

RONDEBOSCH UNITED CHURCH
(Registration number 044-754-NPO)
Annual Financial Statements
for the year ended 31 December 2024

Rondebosch United Church

(Registration number: 044-754-NPO)

Annual Financial Statements for the year ended 31 December 2024

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Annual Financial Statements for the year ended 31 December 2024

Responsibilities and Approval

The treasurer is required to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is his 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 period then ended, in conformity with the basis of accounting described in Note 1. 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 basis of accounting described in Note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The treasurer 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 treasurer has reviewed the church's cash flow forecast for the year to 31 December 2025 and, in the light of this review and the current financial position, he is satisfied that the church 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 church's annual financial statements. The annual financial statements have been examined by the church's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 14, which have been prepared on the going concern basis, were approved by the church members and were signed on their behalf by:

Approval of annual financial statements

Treasurer

Date: _____

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Annual Financial Statements for the year ended 31 December 2024

Treasurer's Report

The treasurer has pleasure in submitting his report on the annual financial statements of Rondebosch United Church for the year ended 31 December 2024.

1. Review of financial results and activities

Rondebosch United Church was registered as a non-profit organisation on 27 October 2005. The registration number 044-754-NPO. This number must appear on all correspondence issued in the church's name.

The annual financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements. 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 church are set out in these financial statements.

2. Treasurer

The treasurer of the church is Roy Kempster.

3. Events after the reporting period

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

4. Auditors

Cecil Kilpin & Co. continued in office as auditors for the church for 2024.

5. Estimates of income and expenditure for the 2025 financial year

The budget for the next year has been approved at a general church meeting.

Independent Auditor's Report

To the Members of Rondebosch United Church

Qualified Opinion

We have audited the annual financial statements of Rondebosch United Church set out on pages 6 to 14, which comprise the statement of financial position as at 31 December 2024; and the statement of comprehensive income; statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements⁹

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 of Rondebosch United Church for the year ended 31 December 2024 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the annual financial statements and the requirements of the Companies Act of South Africa.

Basis for Qualified Opinion

The church, in common with others of similar size and nature, derives a substantial portion of its income, in this case being cash collections from pledges, from sources that cannot be fully controlled until it is recorded in the accounting records and are therefore not susceptible to independent audit verification.

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 church 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 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 qualified opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the annual financial statements, which describes the basis of accounting. The annual financial statements are prepared in accordance with the church's own accounting policies to satisfy the financial information needs of the church's shareholder. As a result, the annual financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The treasurer is responsible for the other information. The other information comprises the information included in the document titled "Rondebosch United Church annual financial statements for the year ended 31 December 2024", which includes the Treasurer's Report as required by the Companies Act of South Africa, 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, [insert description of matter]. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the [insert description of other information that is misstated] affected by this matter.

Independent Auditor's Report

Responsibilities of the Treasurer for the Annual Financial Statements

The treasurer is responsible for the preparation of the annual financial statements in accordance with the basis of accounting described in Note 1 to the annual financial statements for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the treasurer determines 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 treasurer is 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 director either intends to liquidate the church or to cease operations, or has 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 treasurer.
- Conclude on the appropriateness of the treasurer's 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 church'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 church to cease to continue as a going concern.

We communicate with the director 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.

Cecil Kilpin & Co.
Chartered Accountants (SA)
Registered Auditors
Per Partner: Mynhardt Branders

Date: _____

Rondebosch United Church

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Annual Financial Statements for the year ended 31 December 2024

Statement of Financial Position as at 31 December 2024

	Note(s)	2024 R	2023 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	10,200,550	10,221,406
Investments	3	3,946,695	3,681,222
		14,147,245	13,902,628
Current Assets			
Trade and other receivables	4	3,535	9,440
Cash and cash equivalents	5	159,729	566,268
		163,264	575,708
Total Assets		14,310,509	14,478,336
Equity and Liabilities			
Equity			
Reserves		13,428,569	13,519,208
Retained income		860,172	765,305
		14,288,741	14,284,513
Liabilities			
Current Liabilities			
Trade and other payables	8	65,820	69,696
Provisions	9	(44,052)	124,127
		21,768	193,823
Total Equity and Liabilities		14,310,509	14,478,336

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Statement of Comprehensive Income

	Note(s)	2024 R	2023 R
Other income			
Collections and offerings		98,205	104,931
Interest received		225,591	11,455
Donations received		-	9,586
Fair value gains	12	48,078	-
Fundraising		481,084	69,798
Rent received		449,972	434,980
Legacies/Bequests		-	81,800
Legacy income - ringfenced		-	1,772,740
Online viewers		14,100	14,800
Pledge income		1,328,377	1,296,475
		2,645,407	3,796,565
Operating expenses			
Assessment fees		355,722	302,501
Auditors remuneration	10	38,316	30,000
Bank charges		5,580	5,949
Catering expenses		8,835	4,238
Cleaning		19,986	17,397
Computer expenses		37,992	48,355
Confirmation expenses		-	1,530
Depreciation, amortisation and impairments		20,856	16,208
Donations		100	49,690
Employee costs		1,300,008	1,289,216
Facilitators		-	12,000
Fair value losses	12	-	305,003
Flowers		-	2,400
Gifts		-	33,000
Holy circus		2,877	4,001
Insurance		2,678	109,964
Legal expenses		-	2,500
Licensing		2,127	2,025
Meeting costs		17,621	4,955
Payroll processing		2,300	17,170
Petty cash expenditure		-	1,048
Printing and stationery		2,371	1,521
Pulpit fees		9,400	14,330
Repairs and maintenance		631,471	482,295
Security		17,346	-
Telephone and fax		2,808	1,500
Travel - local		-	2,140
Utilities		70,178	59,160
		2,548,572	2,820,096
Operating profit		96,835	976,469
Finance costs	13	(1,968)	(1,379)
Surplus (deficit)		94,867	975,090

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Annual Financial Statements for the year ended 31 December 2024

Statement of Changes in Equity

	Revaluation reserve R	Other NDR R	Total reserves R	Retained income R	Total equity R
Balance at 01 January 2023	9,988,967	1,606,063	11,595,030	1,714,393	13,309,423
Surplus (deficit)	-	-	-	975,090	975,090
Transfer between reserves	-	1,924,178	1,924,178	(1,924,178)	-
Total changes	-	1,924,178	1,924,178	(1,924,178)	-
Balance at 01 January 2024	9,988,967	3,530,241	13,519,208	765,305	14,284,513
Surplus (deficit)	-	-	-	94,867	94,867
Transfer between reserves	-	(90,639)	(90,639)	-	(90,639)
Total changes	-	(90,639)	(90,639)	-	(90,639)
Balance at 31 December 2024	9,988,967	3,439,602	13,428,569	860,172	14,288,741
Note(s)	6	7			

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Statement of Cash Flows

	Note(s)	2024 R	2023 R
Cash flows from operating activities			
Cash receipts from customers		2,603,235	3,787,125
Cash paid to suppliers and employees		(2,790,416)	(2,429,454)
Cash (used in) generated from operations	14	(187,181)	1,357,671
Finance costs		(1,968)	(1,379)
Net cash from operating activities		(189,149)	1,356,292
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(8,499)
Purchases of other financial assets		(265,473)	(958,375)
Net cash from investing activities		(265,473)	(966,874)
Cash flows from financing activities			
Repayments of other financial liabilities		48,078	(305,003)
Total cash movement for the year		(406,544)	84,415
Cash and cash equivalents at the beginning of the year		566,268	481,853
Total cash at end of the year	5	159,724	566,268

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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 accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. 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 is initially measured at cost.

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.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	Indefinite
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	6 years
IT equipment	Straight line	3 years
Organ	Straight line	99 years

1.2 Tax

Tax expenses

Rondebosch United Church is a non-profit organisation, rendering it to be exempt from tax.

1.3 Provisions and contingencies

Provisions are recognised when the church has an obligation at the reporting date as a result of a past event; it is probable that the church will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

1.4 Revenue

Collections, offerings and pledges are generated from the collection of funds at church services and recognised when it is received. Other income includes donations, fund raising, hall hire, projects, legacies and bequests which is recognised when it is received.

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Notes to the Annual Financial Statements

	2024			2023		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Hall	523,000	-	523,000	523,000	-	523,000
Land and buildings	4,894,415	-	4,894,415	4,894,415	-	4,894,415
Organ	10,100	-	10,100	10,100	-	10,100
Furniture and fixtures	3,798	(3,797)	1	3,798	(3,797)	1
Office equipment	30,906	(22,361)	8,545	30,906	(17,209)	13,697
IT equipment	14,847	(14,846)	1	14,847	(14,844)	3
Minor hall	4,729,073	-	4,729,073	4,729,073	-	4,729,073
Other equipment	94,191	(58,776)	35,415	94,191	(43,074)	51,117
Total	10,300,330	(99,780)	10,200,550	10,300,330	(78,924)	10,221,406

Reconciliation of property, plant and equipment - 2024

	Opening balance	Depreciation	Closing balance
Land	523,000	-	523,000
Buildings	4,894,415	-	4,894,415
Plant and machinery	10,100	-	10,100
Furniture and fixtures	1	-	1
Office equipment	13,697	(5,152)	8,545
IT equipment	3	(2)	1
Minor hall	4,729,073	-	4,729,073
Other equipment	51,117	(15,702)	35,415
	10,221,406	(20,856)	10,200,550

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Land	523,000	-	-	523,000
Buildings	4,894,415	-	-	4,894,415
Plant and machinery	10,100	-	-	10,100
Furniture and fixtures	1	-	-	1
Office equipment	8,074	8,499	(2,876)	13,697
IT equipment	3	-	-	3
Minor hall	4,729,073	-	-	4,729,073
Other equipment	64,449	-	(13,332)	51,117
	10,229,115	8,499	(16,208)	10,221,406

Revaluations

The effective date of revaluations was 31 December 2006. Revaluations were performed by an independent valuer, Bernard James & Paterners (Quantity surveyor), on the existing use basis.

The carrying value of the revalued assets under the cost model would have been:

Land and buildings	109,267	109,267
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Notes to the Annual Financial Statements

	2024 R	2023 R
3. Investments		
Equity Instruments at cost		
Unlisted shares	3,946,695	3,681,222
Investments consist of Unit trusts as Personal Trust International.		
Fair values are determined annually at statement of financial position date.		
Non-current assets		
Equity Instruments at cost	3,946,695	3,681,222
4. Trade and other receivables		
Trade receivables	3,535	4,440
Staff Loans	-	5,000
	3,535	9,440
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	-	2,900
Bank balances	95,177	417,014
Short-term deposits	64,552	146,354
	159,729	566,268
6. Reserves		
Capital Reserve - Building Valuation	9,988,967	9,988,967
7. Other funds		
Other funds consists of the following bequests:		
Bells Maintenance Fund	420	420
Johnson Family Bequest	4,300	4,300
Manse Capital Reserve	1,176,518	1,176,518
Mary Griffen Hall Bequest	1,165	1,165
Other Bequest	4,300	4,300
Pension Fund - Caretaker	101,647	91,644
Prison Ministries	28,920	28,920
Samaritan Partners Trust	4,231	102,574
Shaan Ellinghouse Bequest	740,975	740,975
Tarrant Memorial Bequest	1,500	1,500
Walter and Peggy Moore Bequest	8,659	8,659
Van Breda Bequest	1,366,967	1,369,266
	3,439,602	3,530,241

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Notes to the Annual Financial Statements

	2024 R	2023 R
8. Trade and other payables		
Trade payables	697	5,109
Amounts received in advance	-	29,281
Deposits received	30,228	28,260
Other payables	34,895	7,046
	65,820	69,696

9. Provisions

Reconciliation of provisions - 2024

	Opening balance	Utilised during the year	Closing balance
UCCSA Assessment	4,383	(66,486)	(62,103)
Long leave	-	21,837	21,837
Audit fees	55,000	(30,000)	25,000
Insurance	44,890	(54,404)	(9,514)
UPCSA Assessment	19,854	(39,126)	(19,272)
	124,127	(168,179)	(44,052)

Reconciliation of provisions - 2023

	Opening balance	Additions	Utilised during the year	Closing balance
Depreciation	-	14,400	(14,400)	-
UCCSA	8,089	6,423	(10,129)	4,383
Bonuses	-	84,000	(84,000)	-
Audit fees	25,000	30,000	-	55,000
Insurance	(8,715)	53,605	-	44,890
UPCSA Assessment	-	233,019	(213,165)	19,854
	24,374	421,447	(321,694)	124,127

Net provisions

10. Auditor's remuneration

Fees	38,316	30,000
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11. Operating expenses

Operating expenses include the following expenses:

Fair value losses	-	305,003
Depreciation and amortisation	20,856	16,208
Employee costs	1,300,008	1,289,216

12. Fair value adjustments

Fair value adjustment in investments	48,078	(305,003)
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Notes to the Annual Financial Statements

	2024 R	2023 R
13. Finance costs		
Deposit interest	1,968	1,379
14. Cash (used in) generated from operations		
Net profit before taxation	94,867	975,090
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	20,856	16,208
Fair value (gains) losses	(48,078)	305,003
Movement in provisions	(168,179)	74,163
Transfer between reserves	(90,645)	-
Finance costs	1,968	1,379
Changes in working capital:		
(Increase) decrease in trade and other receivables	5,906	(9,440)
Increase (decrease) in trade and other payables	(3,876)	(4,772)
	(187,181)	1,357,631