Security		(13 690)	(12 615)
Special projects expenditure		-	(3 076)
Special purpose funds utilised		(1 065 691)	(1 471 061)
Staff development		(6 751)	(10 631)
Telephone and website		(71 786)	(80 528)
Travel - local		(23 204)	(6 342)
Travel - overseas		(5 179)	-
Utilities		(454 093)	(347 007)
		(10 032 955)	(10 078 511)