

St Peters Church - Fish Hoek

Reformed Evangelical Anglican Church Of South Africa (REACH SA)

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

St Peters Church - Fish Hoek

Reformed Evangelical Anglican Church Of South Africa (REACH SA)
Annual Financial Statements for the year ended 31 December 2017

INDEX

The reports and statements set out below comprise the annual financial statements presented to the church council:

Index	Page
General Information	2
Statement Of Church Council Responsibilities And Approval	3
Statement Of Income And Expenditure and Balance Sheet	4
Accounting Policies	5
Designated Funds	6
Notes To The Annual Financial Statements	7
Fixed Assets	8

St Peters Church - Fish Hoek

Reformed Evangelical Anglican Church Of South Africa (REACH SA)

Annual Financial Statements for the year ended 31 December 2017

GENERAL INFORMATION

Legal Name	Church of England in South Africa	
Trading Name	Reformed Evangelical Anglican Church Of South Africa (REACH SA)	
Address of Registered Office	PO Box 185 Gillitts 3603	
Address of Church	107a Nelson Road Fish Hoek 7975	
Principal Nature of Business	Preach and teach the Gospel of Jesus Christ crucified and resurrected	
Church Council	Anderson M Beukes D Walmsley A French C Beukes M McClarty A Harding A Pickering J Badach M Louw J	Senior Pastor Rector's Warden Peoples' Warden Treasurer Secretary & PA to Senior Pastor
Other Senior Staff / Workers	Savides S Pienaar C Gibson G Morrison J Anderson B Pienaar M Henrico C Caris C Laubscher E	Assistant Pastor Assistant Pastor Music & Youth Curate Children & Families Co-ordinator Assistant Children's Worker Apprentice Office Administrator Assistant office administrator
Church Bankers	Standard Bank	
Public Benefit Organisation (PBO) number	9,078,996,148	
Annual Financial Statements prepared by	R C Ferguson	

St Peters Church - Fish Hoek

Reformed Evangelical Anglican Church Of South Africa (REACH SA)
Annual Financial Statements for the year ended 31 December 2017

STATEMENT OF CHURCH COUNCIL RESPONSIBILITIES AND APPROVAL

The church council are 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 fairly present the state of affairs of the church as at the end of the financial year and the results of its operations and cash flows for the year then ended.

The annual financial statements are not specifically prepared in accordance with any accounting framework, but rather consistent with appropriate accounting policies as detailed in this set of financial statements. The accounting policies have been consistently applied and supported by reasonable and prudent judgement.

The church council is of the opinion 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 church council is aware that the financial statements reflect liabilities that exceed current assets and has obtained support from the main loan funders that their loans will not be recalled until the church is in a position to replace such funding with alternate funding. The church council is implementing cost savings, restricting expenditure and examining ways in which to increase giving in order to restore the church to a financially secure position.

The annual financial statements set out on pages 4 to 8 which have been prepared on the going concern basis were approved by the church council on 18th April 2017.

Senior Pastor



Name

MURRAY ANDERSON

Treasurer



Name

CRAIG FRENCH

St Peters Church Fish Hoek

Income Statement for the year ended 31st December 2017

	2017	2016
Income:		
Tithes and Offerings	3,437,481	2,827,366
Thank offerings	50,000	93,900
Interest	12,620	15,583
Other income	492,151	35,557
Total Income	3,992,252	2,972,406
Expenditure:		
Income related:		
REACH SA levy	343,747	282,735
Missions	239,800	282,735
	(a) 583,547	565,470
Non-Income related:		
Ministries	323,300	212,176
Employment	2,345,402	2,018,477
Apprentices	299,700	20,940
Administration	276,353	274,139
Property	125,148	142,023
Interest	17,810	27,084
Other	12,863	23,895
	(b) 3,400,576	2,718,734
Total Expenditure (a+b)	3,984,123	3,284,204
Net Surplus (-Deficit)	8,129	-311,798

Balance Sheet as at 31st December 2017

	Notes	2017	2016
RETAINED (Own) FUNDS:			
Balance at beginning of the year		6,921,825	5,480,324
Surplus (-Deficit) for the year		8,129	-311,798
GROW Depreciation		-112,620	
Donation to cover 2016 deficit		350,000	
Member loan donated		250,000	
Transfer from Designated funds		0	1,753,299
Balance at end of the year		7,417,334	6,921,825
Represented by:			
Fixed assets		7,441,296	7,553,743
Bank balances and cash	1	31,719	0
Accounts receivable	2	67,612	3,582
Deposits made	3	6,000	6,000
Total assets		7,546,627	7,563,325
Loan finance	4	-42,211	-569,029
Bank overdraft	1	0	-1,038
Accounts payable	5	-87,082	-71,433
		7,417,334	6,921,825
DESIGNATED FUNDS		312,804	424,898
Bank balances attributable to above		312,804	424,898

St Peters Church Fish Hoek
Notes to the Financial Statements
For the year ended 31st December 2017

Accounting Policies

A Presentation of Financial Statements

The Financial Statements have been prepared to fairly present the results and financial position of the Church. They have been prepared on the historical cost basis, in South African Rands. They incorporate the principal accounting policies set out below and are consistent with the previous period.

B Property, plant, furniture and equipment

Property, plant, furniture and equipment are tangible items that:

- are held for use by the Church in the performance of its activities and / or for administrative purposes, and
- are expected to be used during more than one accounting period.

It is carried at cost less accumulated depreciation.

Properties are registered in the name of the Church of England in South Africa, trading as REACH SA.

Prior to the 2007 year, plant, furniture, equipment etc was written off on purchase via the Income Statement.

Depreciation is calculated using the straight-line method to write down the cost less estimated residual value over the expected useful life which is as follows:

Depreciation on the GROW Project is debited to Accumulated Funds as the GROW Project Income was originally credited directly to Accumulated Funds as neither were "Operating" expense / income items.

Fixed Asset category	Average useful life
Land and buildings	Indefinite
Audiovisual equipment	5 years
Audiovisual equipment - GROW Project	10 years
Furniture and fixtures	6 years
Furniture and fixtures - GROW project	15 years
Lighting, heating - GROW Project	10 years
Plant (Generator)	5 years
Office equipment	5 years
IT equipment	3 years

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in profit and loss in the period of disposal.

C Inventory

No account is taken of unsold books on hand at year end as these are not material.

D Revenue

Revenue is recorded as and when received unless revenue is given and annotated with a specific financial year. Such revenue, if received in the current Financial year but annotated for the following Financial year, is excluded from Revenue in the current reporting year and shown as Revenue pre-paid in the Balance Sheet.

Conversely, such revenue received in the subsequent financial year but annotated for the current Financial year is recorded as Revenue in the current Financial year and accrued as Revenue due in the Balance Sheet.

Interest is recognised using the effective interest method.

St Peters Church Fish Hoek

DESIGNATED FUNDS as at 31st December 2017

	Apprentice Fund	iThemba Pre-School	Soup Kitchen Reserve	Mercy Ministries	Youth / Mag Pastor	Missions Reserve	Earmarked Funds	Masi Bible School	Masi Church Plant	Kid's Ministry	Grow 2016	TOTAL DESIGNATED FUNDS
Balance at beginning of the year	87,456	0	-0	4,143	161,552	94,517	100	7,411	0	0	69,719	424,898
NEW FUNDS received	5,000	16,849	1,885		400,000		1,380			20,000	14,600	459,714
PAID OUT:												
Per column heading	-42,600	-8,368	-1,885	-3,317	-377,454		-1,380		-1,350		-40,454	-476,808
Transport	-3,000											-3,000
MISSION FUNDING:												
INPUT - Matched Rands from Tithes & Offerings						239,800						
Regular missionaries supported:												
AIM - Reyneke Jinx, Dawn 3,100pm						-37,200						
AIM - Swanepoel Grant, Loki 3,100pm						-37,200						
Explore Malawi (Via GWC) 2,000pm x 8						-16,000						
Happy Valley 450pm						-5,400						
Khayelitsha Ministries 2,000pm						-24,000						
Meyer, Cricket 1,900pm						-22,800						
OMF - Thomas, Rod & Glenda 3,100pm						-37,200						
Phillips, Greg & Carol 3,100pm						-37,200						
Lehane, Katileho 1,900pm						-22,800						
Total regular support paid						-239,800						
SPECIAL GIFTS												
AIM - Reyneke Jinx, Dawn						-10,000						-10,000
Explore Malawi (Via GWC)						-20,000						-20,000
Khayelitsha Ministries						-5,000						-5,000
Meyer, Cricket						-2,000						-2,000
OMF - Thomas, Rod & Glenda						-8,000						-8,000
Phillips, Greg & Carol						-5,000						-5,000
Malawi Pre school						-25,000						-25,000
Phillips, Greg & Carol						-15,000						-15,000
Lehane, Katileho						-2,000						-2,000
TRANSFERS												
Reallocating Masi Church Plant from App	-41,856								41,856			0
Balance at the end of the year	5,000	8,481	0	826	184,098	2,517	100	7,411	40,506	20,000	43,865	312,804

St Peters Church Fish Hoek

Notes to the Balance Sheet as at 31st December 2017

	2017	2016
1 Bank balances and cash		
Standard Bank - Current account	335,439	402,286
Cash on hand	3,864	20,305
Petty Cash	5,220	1,269
	344,523	423,860
Less: Attributable to Designated Funds	-312,804	-424,898
	31,719	-1,038
2 Accounts receivable		
Elvanto prepaid (To 30 November 2018)	13,948	0
December Income received Jan 2018	27,000	
Advance to Church Plant Fund	17,970	0
Insurance prepaid (To 31 March 2018)	8,694	3,582
	67,612	3,582
3 Deposits recoverable		
BP Valley Motors (Fuel)	5,000	5,000
Wortlegat Camp Deposit	1,000	1,000
	6,000	6,000
4 Loan Finance		
REACH SA Prime less 1%, due Sept 2024	42,211	38,442
Member #1 (Due 1 April 2016)	0	0
Member #2 (30 Days Notice)	0	280,587
Member #3 (Due 2018)	0	250,000
	42,211	569,029
5 Accounts payable		
PAYE Control	44,740	31,779
UIF Control	2,170	2,007
REACH SA Income Levy Control	28,739	30,810
2018 Tithes received in advance	4,750	0
City of Cape Town Utilities Control	0	3,015
Accruals	6,683	3,822
	87,082	71,433

St Peters Church Fish Hoek

Fixed Assets

for the year ended 31st December 2017

COST

	Land & Buildings	Furniture & Fittings	Office Equipment	IT Equipment	Audio Visual	Generator	TOTAL
Opening balance	6,290,360	462,615	82,618	81,190	870,231	15,401	7,802,415
Additions:							
Alarm - final pmt			6,900				6,900
Offering boxes -Acrylic		4,478					4,478
Table - Welcome lounge		4,250					4,250
Laptop - C Pienaar				6,000			6,000
Fence at iThemba property	2,718						2,718
Closing Balance	6,293,078	471,343	89,518	87,190	870,231	15,401	7,826,761

ACCUMULATED DEPRECIATION

	Land & Buildings	Furniture & Fittings	Office Equipment	Computer Equipment	Audio Visual	Generator	TOTAL
Opening balance	0	92,904	48,447	80,212	11,708	15,400	248,671
For the year	0	34,647	11,554	2,141	88,452	0	136,794
Depreciation Rate	0.00%	16.67%	20.00%	33.33%	20.00%	20.00%	
Closing Balance	0	127,551	60,001	82,353	100,160	15,400	385,465

NET BOOK VALUE

	Land & Buildings	Furniture & Fittings	Office Equipment	Computer Equipment	Audio Visual	Generator	TOTAL
Closing Balance	6,293,078	343,792	29,517	4,837	770,071	1	7,441,296

Land and Buildings are made up of:

Church building	Erf 8816, 111 Nelson Road, Fish Hoek	
Land	July 1998	550,000
Building additions	2001	1,440,743
Building additions	2002	122,417
Foyer refurb, trellidor	2013	77,476
Palisade Fence	2014	130,248
New Hall	2014, 15	993,059
GROW - Stage, plaster	2016	472,439
		3,786,382
Bradley House	Erf 17256, 109 Nelson Road, Fish Hoek	
	2003	675,000
Building additions	2009	266,000
Fencing, security gates	2011	9,679
More gates etc	2012	4,050
Burglar bars	2016	3,398
		958,127
Church Offices	Erf 13415, 107A Nelson Road, Fish Hoek	
	2006	1,400,000
Improvements 2008, 2009, 2010		79,860
GROW - Garage to office	2016	65,990
iThemba back fence	2017	2,719
		1,548,569
Total Land & Buildings		6,293,078