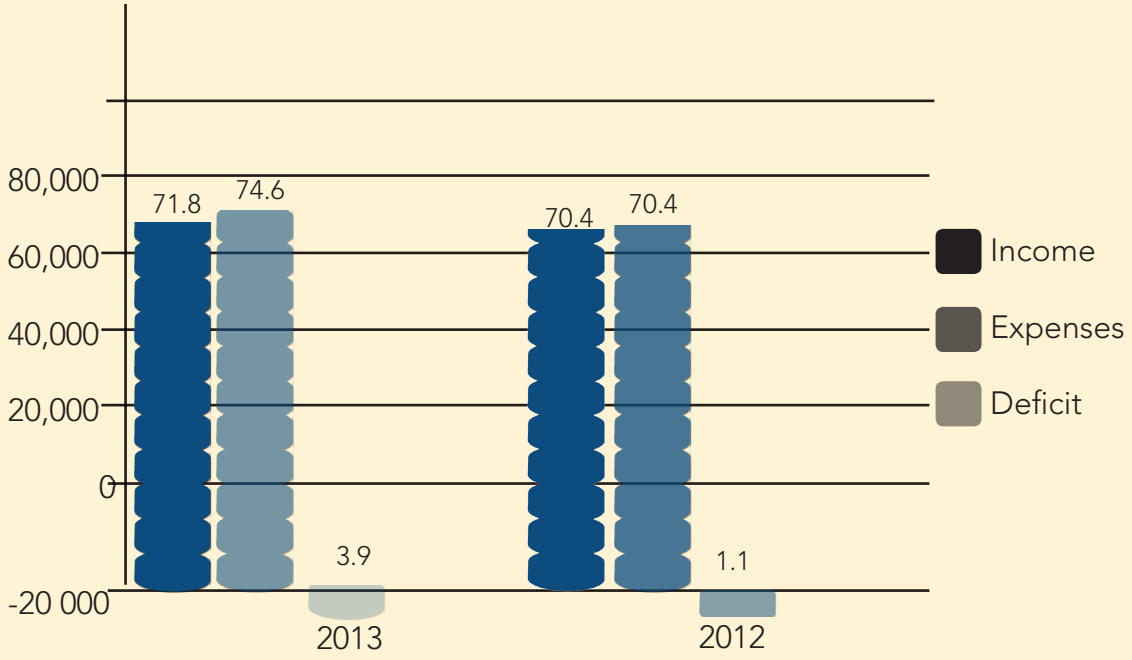
FINANCIAL REPORT 2013-2014

STATEMENT OF

COMPREHENSIVE INCOME

Figures in Rand	2014	2013
Income	71 833 122	70 467 982
Expenses	74 616 064	70 444 081
Operating Loss or profit	**2 782 942**	**23 901**
Investing Revenue	689 130	658 527
Finance Costs	**(1 879 516)**	**(1 792 316)**
Deficit for the year	**(3 973 328)**	**(1 109 888)**
Other comprehensive income		
Total Comprehensive Surplus/ (Deficit) for the year	(3 973 328)	(1 109 888)



STATEMENT OF FINANCIAL POSITION

Figures in Rand	2013	2012
ASSETS		
Non Current Assets		
Property Plant & Equipment	44 201 769	41 621 566
Loan to Group Companies	3 361 308	1 436 717
	47 563 077	**43 058 283**
Current Assets		
Trade & Other Receivables	675 765	1 649 756
Cash & Cash Equivalents	1 598 993	2 114 854
	2 274 758	**3 764 610**
TOTAL ASSETS	**49 837 835**	**46 822 893**
EQUITY AND LIABILITIES		
Advisory Board's Funds & Reserves		
Reserves	629 473	428 840
Accumulated Surplus	8 773 729	22 947 690
	19 403 202	**23 376 530**
Liabilities		
Non-Current Liabilities		
Loans From Related Entities	-	19 896
Long Term Liabilities	16 675 197	18 403 926
Installment Sale Obligations	4 004 226	1 013 116
	20 679 423	**19 436 938**
Current Liabilities		
Other Financial Liabilities	1 359 062	632 764
Installment Sale Obligations	5 244 216	2 155 477
Trade & Other Receivables	2 351 932	1 221 184
Bank Overdraft	9 755 210	4 009 425
Total Liabilities	**30 434 633**	**23 446 363**
Total Equity & Liabilities	**49 837 835**	**46 822 893**

The income to the Church increased by just under 1.9% or R1.36 million. Expenses increased by 5.9% or R4.1million when compared to 2012, which resulted in a deficit of R3.9 million. The Church went through major restructuring in 2013 in an effort to reduce costs. Responsibilities were combined in certain areas resulting in a few postions becoming redundant.

STATEMENT OF CASH FLOW

Figures in Rand	2013	2012
Cash Flows From Operating Activities		
Cash Generated From Operations	3 718 324	2 454 420
Property Plant & Equipment	689 130	658 527
Loan to Group Companies	(1 879 516)	(1 792 316)
Net Cash From Operating Activities	**(3 973 328)**	**(1 320 631)**
Cash Flows From Investing Activities		
Property, Plant & Equipment Acquired	(5 018 739)	(1 972 869)
Proceeds on Disposal of Property, Plant & Equipment	-	747 074
Movement of Loans From Group Companies	1 944 487	153 558
Net Cash Flow From Investing Activities	**(6 963 226)**	**(1 072 237)**
Cash Flow From Financing Activities		
Repayment of Loans Frome Related Entities	(928 729)	(183 879)
Installment Sale Payments	(3 717 408)	(20 115)
Net Cash From Financing Activities	**(2 788 679)**	**(203 994)**
Total Cash Movement For The Year	(1 646 609)	(44 400)
Cash & Cash Equivalents At The Beginning of The Year	893 670	849 270
Total Cash & Cash Equivalents At The End of The Year	**(752 939)**	**(893 670)**

STATEMENT OF

COMPREHENSIVE INCOME

Figures in Rand	2013	2012
Revenue	1 117 539	1 272 363
Other Income	691 283	600 000
Operating Expenses	(2 217 605)	(1 884 224)
Operating Loss	**(408 783)**	**(11 861)**
Investment Revenue	-	1
Finance Costs	(82 858)	(72 650)
Loss For The Year	(491 641)	(84 510)
Other Comprehensive Income	-	-
Total Comprehensive Loss For The Year	**(491 641)**	**(84 510)**

The income to the Church increasedIn 2013 some investments in the online learning system, the RBC website and an investment in a library, are showing rewards with student numbers growing from just more than 50 students in 2013 to more than 300 students in 2014 of which 123 students are now studying full time online. RBC is also hosting RBC Business School Program with a 150 students in attendance.

STATEMENT OF

FINANCIAL POSITION

Figures In Rand	2013	2012
ASSETS		
Non Current Assets		
Property Plant & Equipment	8 080	12 750
Current Assets		
Debtors & Other Receivables	32 219	-
Cash & Cash Equivalents	**50 117**	**12 541**
TOTAL ASSETS	**82 336**	**25 291**
EQUITY & LIABILITIES		
EQUITY		
Accumulated Losses	(1 797 700)	(1 306 059)
LIABILITIES		
Non-Current Liabilities		
Loan Payable	1 337 728	1 306 059
Current Liabilities		
Trade & Other Payables	550 388	353 757
Total Liabilities	1 888 116	1 329 420
TOTAL EQUITY & LIABILITIES	**90 416**	**25 291**

STATEMENT OF
CASH FLOW

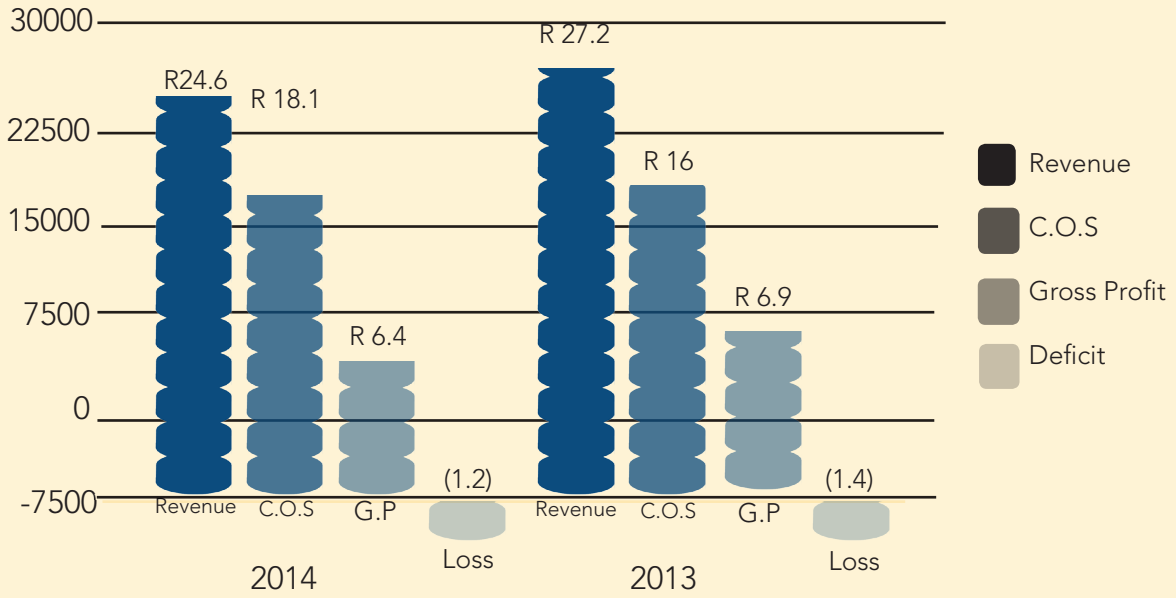
Figures in Rand	2013	2012
Cash Flows From Operating Activities		
Cash Receipts from Students	1 182 493	1 263 366
Cash Paid to Suppliers & Employees	(1 426 130)	(1 148 630)
Cash Generated from (used in) operations	(243 637)	(115 066)
Interest Income	-	1
Finance Costs	(82 858)	(72 650)
Net Cash From Operating Activities	**(326 495)**	**(42 417)**
Cash Flow From Investing Activities		
Purchase of property, Plant & Equipment	**(66)**	**-**
Sale of property, Plant & Equipment	(1)	-
Net Cash Flow from Investing Activities	(67)	-
Cash Flow from Financing Activities		
Finance lease payments	364 138	(73 259)
Net Cash from Financing Activities	**(364 138)**	**(73 259)**
Total Cash Movement for the year	**(37 576)**	**(30 842)**
Cash & Cash Equivalents at the beginning of the year	12 541	43 383
Total Cash & Cash Equivalents at the end of the year.	**50 117**	**12 541**

STATEMENT OF COMPREHENSIVE INCOME

Rhema Ministries Ancillary Services RMAS compirses of the Wholesale and Bookshop Divisons. The revenue earned to January 2012 was an improvement of R3.5 million when compared to the previous financial period. As can be seen the gross profit % for the entity remained stable resulting in an increased gross profit of over R1 million.

Operating expenses and finance costs increased due to the inclusion of an additional operating month in the reported period resulting in a R1.35 million loss which is a similar overall result as seen in the prior year. The loss for the 13 month period includes the month of January 2011 and months ending 31 December 2011 was reflecting a continued improvement in the performance of RMAS

Figures in Rand	Year Ended 31 January 2014	Yeah Ended 31 January 2013
Revenue	24 625 464	27 606 875
Cost of Sales	(18 128 806)	(20 267 166)
Gross profit	**6 496 658**	**6 939**
Other Income	674 639	
Operating Expenses	(8 416 640)	439 113
Operating Loss	**(1 245 343)**	
Investment Revenue	9 540	623
Finance Costs	(295 122)	(401 345)
Loss For The Year	**(1 530 925)**	**(1 625 729)**
Other Comprehensive Income	-	-
Total Comprehensive Loss For The Year	**(1 530 925)**	**(1 792 316)**



STATEMENT OF

FINANCIAL POSITION

Figures in Rand	Year Ended January 2014	Year Ended January 2012
ASSETS		
Non Current Assets		
Property Plant & Equipment	144 490	151 889
Loan to Group Companies	1 129 725	2 573 203
	1 274 215	**2 725 092**
Current Assets		
Inventories	6 536 560	6 776 699
Trade & Other Receivables	4 967 362	3 979 497
Cash & Cash Equivalents	286 482	601 015
	11 790 404	**11 357 204**
TOTAL ASSETS	**13 064 619**	**14 082 296**
EQUITY		
Retained Income	410 199	1 941 124
Liabilities		
Non-Current Liabilities		
Loans From Group Companies	691 616	-
Installment Sale Obligation	25 267	55 749
	717 583	**55 749**
Current Liabilities		
Installment Sale Obligations	31 657	25 686
Trade & Other Receivables	10 647 603	10 754 431
Bank Overdraft	1 257 577	1 305 306
Total Liabilities	**11 936 837**	**12 085 423**
Total Equity & Liabilities	**12 654 420**	**12 141 172**

STATEMENT OF

CASH FLOW

Figures in Rand	2014	2013
Cash Flows From Operating Activities		
Cash Receipts From Customers	24 327 912	25 388 525
Cash Paid To Suppliers & Employees	(26 376 411)	(23 503 734)
Cash Utilised In Operations	(295 122)	(1 884 791)
Interest Income	9 540	623
Finance Costs	(295 122)	(401 345)
Net Cash From Operating Activities	**(2 334 081)**	**(1 484 069)**
Cash Flows From Investing Activities		
Property, Plant & Equipment Acquired	(44 006)	(118 477)
Proceeds on Disposal of Property, Plant & Equipment	-	7 709
Movement of Loans From Group Companies	2 135 094	561 868
Net Cash Flow From Investing Activities	**(2 091 088)**	**(672 636)**
Cash Flow From Financing Activities		
Movement In Installment Sale Agreements	(23 811)	(38 453)
Net Cash From Financing Activities	**(23 811)**	**(38 453)**
Total Cash Movement For The Year	(266 804)	(772 980)
Cash & Cash Equivalents At The Beginning of The Year	(704 291)	(1 477 271)
Total Cash & Cash Equivalents At The End of The Year	**(971 095)**	**(704 291)**

STATEMENT OF COMPREHENSIVE INCOME

Rhema Television's revenue from broadcasts increased during 2011. Reductions in transmission costs saw a considerable reduction in the cost of sales resulting in a gross profit. Donations and offerings to Television increased and support from the Vision Fund was received towards the payment of the edit suite lease. While there was an increase in expenses this was less than the increased income and while a deficit was reported there was a positive movement of R1, 527 million.

Rhema Television is our outward evangelical mission to many homes across Africa and we thank the Congregation for their generous support.

Figures in Rand	2013	2012
Revenue	2 942 362	2 990 249
Cost of Sales	(3 441 685)	(3 406 031)
Gross Profit/Loss	**499 323**	**(415 782)**
Other Income	5 071 108	4 987 635
Operating Income	(4 742 024)	(4 231 304)
Operating Profit/(Loss)	**(170 239)**	**340 549**
Investment Revenue	1	8 874
Finance Costs	(322 248)	(210 873)
Profit/(Loss) For the Year	**(492 486)**	**138 550**
Other Comprehensive Income	-	-
Total Comprehensive Income/(Loss) for the Year	**(492 486)**	**138 550**

STATEMENT OF FINANCIAL POSITION

Figures in Rand	2013	2012
ASSETS		
Non-Current Assets		
Property Plant & Equipment	2 328 528	926 247
Other Financial Assets	-	-
	2 328 528	**926 247**
Current Assets		
Trade & Other Receivables	873 511	920 571
Cash & Cash equivalents	104 683	178 151
	978 194	**1 098 722**
TOTAL ASSETS	**3 306 722**	**2 024 969**
EQUITY & LIABILITIES		
EQUITY		
Accumulated Loss	(3 311 483)	(2 818 998)
LIABILITIES		
Non Current Liabilities		
Instalment Sale Obligation	1 634 393	736 556
Current Liabilities		
Loans from Related Enti-	2 419 172	2 685 144
ties	1 421 946	1 105 306
Instalment Sale Obligation	**1 142 694**	**316 960**
Trade& Other Payables	**4 983 812**	**4 107 410**
TOTAL LIABILITIES	**6 618 205**	**4 843 96**
TOTAL EQUITY & LIABILITIES	**3 306 722**	**2 024 969**

Forecast for 2014

Rhema Television will incur hugh airing costs in 2014 due to being back on e-TV and commencing with broadcasts on SABC. Television is an effective tool for reaching people who are unable to attend a Church or who are unsaved and therefore forms an important factor within the Missions of Rhema. We are trusting that we can raise the offerings from the Congregation to support this important Ministry.

STATEMENT OF CASH FLOW

Figures in Rand	2013	2012
Cash Flows From Operating Activities		
Cash Receipts From Customers	2 823 173	2 431 302
Cash Paid To Suppliers & Employees	(1 169 557)	(1 416 715)
Cash Generated From Operations	(1 653 616)	(1 014 587)
Interest Income	1	8 874
Finance Costs	(68 579)	(401 345)
Net Cash From Operating Activities	**(1 585 038)**	**(1 019 056)**
Cash Flows From Investing Activities		
Property, Plant & Equipment Acquired	(2 393 343)	(263 718)
Proceeds on Disposal of Property, Plant & Equipment	40 000	18
Purchase of Financial Assets	-	194 050
Net Cash Flow From Investing Activities	**(2 353 343)**	**(69 950)**
Cash Flow From Financing Activities		
Movement In Loans From Related Activities	(265 971)	(309 374)
Intalments Sale Agreement	960 808	1 285 285
Net Cash From Financing Activities	**(694 837)**	**(975 911)**
Total Cash Movement For The Year	(73 468)	(26 505)
Cash & Cash Equivalents At The Beginning of The Year	178 151	204 656
Total Cash & Cash Equivalents At The End of The Year	**(104 683)**	**(178 151)**

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	2014	2013
Revenue	329 897	350 385
Other Income	5 409 212	6 085 256
Operating Expenses	5 489 369	5 331 096
Operating Surplus	**249 740**	**1 104 545**
Finance Costs	(6 910)	(9 768)
Surplus For The Year	**(242 830)**	**(1 094 777)**
Total Comprehensive Income	**(242 830)**	**138 550**

STATEMENT OF FINANCIAL POSITION

Figures in Rand	2014	2013
ASSETS		
Non-Current Assets		
Property Plant & Equipment	5 949 912	5 413 774
	5 949 912	**5 413 774**
Current Assets		
Trade & Other Receivables	182 006	397 660
Cash & Cash equivalents	390 873	555 570
	572 979	**953 230**
TOTAL ASSETS	**6 522 891**	**6 367 004**
EQUITY & LIABILITIES		
EQUITY		
Accumulated Loss	(6 155 545)	(5 912 715)
LIABILITIES		
Non Current Liabilities		
Instalment Sale Obligation	36 551	59 408
Current Liabilities		
Loans from Related Entities	68 537	149 294
Instalment Sale Obligation	23 285	20 850
Trade & Other Payables	238 973	224 737
TOTAL LIABILITIES	**330 795**	**394 881**
TOTAL EQUITY & LIABILITIES	**367 346**	**454 289**
	6 522 891	6 367 004

STATEMENT OF CASH FLOW

Figures in Rand	2014	2013
Cash Flows From Operating Activities		
Cash Generated From Operations	550 444	1 143 012
Finance Costs	6 910	9 768
Net Cash From Operating Activities	**(543 534)**	**(1 133 244)**
Cash Flows From Investing Activities		
Property, Plant & Equipment Acquired	(653 381)	(795 329)
Proceeds on Disposal of Property, Plant & Equipment	46 429	15 791
Net Movement In Loans With Related Entities	(80 757)	(33 220)
Net Cash Flow From Investing Activities	**(687 709)**	**(746 318)**
Cash Flow From Financing Activities		
Finance Lease Payments	(20 422)	(18 265)
Net Cash From Financing Activities	**(20 422)**	**(18 265)**
Total Cash Movement For The Year	(164 597)	(268 661)
Cash & Cash Equivalents At The Beginning of The Year	555 570	186 909
Total Cash & Cash Equivalents At The End of The Year	**(390 973)**	**(203 994)**

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	2014	2013
Revenue	3 540 538	3 078 665
Other Income	545 847	32 205
Operating Expenses	(4 045 699)	(3 539 737)
Operating Surplus/Deficit	**40 686**	**428 967**
Investment Revenue	28 269	310
Finance Costs	(33 762)	(15 764)
Surplus For The Year	**(35 193)**	**(444 421)**

STATEMENT OF FINANCIAL POSITION

Figures in Rand	2014	2013
ASSETS		
Non-Current Assets		
Property Plant & Equipment	4 642 879	4 428 149
Loans To Related Entities	9 741	11 629
	4 652 620	**4 439 778**
Current Assets		
Loans To Related Entities	8 572	4 734
Accounts Receivable	378 577	94 404
Cash and Cash Equivalents	200 000	240 837
	587 149	**339 975**
TOTAL ASSETS	**5 239 769**	**4 779 753**
EQUITY & LIABILITIES		
EQUITY		
Capital Reserve Fund	1 000 000	1 000 000
Accumulated Surplus	3 574 563	3 539 370
LIABILITIES		
Non Current Liabilities		
Long Term Liability	258 797	-
Current Liabilities		
Long Term Liability	47 211	87 505
Accounts Payable	99 198	152 878
Deferred Lotto Grant	260 000	-
	406 409	**240 383**
TOTAL LIABILITIES	**665 206**	**240 383**
TOTAL EQUITY & LIABILITIES	**5 239 769**	**4 779 753**

STATEMENT OF

CASH FLOW

Figures in Rand	2014	2013
Cash Flows From Operating Activities		
Cash Generated From Operations	66 026	127 301
Interest Income	28 269	310
Finance Costs	(33 762)	(15 764)
Net Cash From Operating Activities	**(71 519)**	**(142 755)**
Cash Flows From Investing Activities		
Property, Plant & Equipment Acquired	(653 381	(795 329)
Proceeds on Disposal of Property, Plant & Equipment	(130 000)	1
Net Movement In Loans With Related Entities	1 950	(302 757)
Net Cash Flow From Investing Activities	**(187 821)**	**(293 383)**
Cash Flow From Financing Activities		
Finance Lease Payments	218 503	(138 934)
Net Cash From Financing Activities	**218 503**	**(138 934)**
Total Cash Movement For The Year	(40 837)	(11 694)
Cash & Cash Equivalents At The Beginning of The Year	240 837	229 143
Total Cash & Cash Equivalents At The End of The Year	**(200 000)**	**(240 837)**

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	2014	2013
Revenue	2 360 375	3 438 009
Other Income	158 710	110
Operating Expenses	(2 777 679)	(2 464 967))
Operating Surplus/Deficit	**(258 594)**	**(973 152)**
Investment Revenue	-	1 920
Finance Costs	-	(58 141)
Surplus/Deficit For The Year	**(258 594)**	**(916 931)**

STATEMENT OF FINANCIAL POSITION

Figures in Rand	2014	2013
ASSETS		
Non-Current Assets		
Property Plant & Equipment	41 209	11 062
	4 652 620	**4 439 778**
Current Assets		
Trade & Other Receivables	164 981	385 691
Cash and Cash Equivalents	777 628	430 858
	942 609	**816 549**
TOTAL ASSETS	**938 818**	**827 611**
EQUITY & LIABILITIES		
EQUITY		
Retained Income	428 351	689 945
LIABILITIES		
Non Current Liabilities		
Loan From Related Entity	9 741	11 629
Current Liabilities		
Trade & Other Payables	545 726	129 037
TOTAL LIABILITIES	**555 726**	**140 037**
TOTAL EQUITY & LIABILITIES	**983 818**	**827 611**

STATEMENT OF CASH FLOW

Figures in Rand	2014	2013
Cash Flows From Operating Activities		
Cash Generated From Operations	382 460	335 149
Interest Income	-	1 920
Finance Costs	-	(58 141)
Tax Received	-	30 731
Net Cash From Operating Activities	**(382 460)**	**(309 659)**
Cash Flows From Investing Activities		
Property, Plant & Equipment Acquired	(33 802)	(8 967)
Proceeds on Disposal of Property, Plant & Equipment	-	271
Net Movement In Loans With Related Entities	(1 888)	(298 266)
Net Cash Flow From Investing Activities	**(35 690)**	**(306 962)**
Total Cash Movement For The Year	**346 770**	**2 697**
Cash & Cash Equivalents At The Beginning Of The Year	430 858	428 161
Total Cash & Cash Equivalents At The End of The Year	**777 628**	**430 858**

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