

**JUDEA HARVEST NPC
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
28 FEBRUARY 2018**

DANNHAUSER INCORPORATED

**GEOKTROOIEERDE REKENMEESTERS EN OUDITEURE (SA)
CHARTERED ACCOUNTANTS AND AUDITORS (SA)**

**JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

Index

Report of the independent compiler	4
Statement of financial position	5
Statement of comprehensive income	6
Statement of changes in equity	6
Cash flow statement	7
Accounting policies	8-9
Notes to the financial statements	10-11

The financial statements which appear on pages 5 to 11 were approved and signed by the directors as follows:



Director

09 May 2019

Date



Director

09 May 2019

Date

**JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

General Information

Country of incorporation and domicile	:	South Africa
Main business activities of the company	:	Community development for poor and needy persons and antipoverty initiatives, focusing on children and youth
Directors and officers	:	Mr JG Henning Mr AP Pretorius Mr D Reynecke Mr E Geldenhuys Mr L Blom Mr JH De Klerk
Registered address	:	Pure Joy Lodge 527 Maroela Avenue Kameeldrift East Pretoria
Registered office	:	PO Box 80 Ferndale Randburg 2160
Bankers	:	ABSA Bank Randburg
Auditors	:	Dannhauser Incorporated Chartered Accountants (SA) Registered Auditors

Report of the independent compiler

To the members of JUDEA HARVEST NPC

We have reviewed the accompanying financial statements for the abovementioned Company that comprise the statement of financial position as at year end 28 February 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with International Financial Reporting Standard for Small and Medium- sized Entities. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

This annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

DANNHAUSER INCORPORATED
Registered Accountants and Auditors
Chartered Accountants (SA)
Randburg

DATE

**JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

Balance sheet

Figures in Rand	Note(s)	2018	2017
Assets			
Non current assets		4 610 295	4 446 801
Property, plant and equipment	2	3 684 856	3 521 362
Loans Receivable	9	780 439	780 439
Investment in subsidiaries	3	145 000	145 000
Current assets		3 205 221	2 759 583
Cash and bank	7	2 137 012	1 999 958
Stock on hand	5	305 471	133 566
Trade and other receivables	8	762 738	626 060
Total assets		7 815 516	7 206 384
Reserves and Liabilities			
Reserves		4 297 566	4 276 193
Accumulated surplus		4 297 566	4 276 193
Non-Current liabilities		50 796	264 666
Interest bearing borrowings	4	50 796	264 666
Current liabilities		3 467 154	2 665 525
Trade and other payables	10	3 287 910	2 521 502
Short-term portion of long-term borrowings	4	179 244	144 023
Total reserves and liabilities		7 815 516	7 206 384

**JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

Income statement: Judea Harvest

Figures in Rand	Note(s)	2018	2017
Income			
Donations received		11 539 310	14 586 043
Fixed Income		675 346	55 000
Investment income		4 959	3 507
Gross income		12 219 615	14 644 550
Expenditure			
		(12 198 242)	(11 628 346)
Accounting fees		17 260	45 545
Advertising and promotion		142 544	302 485
Bank charges		104 173	103 960
Cleaning		34 399	11 623
Commission		82 980	157 090
Computer expenses		43 103	74 688
Consulting fees		425 063	93 792
Courier and postage		5 058	22 979
Discount allowed		115	150
Donations		-	100 000
Entertainment		3 856	117 363
Fundraising costs		263 882	-
Insurance		178 443	171 896
Interest paid		39	722
Legal fees		-	1 000
Ministry support		91 647	429 679
Motor vehicle expenses		252 425	461 416
Printing and stationery		64 154	142 395
Rent, water and electricity		218 408	261 334
Repairs and maintenance		299 036	238 457
Salaries and wages		3 389 199	3 126 403
Security expenses		-	2 938
Storage and transport costs		-	46 458
Subscriptions		-	5 351
Telephone and postage		169 489	325 940
Tent expenses		1 869 353	1 958 172
Training and conferences		204 857	59 737
Travel, accommodation and entertainment		513 350	454 863
Upliftment projects		3 825 409	2 911 911
Net surplus for the year		21 373	3 016 205

Statement of Changes in Equity

Figures in Rand	Accumulated Surplus	Total
Balance at 29/02/2016	1 259 989	1 259 989
<i>Surplus for the year</i>	3 016 205	3 016 205
Balance at 28/02/17	4 276 193	4 276 193
<i>Surplus/(Deficit) for the year</i>	21 373	21 373
Balance at 28/02/18	4 297 566	4 297 566

**JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

Cash Flow Statement

Figures in Rand	Note(s)	2018	2017
Cash flow from operating activities			
Net surplus for the year		21 373	3 016 205
Adjusted for:			
Interest paid		39	722
Interest received		(4 959)	(3 507)
Cash surplus before working capital changes		16 453	3 013 419
Movements in working capital			
Increase in accounts receivable		(762 738)	(626 060)
Decrease in stock		(171 905)	(13 566)
Increase in accounts payable		766 407	(166 684)
Cash inflow from operations		(151 783)	2 207 110
Investment income		4 959	3 507
Interest paid		(39)	(722)
Cash generated from operating activities		(146 863)	2 209 896
Cash flows from investing activities			
<i>Acquired to expand operations</i>			
Additions to fixed assets		-	28 593
Proceeds from disposal of non current assets		(90 000)	(90 000)
Cash utilized in investing activities		(90 000)	(61 407)
Cash flow from financing activities			
Decrease in interest bearing borrowings		(178 649)	(120 186)
Shares purchased/Investment impaired		-	(400 000)
Loan advances		142 374	142 374
Cash utilized in financing activities		(36 275)	(377 812)
Increase in cash and cash equivalents		137 054	1 770 676
Cash and cash equivalents at beginning of year		1 999 959	229 283
Cash and cash equivalents at end of year		2 137 012	1 999 959

JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018

Accounting Policies

1. Basis of preparation and accounting policies

These financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standard Board (IASB) and the Companies Act 71 of 2008.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established. Income from donations received is accounted once the service funds are received.

1.2 Impairments

The carrying value of assets is reviewed at each balance sheet date to assess whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. Where the carrying value exceeds the estimated recoverable amount, such assets are written down to their estimated recoverable amount.

1.3 Financial instruments

Initial recognition

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognized on the balance sheet when the company becomes party to the contractual provisions of the instrument..

Financial assets and liabilities are recognized initially at fair value. In the case of financial assets or liabilities classified as at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issuer of the financial instruments are added to the fair value.

Subsequent measurement

After initial recognition financial assets are measured as follows:

- Loans and receivables and held-to-maturity investments are measured at amortized cost less any impairment losses recognized to reflect irrecoverable amounts.
- Financial assets classified as available-for-sale or at fair value through profit or loss, including derivatives, are measured at fair values. Fair value, for this purpose, is market related if listed, or a value arrived at by using appropriate valuation models, if unlisted.
- Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, are measured at cost.

After initial recognition financial liabilities are measured as follows:

- Financial liabilities at fair value through profit or loss, including derivatives that are liabilities, are measured at fair value.

**JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

Accounting Policies

Gains and losses

A gain or loss arising from a change in a financial asset or financial liability is recognized as follows:

- Where financial assets and financial liabilities are carried at amortized cost, a gain or loss is recognized in profit or loss through the amortization process and when the financial asset or financial liability is derecognized or impaired.
- A gain or loss on a financial asset or financial liability classified as at fair value through profit or loss is recognized in profit or loss.

The particular recognition methods adopted are disclosed in the individual policies stated below:

Trade and other receivables

Trade and other receivables originated by the enterprise are classified at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible known amounts of cash. Cash and cash equivalents are measured at fair value.

Trade and other payables

Trade and other payables are recognised at their original debt value less principal payments.

1.4 Provisions

Provisions are recognized when the entity has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made.

1.5 Fixed assets and depreciation

All property, plant and equipment are initially recorded at cost and are written off when there is indications of impairment. Depreciation is provided for on a straight line basis, at rates considered adequate to amortize assets over their useful lives

JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018

Notes to the Annual Financial Statements

2. Property, plant and equipment

2018

	Land and buildings	Office and Computer Equipment	Motor Vehicles	Tents	Total
Cost					
Carrying value - 01/03/2017	3 000 000	33 277	488 060	25	3 521 362
Additions	163 494	-	-	-	-
Depreciation	-	-	-	-	-
Carrying value-28/02/2018	3 163 494	33 277	488 060	25	3 684 856
Gross carrying value	3 000 000	137 812	1 034 094	5 085 322	9 257 228
Accumulated depreciation	-	(104 531)	(546 035)	(5 085 297)	(5 735 863)
Accumulated depreciation					
Carrying value - 01/03/2017	-	104 531	546 035	5 085 297	5 735 863
Depreciation	-	-	-	-	-

2017

	Land and buildings	Office and Computer Equipment	Motor Vehicles	Tents	Total
Cost					
Carrying value - 01/03/2016	3 000 000	4 684	578 060	25	3 582 769
Additions	-	28 593	-	-	28 593
Disposals	-	-	(90 000)	-	(90 000)
Carrying value-28/02/2017	3 000 000	33 277	488 060	25	3 521 362
Gross carrying value	3 000 000	137 812	1 034 094	5 085 322	9 257 228
Accumulated depreciation	-	(104 531)	(546 035)	(5 085 297)	(5 735 863)
Accumulated depreciation					
Carrying value - 01/03/2017	-	104 531	546 035	5 085 297	5 735 863

Fixed assets are depreciated at the following rates:

- Office equipment:	20%
- Computer equipment:	33.33%
- Office furniture	20%
- Tents	33.33%

3. Investments in subsidiaries

Name of company	% Holding 2018	% Holding 2017	2018 R.	2017 R.
- Green Flash Trading 145 (Pty) Ltd	100.0%	100.0%	<u>145 000</u>	<u>145 000</u>

The carrying value of the above are shown net of impairment losses.

4. Interest bearing borrowings

Instalment sale agreements	230 040	408 689
Short term portion	(179 244)	(144 023)
	<u>50 796</u>	<u>264 666</u>

The instalment sale agreements with ABSA, Toyota Financial Services and Wesbank are secured by motor vehicles. The loans bear interest at various rates linked to the prime lending rate and are repayable in monthly instalments of R 14 937.

5. Inventory

Stock on hand	305 471	133 566
	<u>305 471</u>	<u>133 566</u>

**JUDEA HARVEST NPC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

Notes to the Annual Financial Statements

2018

2017

6. Taxation

No provision has been made for income tax as the company is exempt from income tax.

7. Cash and cash equivalents

Cash on hand	2 084 791	1 947 738
Deposits on hand	50 150	50 150
Petty cash	2 070	2 070
	2 137 012	1 999 958

Cash and cash equivalents comprise of cash on hands and account balances held with commercial banks.

8. Trade and other receivables

Debtors	616 357	613 507
Staff loans	12 500	12 500
VAT Receivables	133 881	52
	762 738	626 060

9. Long Term Loans

Loan - Plot (Mckenzie)	332 487	332 487
Other inter division loans	69 786	69 786
Loan - Plot (Dixobex)	94 444	94 444
Loan - Plot (Danie)	283 723	283 723
	780 439	780 439

10. Trade and other payables

Creditors	2 308 393	2 168 271
Credit card facility	509 597	481 213
Overdraft Facility	610 943	13 041
Prepayments	3 000	3 000
	3 431 933	2 665 525

11. Related party transactions

Balance sheet

Investment in subsidiaries:

Name of company

'- Green Flash Trading 145 (Pty) Ltd

	% Holding 2018.	% Holding 2017		
	100.0%	100.0%	145 000	145 000