

**Anglican Church of Southern Africa
Financial statements
for the year ended 31 December 2021**

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

General Information

| | |
|--|---|
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | Anglican Church of Southern Africa |
| Provincial Finance Board | The Rt Revd Luke Pretorius Charleen Van Rooyen Bulelwa Ntshingwa Phumlani Mthethwa James Williams R Rogerson - Provincial Treasurer (Ex-officio) T Robinson - Assistant Provincial Treasurer (Ex-officio) |
| Registered office | 11 Draper Square 14 Draper Street Claremont 7708 |
| Business address | 11 Draper Square 14 Draper Street Claremont 7708 |
| Postal address | P.O. Box 53014 Kenilworth Cape Town Western Cape 7435 |
| Bankers | The Standard Bank of South Africa Limited |
| Auditor | Rhoda Chartered Accountants Registered Auditor |

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

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The reports and statements set out below comprise the financial statements presented to the Provincial Finance Board:

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Level of assurance

These financial statements have been audited in compliance with the applicable requirements of the Canons of the Anglican Church of Southern Africa.

Preparer

These annual financial statements have been prepared by the Office of the Provincial Treasurer, Mr R Rogerson

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Provincial Finance Board's Responsibilities and Approval

The Provincial Finance Board and Provincial Synod of the Anglican Church of Southern Africa is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Anglican Church of Southern Africa- Common Provincial Fund 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 accounting policies set out below. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the accounting policies set out below and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The Provincial Finance Board 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Provincial Finance Board have reviewed the Fund's cash flow forecast for the year to 31 December 2022 and, in the light of this review and the current financial position, they are satisfied that the Fund has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Fund's financial statements. The financial statements have been examined by the Fund's external auditor and their report is presented on page 5.

The financial statements set out on page 8, which have been prepared on the going concern basis, were approved by the Provincial Finance Board on 16 September 2022 and were signed on its behalf by:

The Rt Revd Luke Pretorius

R Rogerson - Provincial Treasurer

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Provincial Finance Board's Report

The Provincial Finance Board of the Anglican Church of Southern Africa have pleasure in submitting their report on the financial statements of Anglican Church of Southern Africa and its associates for the year ended 31 December 2021.

1. Review of financial results and activities

The Anglican Church of Southern Africa - Common Provincial Fund is engaged in an administrative and budget-controlling capacity and operates principally in South Africa.

The operating results and state of affairs of the Fund are fully set out in the attached annual financial statements and do not in our opinion, require further comment.

Net deficit of the fund was -R810622 (2020: Surplus R685,768)

2. Provincial Finance Board

The Provincial Finance Board in office at the date of this report are as follows:

Members

The Rt Revd Luke Pretorius

Charleen Van Rooyen

Bulelwa Ntshingwa

Phumlani Mthethwa

James Williams

R Rogerson - Provincial Treasurer (Ex-officio)

T Robinson - Assistant Provincial Treasurer (Ex-officio)

There have been no changes to the members for the period under review.

3. Events after the reporting period

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

4. Going concern

As stated in note 15 to the annual financial statements, the fund had a deficit of R(810,622) for the year ended 31 December 2021 and as at that date, the fund's liabilities exceeded its assets by R(463,834).

The 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 ability of the Church to continue as a going concern is dependent on a number of factors. The most significant of these is that the Provincial Finance Board continues to procure funding for the ongoing operations for the Church and that the subordination agreement referred to in note 6 of these financial statements will remain in force for as long as it takes to restore the solvency of the Church.

5. Auditors

Rhoda Chartered Accountants continued in office as auditors for the Fund for 2021.

Independent Auditor's Report

To the Provincial Finance Board of the Anglican Church of Southern Africa

Opinion

I have audited the financial statements of Anglican Church of Southern Africa (the Fund) set out on pages 8 to 17, which comprise the statement of financial position as at 31 December 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Anglican Church of Southern Africa as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with the the basis of accounting described in Note 1 to the annual financial statements

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Fund in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. I have fulfilled my other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 15 to the financial statements, which indicates that the company incurred a net loss of R(810,622) during the year ended 31 December 2021 and, as of that date, the fund's current liabilities exceeded its total assets by R(463,834). The note states that these events or conditions, along with other matters as set forth in Note 15 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the fund's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Independent Auditor's Report

Other Information

The Fund's members are responsible for the other information. The other information comprises the information included in the document titled "Anglican Church of Southern Africa financial statements for the year ended 31 December 2021", which includes the Provincial Finance Board's Report and the supplementary information as set out on page 18. The other information does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Provincial Finance Board for the Financial Statements

The Fund's members are responsible for the preparation and fair presentation of the financial statements in accordance with the the accounting policies set out in Note 1, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Fund'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 members either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 my 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Independent Auditor's Report

Rhoda Chartered Accountants
Richard Rhoda
Director

Registered Auditor

16 September 2022
Stellenbosch

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Statement of Financial Position as at 31 December 2021

| Figures in Rand | Note(s) | 2021 | 2020 |
|-------------------------------------|---------|------------------|------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2 | 24,396 | 25,417 |
| Current Assets | | | |
| Trade and other receivables | 3 | 6,400,210 | 5,516,701 |
| Cash and cash equivalents | 4 | 1,456,246 | 1,572,466 |
| | | 7,856,456 | 7,089,167 |
| Total Assets | | 7,880,852 | 7,114,584 |
| Equity and Liabilities | | | |
| Equity | | | |
| Accumulated loss | | (463,834) | 346,788 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Other financial liabilities | 6 | 6,360,325 | 4,954,252 |
| Current Liabilities | | | |
| Trade and other payables | 5 | 381,711 | 257,527 |
| Provisions | 7 | 1,602,650 | 1,556,017 |
| | | 1,984,361 | 1,813,544 |
| Total Liabilities | | 8,344,686 | 6,767,796 |
| Total Equity and Liabilities | | 7,880,852 | 7,114,584 |

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Statement of Financial Performance

| Figures in Rand | Note(s) | 2021 | 2020 |
|--|---------|------------------|----------------|
| Revenue | 8 | 8,468,880 | 11,323,310 |
| Other income | 9 | (92,896) | 1,881,238 |
| Operating expenses | | (9,158,293) | (12,438,785) |
| Operating (loss) profit | | (782,309) | 765,763 |
| Investment revenue | 10 | 279,503 | 254,167 |
| Loss on disposal of non-current assets | | (1,482) | - |
| Finance costs | 11 | (306,334) | (334,162) |
| (Loss) profit for the year | | (810,622) | 685,768 |

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Financial Statements for the year ended 31 December 2021

Statement of Changes in Equity

| Figures in Rand | Accumulated loss | Total equity |
|------------------------------------|---------------------|------------------|
| Balance at 01 January 2020 | (338,980) | (338,980) |
| Profit for the year | 685,768 | 685,768 |
| Balance at 01 January 2021 | 346,788 | 346,788 |
| Loss for the year | (810,622) | (810,622) |
| Balance at 31 December 2021 | (463,834) | (463,834) |

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Statement of Cash Flows

| Figures in Rand | Note(s) | 2021 | 2020 |
|---|---------|--------------------|------------------|
| Cash flows from operating activities | | | |
| Cash (used in) generated from operations | | (1,475,295) | 643,491 |
| Interest income | | 279,503 | 254,167 |
| Finance costs | | (306,334) | (334,162) |
| Net cash from operating activities | | (1,502,126) | 563,496 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 2 | (20,166) | - |
| Sale of property, plant and equipment | 2 | 1,481 | - |
| Non- cash item | | (1,482) | - |
| Net cash from investing activities | | (20,167) | - |
| Cash flows from financing activities | | | |
| Repayment of other financial liabilities | | 1,406,073 | 423,962 |
| Net cash from financing activities | | 1,406,073 | 423,962 |
| Total cash movement for the year | | (116,220) | 987,458 |
| Cash at the beginning of the year | | 1,572,466 | 585,008 |
| Total cash at end of the year | 4 | 1,456,246 | 1,572,466 |

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Financial Statements for the year ended 31 December 2021

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the accounting policies set out below. The 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 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 7 - Provisions.

1.2 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.

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 Fund.

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

| Item | Depreciation method | Average useful life |
|------------------------|---------------------|---------------------|
| Furniture and fixtures | Straight line | 10 years |
| Office equipment | Straight line | 5 years |
| IT equipment | Straight line | 3 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.

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Accounting Policies

1.2 Property, plant and equipment (continued)

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.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

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

Financial instruments at fair value

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

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

1.4 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.

1.5 Provisions and contingencies

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

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Financial Statements for the year ended 31 December 2021

Accounting Policies

1.6 Revenue

Vote income is recognised on the accrual basis

Donations and bequests are recognised when the right to receive the related sum is assured.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.7 Borrowing costs

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

1.8 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in Rand, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

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Financial Statements for the year ended 31 December 2021

Notes to the Financial Statements

Figures in Rand 2021 2020

2. Property, plant and equipment

| | 2021 | | | 2020 | | |
|------------------------|---------------------|--------------------------|----------------|---------------------|--------------------------|----------------|
| | Cost or revaluation | Accumulated depreciation | Carrying value | Cost or revaluation | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 108,873 | (102,248) | 6,625 | 101,513 | (101,513) | - |
| Office equipment | 522,331 | (520,491) | 1,840 | 534,847 | (531,637) | 3,210 |
| IT equipment | 276,049 | (260,118) | 15,931 | 265,543 | (243,336) | 22,207 |
| Total | 907,253 | (882,857) | 24,396 | 901,903 | (876,486) | 25,417 |

Reconciliation of property, plant and equipment - 2021

| | Opening balance | Additions | Disposals | Depreciation | Closing balance |
|------------------------|-----------------|---------------|----------------|-----------------|-----------------|
| Furniture and fixtures | - | 7,361 | - | (736) | 6,625 |
| Office equipment | 3,210 | 2,299 | (1,481) | (2,188) | 1,840 |
| IT equipment | 22,207 | 10,506 | - | (16,782) | 15,931 |
| | 25,417 | 20,166 | (1,481) | (19,706) | 24,396 |

Reconciliation of property, plant and equipment - 2020

| | Opening balance | Depreciation | Closing balance |
|------------------------|-----------------|-----------------|-----------------|
| Furniture and fixtures | 130 | (130) | - |
| Office equipment | 6,173 | (2,963) | 3,210 |
| IT equipment | 38,028 | (15,821) | 22,207 |
| | 44,331 | (18,914) | 25,417 |

3. Trade and other receivables

| | | |
|---|------------------|------------------|
| Bishopcourt Trust C240 | 3,520,102 | 2,662,787 |
| Bishopcourt Trust C302 | 798,270 | 750,198 |
| Diocese assessments and other receivables | 1,701,087 | 2,103,716 |
| Other receivables | 2,389 | - |
| Prepayments (IAMA Grants) | 378,362 | - |
| | 6,400,210 | 5,516,701 |

4. Cash and cash equivalents

Cash and cash equivalents consist of:

| | | |
|---------------|------------------|------------------|
| Cash on hand | 160 | 510 |
| Bank balances | 1,456,086 | 1,571,956 |
| | 1,456,246 | 1,572,466 |

5. Trade and other payables

| | | |
|------------------|----------------|----------------|
| Trade payables | 231,807 | 113,222 |
| Sundry payables | (30,794) | - |
| Accrued expenses | 180,698 | 144,305 |
| | 381,711 | 257,527 |

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Notes to the Financial Statements

Figures in Rand 2021 2020

6. Other financial liabilities

At amortised cost

| | | |
|--|------------------|------------------|
| ACSA Development Fund | 1,450,351 | 1,365,896 |
| Provincial Trust Board Interfund account | 2,239,387 | 1,629,071 |
| Provincial Trust Board loan account | 2,670,587 | 1,959,285 |
| | 6,360,325 | 4,954,252 |

The unsecured loans bear interest as agreed upon by the parties and have no fixed terms of repayment.

The Provincial Trusts' Board's loan has been subordinated in favour of other creditors to ensure the solvency of the Common Provincial Fund.

Non-current liabilities

| | | |
|-------------------|-----------|-----------|
| At amortised cost | 6,360,325 | 4,954,252 |
|-------------------|-----------|-----------|

7. Provisions

Reconciliation of provisions - 2021

| | Opening balance | Additions | Reversed during the year | Total |
|----------------------------------|--------------------|----------------|--------------------------------|------------------|
| Provisions for employee benefits | 117,901 | 164,534 | (117,901) | 164,534 |
| Provision: Lambeth Conference | 1,438,116 | - | - | 1,438,116 |
| | 1,556,017 | 164,534 | (117,901) | 1,602,650 |

Reconciliation of provisions - 2020

| | Opening balance | Additions | Utilised during the year | Reversed during the year | Total |
|----------------------------------|--------------------|------------------|--------------------------------|--------------------------------|------------------|
| Provisions for employee benefits | 102,977 | 175,409 | (57,508) | (102,977) | 117,901 |
| Provision: Lambeth Conference | 448,116 | 990,000 | - | - | 1,438,116 |
| | 551,093 | 1,165,409 | (57,508) | (102,977) | 1,556,017 |

8. Revenue

| | | |
|----------------------|-----------|------------|
| Diocesan Assessments | 8,468,880 | 11,323,310 |
|----------------------|-----------|------------|

9. Other income

| | | |
|--|-----------------|------------------|
| Recoveries | 14,990 | - |
| Other income | 72,114 | 57,069 |
| Income received for Lambeth Conference | (180,000) | 645,000 |
| Income received for IT expenditure | - | 1,179,169 |
| | (92,896) | 1,881,238 |

10. Investment revenue

Interest revenue

| | | |
|-----------------|---------|---------|
| Related Parties | 279,503 | 254,167 |
|-----------------|---------|---------|

11. Finance costs

| | | |
|---------------|---------|---------|
| Interest paid | 306,334 | 334,162 |
|---------------|---------|---------|

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Notes to the Financial Statements

| Figures in Rand | 2021 | 2020 |
|-----------------|------|------|
|-----------------|------|------|

12. Taxation

Reconciliation of the tax expense

No provision has been made for 2021 tax as the Fund is exempt from tax in terms of section 10(1)(cN) of the Income Tax act.

13. Auditor's remuneration

| | | |
|------|---------|---------|
| Fees | 145,183 | 100,000 |
|------|---------|---------|

The fees are for the audit of the financial statements for previous financial year and a balance of R14,248 for the audit of the financial statements for the 2019 financial year.

14. Prior period errors

Some accruals made for certain expenses and grant payments in prior years up to 2020 were not reversed after they were not paid. This error has been corrected in the prior year as indicated by the restated comparatives.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position

| | | |
|---|---------|---------|
| Current Liabilities- Trade and other payables | 381,711 | 257,527 |
|---|---------|---------|

Statement of financial performance

| | | |
|--------------------|-----------|------------|
| Operating expenses | 9,158,293 | 12,438,785 |
|--------------------|-----------|------------|

15. Going concern

We draw attention to the fact that at 31 December 2021, the fund had accumulated deficit of R (463,834) and that the company's total liabilities exceed its assets by R (463,834).

The 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.

These conditions give rise to a material uncertainty which may cast significant doubt about the fund's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The ability of the fund to continue as a going concern is dependent on a number of factors. The most significant of these is that the fund continues to receive assessment income from the diocese for the ongoing operations for the fund and that the subordination agreement referred to in note 6 of these financial statements will remain in force for as long as it takes to restore the solvency of the fund.

Anglican Church of Southern Africa

Financial Statements for the year ended 31 December 2021

Supplementary Information

1. Custom Schedule- Budget vs Actual expenditure

Heading

| | 2021 Budget | 2021 Actual |
|--|-------------------|------------------|
| College of Transfiguration | 2,411,172 | 2,411,172 |
| Non-RSA Ordination Candidates | 50,000 | - |
| Advisory Board for Theological Education | 20,000 | - |
| College of Council Meetings | 20,000 | 2,302 |
| TEE College Grant | 54,000 | - |
| Continuing Ministerial Education | 50,000 | - |
| Theologocal Education- Women Candidates | 44,000 | - |
| Growing the Church | 80,000 | 80,000 |
| Council for Religious life | 15,000 | 12,880 |
| Liturgical Committee | 20,000 | - |
| Anglican Provincial Youth Council | 80,000 | 110,727 |
| Anglican Students Federation | 80,000 | 1,500 |
| Meda Committee | 20,000 | 3,000 |
| Publishing Committee | 84,000 | 84,000 |
| Metropolitan's expenses | 900,000 | 665,000 |
| Pastoral visits | 100,000 | - |
| Communications Officer | 240,000 | 200,000 |
| Augumentation Stipends | 500,000 | 500,000 |
| Provincial Executive Officer | 946,270 | 1,177,632 |
| Provincial Synod | 600,000 | 96,970 |
| Episcopal Synod | 100,000 | 58,599 |
| Provincial Standing Committee | 100,000 | - |
| Elective Assemblies and Consecrations | 820,000 | 704,470 |
| Diocesan Secretaries Conference | 20,000 | - |
| Anglican Consultative Council | 250,000 | - |
| Lambeth Conference | 800,000 | 45,000 |
| CAPA | 120,000 | - |
| Church Unity Commission | 65,000 | 32,500 |
| South African Council of Churches | 40,000 | - |
| Meeting of Church Leaders | 2,000 | - |
| Commission of Inquiry | 70,000 | - |
| Administration and Audit | 2,611,720 | 2,458,108 |
| Contingencies and Legal aid | 200,000 | 191,262 |
| Interest | 350,000 | 306,334 |
| Deficit Funding | 250,000 | - |
| Bad Debts | - | 211,191 |
| Environmental Network | 25,000 | 25,000 |
| Hope Africa | 80,000 | 67,273 |
| Depreciation | 30,000 | 19,707 |
| P/L on disposal of assets | - | 1,482 |
| | 12,248,162 | 9,466,109 |