ROSEBANK UNION CHURCH

CONDENSED ANNUAL FINANCIAL STATEMENTS

Year ended 31 December 2025

Financial information extracted from the audited financial statements of Rosebank Union Church for the year ended 31 December 2025

Rosebank Union Church

CONDENSED ANNUAL FINANCIAL STATEMENTS
Year ended 31 December 2025

Basis of preparation

The condensed annual financial statements are derived from the audited financial statements of the church for the year ended 31 December 2025.

The financial statements are prepared in terms of accounting principles set out in IFRS for SMEs except that assets acquired which are not land and buildings are written off in the year of acquisition. The accounting policies are consistent with the prior years.

The financial statements from which these condensed financial statements have been derived have been audited by HLB Barnett Chown Inc. Their audit report is available for inspection at the registered office of the church. The audit report is qualified in respect of the completeness of donation income and the departure from IFRS for SMEs in relation to the writing off of assets, excluding land and buildings, in the year of acquisition and that consolidated financial statements, which include the hospitality company rental operations, are not prepared.

Commentary on the financial statements

The condensed financial statements are meant to provide an overview of the primary financial information for the period reported. For detailed understanding, members should read the complete annual financial statements of Rosebank Union Church. A copy of the complete annual financial statements is available to members on request from the registered office of the church.

The financial statements set out the income and expenses of the church as well as the financial position and cash flows for the year. The church operates by receiving tithes and offerings from members and others and in turn uses this for its mission and ministry activities.

The financial position of the church at 31 December 2025 remains in a positive net asset value position with no external debt obligations and repayment commitments. The day to day expenses of the church are significant and hence it is completely reliant on the regular giving from members to ensure that obligations in respect of personnel costs, mission work, ministries and operating costs are met through the year.

Approval

The financial statements and condensed financial statements were approved by the Finance Committee and Elder Governing Board on 18 February 2026. The financial information will be submitted to the members at the AGM on 11 March 2026 for adoption.

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CONDENSED STATEMENT OF FINANCIAL POSITION
as at 31 December 2025

	Notes	2025 R	2024 R
Assets			
Non-current assets			
Property, plant and equipment	1	38 989 044	38 989 044
Loan to RUC Hospitality Company	2	-	-
Current assets			
Trade and other receivables		32 073	20 722
Cash and cash equivalents		5 789 798	5 174 905
		5 821 871	5 195 627
Total assets		44 810 915	44 184 671
Equity and liabilities			
Equity			
Accumulated funds, Development fund and Project Refresh	3	40 347 585	41 444 879
		40 347 585	41 444 879
Liabilities			
Current liabilities			
Accrued expenses, capital expenditure and other liabilities		1 856 256	930 754
Provisions - leave pay for employees		679 868	549 618
Other financial liabilities and designated giving	4	1 927 206	1 259 420
		4 463 330	2 739 792
Total equity and liabilities		44 810 915	44 184 671

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CONDENSED STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2025

	Note	2025 R	2024 R
Income			
Offerings		27 865 306	25 871 424
JBC Alexandra - designated giving and Thanksgiving		280 000	383 803
Lesedi Church plant - designated giving		-	671 796
Other income (includes cost recoveries for Hospitality)		480 265	432 512
Investment income		288 431	275 330
Total income		**28 914 002**	**27 634 865**
Expenses			
Personnel - pastors, ministry leaders and support staff		17 453 943	15 561 639
Ministries		6 645 665	6 047 340
External		*5 067 501*	*5 075 587*
- Missions : Missionary support		3 530 286	3 319 988
- Outreach : Campus Outreach		423 294	400 000
- Johannesburg Bible College - Alexandra Campus		580 000	683 803
- Red Frogs		36 000	-
- Lesedi Church Plant (operating costs, excluding personnel)		497 921	671 796
Internal		*1 578 164*	*971 753*
- Missions (local and foreign ministry and mission trips)		181 135	78 018
- Care (including Care Fund contributions, Ngomusa and Oasis)		238 112	95 772
- Soul Care (training and counselling courses)		51 599	16 801
- Discipleship (training and School of the Bible)		226 003	125 273
- NextGen (children's ministry, youth, students, young adults)		392 372	213 295
- Worship (Sunday worship, video, audio, lighting, music)		488 943	442 594
Administration and campus costs		4 172 445	4 070 409
Total expenses		**28 272 053**	**25 679 388**
Operating surplus before capital expenditure		**641 949**	**1 955 477**
Capital expenditure projects	3	(2 779 282)	(959 919)
(Deficit) Surplus for the year before other income and fund movements		**(2 137 333)**	**995 558**
Other income and fund movements			
Recovery of loan previously impaired in respect of RUC Hospitality Company (Pty) Ltd		338 923	209 469
Project Refresh Funds utilised (Save-a-seat campaign for 2025)	3	585 856	43 432
Transfer from Development Fund	3	1 196 656	-
Net (deficit) surplus for the year		**(15 898)**	**1 248 459**

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CONDENSED STATEMENT OF CHANGES IN MEMBERS' FUNDS
for the year ended 31 December 2025

	Accumulated funds	Develop- ment Fund	Project Refresh including Save-a-seat	Total members' funds
	R	R	R	R
Balance at 31 December 2022	**37 740 779**	**1 650 480**		**39 391 259**
Surplus for the year ended 31 December 2023	1 258 985	-		1 258 985
Transfer to income statement for capital expenditure		(453 824)		(453 824)
Balance at 31 December 2023	**38 999 764**	**1 196 656**		**40 196 420**
Surplus for the year ended 31 December 2024	1 248 459	-		1 248 459
Balance at 31 December 2024	**40 248 223**	**1 196 656**		**41 444 879**
Contriutions received		**-**	701 116	701 116
Transfer to income statement for capital expenditure		(1 196 656)	(585 856)	(1 782 512)
Deficit for the year ended 31 December 2025	(15 898)	-	-	(15 898)
Balance at 31 December 2025	**40 232 325**	**-**	**115 260**	**40 347 585**

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CONDENSED STATEMENT OF CASH FLOWS
for the year ended 31 December 2025

	2025 R	2024 R
Cash flows from operating activities		
Net (deficit) surplus for the year	(15 898)	1 248 459
Adjustments for reclassified and non-cash items:		
- Investment income shown separately	(288 431)	(275 330)
- Capital expenditure reflected under investing activities	2 779 282	959 919
- Allocation from development fund, non cash item	(1 196 656)	-
- Allocation from Project Refresh, non cash item	(585 856)	(43 432)
- Impairment provision reversal, non-cash item	(338 923)	(209 469)
- Movement in provisions, non-cash item	130 250	(147 115)
Net cash generated by operations before changes in working capital and investment income	483 768	1 533 032
Changes in working capital		
- trade and other receivables	(11 351)	(19 000)
- accrued expenses, excluding capital expenditure accruals	34 536	164 043
Cash generated by operations before investment income	506 953	1 678 075
Investment income	288 431	275 330
Net cash inflow from operating activities	**795 384**	**1 953 405**
Cash flows from investing activities		
Cash outflow for capital expenditure *	(1 888 316)	(1 320 597)
Net cash outflow from investing activities	**(1 888 316)**	**(1 320 597)**
Cash flows from financing activities		
Net recovery of loan previously advanced to RUC Hospitality Company (Pty) Ltd	338 923	209 469
Project Refresh - Save a seat contributions received	701 116	-
Increase (Decrease) in other financial liabilities	667 786	420 488
Net cash inflow from financing activities	**1 707 825**	**629 957**
Net cash movement for the year	**614 893**	**1 262 765**
Cash and cash equivalents at the beginning of the year	**5 174 905**	**3 912 140**
Cash and cash equivalents at the end of the year	**5 789 798**	**5 174 905**

* The capital expenditure cash flow for 2025 excludes purchases made but not settled as of 31 December 2025. This relates mainly to auditorium air-conditioning project. In total capital expenditure for 2025 that is expected to be paid in 2026 amounts to R890 966.

* The capital expenditure cash flow for 2024 includes a further payment of R404 110 for the mixer console that was accrued as of 31 December 2023.

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NOTES TO THE CONDENSED ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2025

	2025	**2024**
	R	**R**
1. Property, plant and equipment		
Opening balance	38 989 044	38 989 044
Additions for the year	2 779 282	959 919
Amounts written off in statement of comprehensive income	(2 779 282)	(959 919)
Closing balance	38 989 044	38 989 044

The residual balance represents land and buildings at cost with improvements which are situated in Hurlingham, Johannesburg. Details of additions are set out in note 3.

2. Amount due by RUC Hospitality

	2025	2024
Amount due by RUC Hospitality Company (Pty) Ltd		
- opening balance	-	-
- cost recoveries	628 314	518 191
	628 314	518 191
- net advances and repayments	(967 237)	(727 660)
- impairment reversal on long term portion of loan	338 923	209 469
- closing balance	-	-
Disclosed as:		
Loan receivable	1 869 138	2 208 061
Less : impairment provision	(1 869 138)	(2 208 061)
Loan to RUC Hospitality Company (Pty) Ltd	-	-

The loan receivable due by RUC Hospitality Company (Pty) Ltd has been sub-ordinated at 31 December 2025 due to the accumulated deficit in that company. The loan was impaired in full in the 2020 financial year. To the extent that there is any recovery of the loan account balance in a financial year, this is reflected as an impairment reversal.

3. Development Fund, Project Refresh and details of capital expenditure

The development fund is part of the members' funds which have been set aside for major capital expenditure and infrastructure improvements and renovations. Going back to around 2019, funds were set aside from the surplus at that time as a future in-part saving toward replacing the air-conditioning units for the auditorium. This project was undertaken in 2025. All of the development fund existing at the start of 2025 has been utilised in the current year.

The Project Refresh Fund, established in July 2022 is an additional designated fund and reflected as part of equity as it is funded directly by members. Project Refresh funds are used for specific projects, details of which were presented to members in July 2022 and updated from time to time.

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3. Development Fund, Project Refresh and details of capital expenditure

In March 2025, as part of Project Refresh, Save-a-Seat campaign was launched to receive funds for the refurbishment of the auditorium seating. In September 2025, Phase 1 of the project was completed (front section seating) in the auditorium, utilising R585 856 of the funds received. Further contributions were received through October to December 2025. At year end, the Project Refresh Fund, Save-a-seat campaign had a remaining fund balance of R115 260.

	2025	**2024**
	R	**R**
Details of capital expenditure:		
Wireless mics and in ear monitor equipment (Mixer project)	166 927	172 225
IT equipment - for auditorium and studio	56 392	-
IT equipment for staff team	145 701	63 857
Other equipment	71 470	-
Building renovations and improvements, fixtures and fittings		
- Two new Daikin Units installed for auditorium heating and cooling	1 508 255	-
- Phase I auditorium seating front section refurbished	585 856	-
- Connexus area	142 758	-
- Resource Centre	37 464	-
- Upper mezzanine floor tiling entrance 2	-	140 342
- Outside parking for Hamilton Avenue	-	102 190
- Next Gen meeting room (counselling centre renovation)	-	60 342
- Furniture and equipment including fans and heaters	64 459	80 963
Motor vehicle - 8 seater	-	340 000
Total capital expenditure	2 779 282	959 919
Development Fund		
Opening balance	1 196 656	1 196 656
Transfer from Development Fund to cover in part installation of rooftop air-conditioning units	(1 196 656)	-
Development Fund at end of year	-	1 196 656
Project Refresh Fund		
Contributions received	701 116	43 432
Utilised Project Refresh funds (Save a Seat Campaign)	(585 856)	-
Utilised Project Refresh funds	-	(43 432)
Project Refresh Fund at end of year	115 260	-

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	2025 R	2024 R
4. Other financial liabilities and designated giving		
Designated mission ministry funds	1 440 236	848 438
Care Fund	20 568	193 904
JBC Alex funding received in current year for new academic year	91 278	167 882
Lesedi Community Church plant designated fund	247 013	47 147
Other collections for distribution (aggregated)	128 111	2 049
	1 927 206	1 259 420

Other financial liabilities consist of designated mission ministry funds, the Care Fund, designated giving for specific projects such as JBC Alex and Lesedi church plant and specific collections for distribution such as the Thanksgiving offering which have been received but not yet paid over or outlaid. These amounts are generally paid out in the course of the next financial year.

Movement in the Care Fund in 2025 comprised additional member contributions of R273 889, an allocation from ministry funds of R130 000 and support payments of R577 225.

Designated mission ministry funds represent specific donations received for external mission ministry support or projects. These funds are managed by the Missions Committee under the leadership of the Missions Director. In 2026 an amount of R100 000 has been paid over to our missionary team in Malawi for the construction of a church. Other amounts have been disbursed in the course of 2025 to specific missionaries that are supported by RUC.