

**EVANGELICAL LUTHERAN CHURCH
IN SOUTHERN AFRICA (N - T)**

**FINANCIAL STATEMENTS
31 DECEMBER 2018**

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The Trustees

EVANGELICAL LUTHERAN CURCH IN SOUTHERN AFRICA (N-T)

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REPORT ON FINANCIAL STATEMENTS

We have audited the Balance Sheet as at 31 December 2018, as set out on pages 4 and 5 as well as the Income and Expenditure Account for the year then ended, as set out on pages 6 and 7 of the attached financial statements of **EVANGELICAL LUTHERAN CURCH IN SOUTHERN AFRICA (N-T)**. We did not audit any other statements, notes or schedules included in the financial statements, and do not express any opinion on it, as it is for internal use only.

Trustee's Responsibility for the Financial Statements

The church's trustees are responsible for the preparation of the financial statements in accordance with the church's own accounting policies to satisfy the financial information needs of the trustees, and for such internal control as the trustees determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these parts of the financial statements subject to our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the applicable sections of the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the applicable sections of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the church's preparation and fair presentation of the applicable sections in the financial statements 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 church's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by trustee's, as well as evaluating overall presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Emphasis of Matter

In common with similar organizations, it is not feasible for the organization to institute accounting controls over income and other receipts prior to initial entry in the accounting records. Accordingly our audit was restricted to accounting records presented to us.

Opinion

Accounts receivable from Congregations amounts to R 1 472 983. Due to the fact that Congregations normally does not have contractual or fixed income and mainly rely on collections and donations for income, there will always be uncertainty about their ability to repay such amounts. It is therefore not possible for us to report on the collectability of such amounts.

We can also not report on internal allocations such as fund structures, asset allocation to specific funds as well as amounts due between such structures.

In our opinion, except for the possible effects of the matters mentioned above, the Balance Sheet as at 31 December 2018, as well as the Income and Expenditure Account for the year then ended, fairly present, in all material aspects, the financial performance of the church for the year ended 31 December 2018.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to the fact that the financial statements were prepared in accordance with the church's own accounting policies to satisfy the financial information needs of the trustees.

We also draw attention to the fact that supplementary information set out on page 8 to 14 of the financial statements are presented as additional information for purpose of use by the trustees. We have not audited this information and accordingly do not express an opinion thereon.

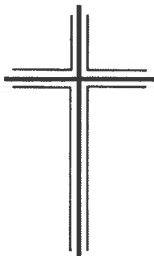
As a result, the financial statements may not be suitable for another purpose.



BDJ AUDITORS INCORPORATED

P.B. BUYS

06/02/2019



EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N-T)
EVANGELISCH-LUTHERISCHE KIRCHE IM SÜDLICHEN AFRIKA(N-T)
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PBO 93000665
14 January 2019

REPORT OF THE CHURCH COUNCIL OF THE

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N-T)

The Church Council submits the annual financial statements for the twelve months ended 31st December 2018 and reports as follows:

STATEMENT OF RESPONSIBILITY

The Church Council is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the generally accepted accounting practice appropriate to the Church.

The Church Council is also responsible for the Church's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguarding and maintaining accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the Church Council to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the *going concern basis*, since the Church Council has every reason to believe that the Church has adequate resources in place to continue operation for the foreseeable future.

CHURCH COUNCIL

The following members acted on the Church Council during the year 2018:

Mr Henning Springer (President)
Bishop Horst Müller
Deputy-Bishop Theodor Jäckel
Mr Vernon Filter (Treasurer)
Mr Eckart Krüger
Ms Ann Mokhine
Ms Annette Pfeiffer
Pastor Petra Röhrs
Dr Hans Schütte

ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on page 3 to 14 fully reflect the results of the Church's operations during the year under review and these have been approved by the Church Council and hereby signed on its behalf.

Bishop

Treasurer

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

Summary Financial Results

	2018		2017
	12	Budget Full Year	12
Pastors In Service			
Month out of 12			
Total Congregation Invoiced	16,320,024	15,936,573	15,948,260
Bad Debt Written off	0		(122,104)
Contributions -Youth Pastor	116,959	139,794	129,668
Vacancy Adjustment	(1,790,594)	(503,260)	(2,803,173)
Total Nett Income	14,646,388	15,573,107	13,152,652
Cost to company Pastors	14,809,507	15,861,193	11,907,860
Salaries - Pastors in Service	12,937,504	14,587,809	10,171,440
Group Personal Insurance	374,430	-	276,700
ELCSA (N-T) Medical Post Retirement Fund	985,298	985,298	998,080
Transfer Cost	471,216	288,086	461,640
Sundry	41,060	-	-
Net Pastors In Service	(163,119)	(288,086)	212,439
Nett Church Running costs			
Bishop and Program facilitator	773,811	1,074,633	1,081,932
TRAVELLING AND ACCOMMODATIONS OFFICE	332,373	405,520	255,223
MEMBERSHIP FEES	1,057,203	929,945	1,027,123
CIRCUITS	128,930	147,711	129,282
Vehicle Replacement costs	222,560	222,560	208,000
Total Church running costs	131,307	189,375	173,750
	2,646,183	2,969,743	2,875,310
Setoff Income	2,171,454	2,515,000	1,848,260
Nett SOLIDARITY FUND	931,335	1,300,000	707,524
SUBSIDIES FROM E.K.D	1,230,979	1,215,000	1,133,396
Other Income	9,140	0	7,340
Nett Church Running Costs to be recovered	474,730	454,743	1,027,050
Church running Cost contribution from Congregations	736,429	742,830	1,032,353
Excess/(Under Recovery)	261,700	288,086	5,303
Investment Income less allocation-Investment carry			
Investment income			
General funds	(594,025)	381,055	879,237
Medical Funds	(201,018)	381,055	0
Hermansburg Schule fund	(116,261)	0	0
INVESTMENT INCOME	(911,303)	762,109	879,237
Interest on Arrears Accounts	142,272	0	122,605
Interest on Loans	65,462	0	0
Interest Allocation			
General funds	(230,158)	(347,020)	(148,956)
Medical Funds	201,018	(347,020)	(542,814)
Hermansburg Schule fund	116,261	0	
Net Investment Carry	(616,449)	68,069	310,072
Summary of Income Statement elements			
Pastors in Service	(163,119)	(288,086)	212,439
Nett Church Running Costs to be recovered	261,700	288,086	5,303
Investment Income less allocation-Investment carry	(616,449)	68,069	310,072
As per the above summary	(517,869)	68,069	527,815
Net income per Income Statement			
Per Income Statement	(517,869)	68,069	527,815
Normalised Net income	(517,869)	68,069	527,815
Difference	(0)	(0.00)	0.00

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

BALANCE SHEET AT 31 DECEMBER

	<u>2018</u>	<u>% Variation</u>	<u>2017</u>
<u>CAPITAL AND LIABILITIES</u>			
<u>CAPITAL</u>	6,896,217.46	-21.1%	8,740,254.26
<u>FUNDS AND RESERVES</u>	14,173,677.86	159.4%	5,463,147.00
Transient Funds	5,324,936.08	25.0%	4,260,984.04
Specific Reserves	8,848,741.78	636.1%	1,202,162.96
<u>LONGTERM PROVISION AND LIABILITES</u>			
ELCSA (NT) Medical Provision-Pensioners	8,610,141.93	0.6%	8,555,944.67
<u>CURRENT LIABILITIES</u>			
Account Payables and Provisions	55,000.00	12.7%	48,786.42
	<u>29,735,037.25</u>	30.4%	<u>22,808,132.35</u>

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

BALANCE SHEET AT 31 DECEMBER

	Reference	<u>2018</u>	<u>% Variation</u>	<u>2017</u>
<u>ASSETS</u>				
<u>NON CURRENT ASSETS</u>				
IMMOVABLE PROPERTY	Note D	2,217,926.30	-50.4%	4,468,406.30
INVESTMENTS		25,143,447.72	69.7%	14,818,252.67
Investments General Funds	Note B1	6,091,878.28		14,818,252.67
Investments Medical Funds	Note B2	8,698,415.75		-
Investment Hermansburg Schule Reserve	Note B3	4,683,739.67		-
Standard Bank Moneymarket		5,669,414.02		-
Total Investments		<u>25,143,447.72</u>		<u>14,818,252.67</u>
Attributable to Funds and Reserves		25,143,447.72	69.7%	14,818,252.67
Attributable to Transient Funds		5,324,936.08	25.0%	4,260,984.04
Attributable to Specific Reserves	Page 9-10	8,848,741.78	636.1%	1,202,162.96
Attributable to Longterm Provisions		8,610,141.93	0.6%	8,555,944.67
Attributable to General Purposes		2,359,627.93	195.3%	799,161.00
LOAN ACCOUNTS		144,258.29	418.7%	27,813.39
Staff		4,895.04	-82.4%	27,813.39
Vehicle Loans RMM		139,363.25		-
<u>CURRENT ASSETS</u>		2,229,404.94	-36.2%	3,493,659.99
Deposits		1,472,983.34		2,066,624.96
Accounts Receivable		1,472,983.34	-28.7%	2,066,624.96
Sundry Congregation		756,248.82		1,426,557.34
Bank Balances		756,248.82	-47.0%	1,426,557.34
Bank Accounts		172.78	-63.8%	477.69
Cash on Hand				
		<u>29,735,037.25</u>	30.4%	<u>22,808,132.35</u>

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER

<u>EXPENSES</u>	<u>2018</u>	<u>% Variation</u>	<u>2017</u>
<u>PERSONNEL COSTS</u>	14,859,079.65	21.1%	12,269,808.84
Salaries - Pastors in Service	12,937,503.76	27.2%	10,171,440.10
Salaries - Bishop and Program Facilitator	497,515.54	-36.1%	779,191.42
Salaries - Office	732,275.31	-1.0%	739,736.64
Group Personal Insurance	374,429.78	35.3%	276,699.88
Bishop and Program Facilitator maintenance cost	276,295.26	-8.7%	302,740.80
Expenses Pastors Training and Courses	41,060.00		
<u>TRAVELLING AND ACCOMMODATIONS</u>	332,372.77	30.2%	255,222.87
General	13,243.73	-73.8%	50,567.66
Overseas Furlough	16,124.36	4.6%	15,411.72
Synods	60,000.00	108.7%	28,746.88
Expenses, Accommodations and Meals	60,000.00	108.7%	28,746.88
Church Council	128,351.67	17.8%	108,963.75
Motor Vehicles Expenses	59,033.71	14.6%	51,532.86
Running Expenses	59,033.71	14.6%	51,532.86
Meetings and Accommodation Expenses	55,619.30		
<u>OFFICE</u>	324,927.35	13.1%	287,386.55
Printing and Stationery	4,654.69	-59.9%	11,597.56
Communications, Postage and Telephone	29,747.55	-11.7%	33,700.28
Purchases, Repairs and Maintenance of Office Equipment	28,587.90	-15.9%	33,987.87
Insurance	14,135.81	-0.4%	14,199.65
Audit Fees	39,306.25	-2.7%	40,395.30
Bank Charges	15,386.86	-46.9%	28,951.12
Refreshments and General meeting expenses	21,405.88	-14.6%	25,052.56
Rental/Rates	171,702.41	72.6%	99,502.21
<u>MEMBERSHIP FEES</u>	128,929.65	-0.3%	129,281.76
U.E.L.C.S.A.	110,425.00	0.6%	109,723.00
L.W.F.	3,339.05	94.7%	1,715.16
L.U.C.S.A.	6,000.00	0.0%	6,000.00
S.A.C.C.	9,165.60	-22.6%	11,843.60
<u>SUNDRY EXPENSES</u>	471,216.10	2.1%	461,639.85
Transfer Costs	471,216.10	2.1%	461,639.85
Local Incurred Expense	212,299.97	-13.7%	246,038.80
Foreign Provision Transfers	258,916.13	20.1%	215,601.05
Sundries	0.00		-
<u>CIRCUITS</u>	222,560.00	7.0%	208,000.00
<u>FUND AND PROJECT EXPENSES</u>	8,322,184.33	173.0%	3,048,490.04
Total Expenses	24,661,269.85	48.0%	16,659,829.91
Profit/ (Loss) before allocation	9,171,171.32	634.2%	1,249,071.01
<u>ALLOCATION OF FUNDS</u>	(9,689,039.87)		(721,256.36)
Investment Allocation to Funds	(230,157.56)	54.5%	(148,956.03)
Investment Allocation to Medical Liability	201,017.78	-137.0%	(542,813.83)
Investment Allocation to Deutsche Schule Hermansburg	116,260.52		0.00
Depreciation Vehicles	(105,045.96)	-24.4%	(139,000.08)
Depreciation Vehicles Funding for new vehicle (+25%)	(26,261.52)	-24.4%	(34,750.08)
ELCSA (N-T) Medical Post Retirement Fund	(985,297.80)	-1.3%	(998,080.00)
Net Fund and Project Expenses	(8,659,555.33)	-858.1%	1,142,343.66
Profit/ (Loss) after allocation	(517,868.55)		527,814.65

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER

<u>INCOME</u>	<u>Notes</u>	<u>2018</u>	<u>% Variation</u>	<u>2017</u>
<u>CONTRIBUTIONS</u>				
Contributions - Congregation (As per Budget)		16,320,023.80	9.4%	14,915,907.43
Contributions -Youth Pastor		116,958.73	-9.8%	129,668.40
Vacancy Adjustment		(1,790,594.31)	-36.1%	(2,803,172.95)
Bad Debt Written off		0.00	-100.0%	(122,103.79)
Contributions-Church Running cost		736,429.08	-28.7%	1,032,353.00
<u>Nett CONTRIBUTIONS</u>		15,382,817.30	17.0%	13,152,652.09
<u>SOLIDARITY FUND</u>				
		931,334.51	31.6%	707,524.24
Received from Congregations		931,334.51	-5.4%	984,143.20
Subsidies to Congregations		0.00	-100.0%	(276,618.96)
<u>GRANT FROM EKD</u>				
Received		1,230,979.29	8.6%	1,133,396.23
<u>FUND AND PROJECT INCOME</u>				
		16,981,739.66	790.9%	1,906,146.38
Collections and donations		1,202,823.89	-4.3%	1,256,345.15
Other Fund Receipts		15,778,915.77	2328.3%	649,801.23
<u>INVESTMENT INCOME</u>				
		(703,569.58)	-170.2%	1,001,841.98
Medical Funds		(201,017.78)		-
Hermansburg Schule Fund		(116,260.52)		-
General funds		(594,025.04)	-167.6%	879,237.17
Interest on Loans		65,462.21		0.00
Interest on Arrears Accounts		142,271.55	16.0%	122,604.81
<u>SUNDRY INCOME</u>				
		9,139.99	24.5%	7,340.00
Rental Received		5,300.00	-1.9%	5,400.00
Sundry Income		3,839.99	97.9%	1,940.00
Profit on sale of Property		0.00		0.00
Farm Endeavour		8,235,520.00		0.00
Release of Property reserve		2,250,480.00		0.00
Allocated to Deutsche Schule Hermansburg Trust		(5,243,000.00)		0.00
Allocated to Deutsche Schule Hermansburg Fund		(5,243,000.00)		0.00
		33,832,441.17	88.9%	17,908,900.92

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
FUND AND PROJECT INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER

Fund Income Statement

	2018	% Variation	2017
Collections and donations	1,202,823.89	-4.3%	1,256,345.15
Church Music	86,531.36	56.1%	55,427.88
Church Mission	597,778.93	-10.9%	670,984.72
Church Youth	225,308.75	5.7%	213,192.92
Church Seniors/Old Age Homes	17,801.75	-64.1%	49,602.00
Theological Education	193,776.43	12.4%	172,450.73
Building Reserve Durban New	6,581.50		
Deutsche Schule Hermansburg	75,045.17	-20.7%	94,686.90
Other Fund Receipts	15,778,915.77	2328.3%	649,801.23
Church Music	0.00		0.00
Church Mission	0.00		1,900.00
Theological Education	54,342.00	-71.4%	190,180.17
Church Youth	186,955.00	44.2%	129,668.28
Haus Kandatze	38,312.00	-1.0%	38,700.00
ELCSA (NT) Medical Provision-UELCSA Refund	(950.40)	-101.1%	84,352.78
Building Reserve -Northern Parish/Louise Trichart	0.00		205,000.00
Building Reserve Durban	7,737,209.90		0.00
Property Reserve -Hermansburg Schule	5,243,000.00		
Seafarers Reserve	2,420,047.27		0.00
Vehicle fund Sold Vehicle	100,000.00		0.00
Total fund income	16,981,739.66	790.9%	1,906,146.38
Project Expenditure	8,322,184.33	173.0%	3,048,490.04
Church Music	20,000.00	-33.3%	30,000.00
Church Mission	807,453.49	11.2%	725,929.79
Church Youth	601,653.15	81.0%	332,400.00
Church Youth write off			
Church Seniors/Old Age Homes	27,256.35	-72.7%	99,961.95
Theological Education	345,573.52	-27.7%	478,192.32
Deutsche Schule Hermansburg	154,658.85	82.6%	84,680.95
Church Other Projects	4,800.00	100.0%	2,400.00
Haus Kandatze	112,706.78	118.5%	51,571.89
Building Reserves	2,088.56	-30.2%	2,993.70
Building Reserve Durban	4,143,683.23	1550.2%	251,107.22
Seafarers Reserve	853,475.33		0.00
Building Reserve -Northern Parish/Louise Trichart	90,000.00	-14.7%	105,563.52
Property Reserve -Hermanburg Schule	204,540.51	25.4%	163,071.74
Refugee fund	16,677.69		
ELCSA (NT) Medical Provision	729,132.36	1.2%	720,616.96
Violence and Trauma Fund	208,484.51		
Vehicle reserve fund	0.00	0.0%	0.00
Net Income and Expenditure in Funds and Projects	8,659,555.33	-758.1%	(1,142,343.66)
Transfer to/(from) Income Statement	598,736.73		1,699,644.81
Interest allocation	(87,120.74)		691,769.86
Net movement in Funds and Projects	9,171,171.32		1,249,071.01
Opening Balance of Funds and Projects	18,290,939.63		17,041,868.62
Closing Balance of Funds and Projects	27,462,110.95	150.1%	18,290,939.63

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
FUNDS AND RESERVES FOR THE YEAR ENDED

31 DECEMBER 2018

	CHURCH		OTHER		Debit		10%		TRANSFER	
	BALANCES 01 01 2018	COLLECTIONS AND DONATIONS	RECEIPTS AND PROVISIONS	INTEREST and INTERNAL ALLOCATIONS	PAYMENTS/ TRANSFERS	FROM/TO INCOME STATEMENT	BALANCE 31 12 2018			
FUNDS AND RESERVES										
TRANSIENT										
Old Age Homes of the Church	13,258.45	17,801.75	0.00	0.00	(27,256.35)	0.00	3,803.85			
Port Natal	8,538.05	15,209.70			(20,844.70)	0.00	2,903.05			
Richmond	4,720.40	2,592.05			(6,411.65)	0.00	900.80			
Church Youth Work	759,266.37	225,308.75	186,955.00	23,072.30	(601,653.15)	0.00	592,949.27			
Youth Work - General	3,600.00					0.00	3,600.00			
Youth Work - Northern Circuit	136,751.21	46,809.80		1,740.52	(113,940.11)	0.00	71,361.42			
Youth Work - Central Circuit	89,307.41	30,230.55	70,000.00	2,988.45	(211,229.80)	0.00	122,526.41			
Youth Work - K.Z.N.	115,354.49	148,268.40	116,955.00	3,059.83	(276,483.24)	0.00	125,452.92			
Youth Work - K.Z.N. Hub	414,253.26	0.00		15,283.50		0.00	270,008.52			
Church Music	214,259.87	86,531.36	0.00	7,019.78	(20,000.00)	0.00	287,811.01			
Church Mission Fund	2,000,262.74	597,778.93	0.00	107,435.29	(807,453.49)	0.00	1,898,023.47			
Theological Education	606,493.45	193,776.43	54,342.00	30,542.30	(345,573.52)	0.00	539,580.66			
Deutsche Schule Hermannsburg	98,456.90	75,045.17			(154,658.85)	0.00	18,843.22			
Diaconical Fund - Gossmann Trust	307,956.18	0.00			(4,800.00)	0.00	303,156.18			
Violence and Trauma Fund	208,484.51				(208,484.51)	0.00	0.00			
Seafarers Reserve	0.00	2,420,047.27		78,328.60	(853,475.33)	0.00	1,644,900.54			
Refugee fund	52,545.57		0.00	107,435.29	(16,677.69)	0.00	35,867.88			
	4,260,984.04	1,196,242.39	2,661,344.27	246,398.27	(3,040,032.89)	0.00	5,324,936.06			
SPECIFIC RESERVES										
Building Reserve	924,311.75	0.00	0.00	(924,311.75)	0.00	0.00	0.00			
Building Reserve -Northern Parish	156,194.91			3,852.66	(2,088.56)		157,959.01			
Building Reserve Louis Trichart(Part of Northern Parish)	210,125.00		0.00	5,253.13			215,378.13			
Building Reserve -Trinity	236,735.44		0.00	3,668.39	(90,000.00)		150,403.83			
Building Reserve DELP	(257,384.90)	6,581.50	7,737,209.90	(38,490.94)	(4,143,683.23)		3,304,232.33			
Motor Vehicle Reserve	147,734.61		100,000.00	9,476.05	0.00	131,307.48	388,518.14			
Hermannsburg Schule Reserve	(167,148.53)		5,243,000.00	(116,260.52)	(204,540.51)		4,755,050.44			
House Kandaze Reserve	(48,405.32)		38,312.00		(112,706.78)		(122,800.10)			
	1,202,162.96	6,581.50	13,118,521.90	(1,056,812.98)	(4,553,019.08)	131,307.48	8,848,741.78			
LONGTERM PROVISION AND LIABILITIES										
ELCSA (NT) Medical Provision-Pensioners	7,497,979.87		(950.40)	(162,571.21)	(729,132.36)		6,605,325.90			
ELCSA (NT) Medical Provision-Pastors in service	1,057,964.80			(38,446.57)		985,297.80	2,004,816.03			
	8,555,944.67	0.00	(950.40)	(201,017.78)	(729,132.36)	985,297.80	8,610,141.93			
TOTAL DEDICATED RESERVES	14,019,091.67	1,202,823.89	15,778,915.77	(1,011,432.49)	(8,322,184.33)	1,116,605.28	22,783,819.79			
Retained Earnings [Ex General Reserves]	4,271,847.96			924,311.75		(517,868.55)	4,678,291.16			
TOTAL RESERVES	18,290,939.63	1,202,823.89	15,778,915.77	(87,120.74)	(8,322,184.33)	598,736.73	27,462,110.95			

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER

	<u>2018</u>	<u>%</u> <u>Variation</u>	<u>2017</u>
Contributions	16,118,730.47	23.5%	13,052,303.02
As per Income Statement	15,382,817.30	17.0%	13,152,652.09
Interest on arrears Receivables	142,271.55	16.0%	122,604.81
Movement in Account Receivable net of Bad debts Written off	593,641.62	-366.3%	(222,953.88)
Solidarity Receipts	931,334.51	-5.4%	984,143.20
Fund and Project Receipts	16,981,739.66	790.9%	1,906,146.38
Total Received from Congregations	34,031,804.64	113.5%	15,942,592.60
Subsidies Received	1,230,979.29	8.6%	1,133,396.23
Net Investment income Realised	(616,208.15)		613,068.79
Investment income per Income Statement	(845,841.13)	-196.2%	879,237.17
Add Back Fair Value adjustment	229,632.98	-186.3%	(266,168.38)
Sundry Income	9,139.99	24.5%	7,340.00
Loans	(116,444.90)	-2779.0%	4,346.61
Total Receipts	34,539,270.87	95.1%	17,700,744.23
Total Household Expenditure	16,339,085.52	17.6%	13,887,958.83
Personnel Costs	14,859,079.65	21.1%	12,269,808.84
Traveling and Accommodation	332,372.77	30.2%	255,222.87
Office Costs	324,927.35	13.1%	287,386.55
Membership Fees	128,929.65	-0.3%	129,281.76
Circuits	222,560.00	7.0%	208,000.00
Sundry Expenses	471,216.10	2.1%	461,639.85
Payments out of Solidarity	0.00	-100.0%	276,618.96
Fund and Project Expenses	8,322,184.33	173.0%	3,048,490.04
Movement in Accounts Payable	(6,213.58)	-89.4%	(58,603.82)
Total Expenses paid	24,655,056.27	46.1%	16,877,845.05
Net cash flow	9,884,214.60		822,899.18
Fair value Adjustment	(229,632.98)		266,168.38
Total Movement in Financial Funds for the year	9,654,581.62		1,089,067.56
Funds available at beginning of year	16,245,287.70		15,156,220.14
Bank and Cash	1,427,035.03		517,204.64
Financial Investments	14,818,252.67		14,639,015.50
Funds available at end of year	25,899,869.32		16,245,287.70
Funds available at end of year	25,899,869.32		16,245,287.70
Bank and Cash	756,421.60		1,427,035.03
Financial Investments	25,143,447.72		14,818,252.67
	0.00		0.00

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER

Immovable Property is not depreciated

Motor Vehicles are written off on acquisition against the Motor Vehicle Reserve Fund to which annual provisions for replacements are transferred from Income Statement and other sources.

Other movable assets are written off either as current expenditure in the year of acquisition or, if funded from other sources, the source of such funding is reflected in the Financial Statements.

Funds accounting is employed.

Only the financial activities of the Central Administration of the Church are accounted for.

CAPITAL

	2018	2017
A Fixed Property -Revaluation	2,217,926.30	4,468,406.30
Retained income [Ex General Reserves]	4,678,291.16	4,744,387.93
	<u>6,896,217.46</u>	<u>9,212,794.23</u>

B1 INVESTMENTS General Funds

	2018			2017		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
PSG Wealth Enhanced Int Fund	1,512,685.00	1,519,768.96	7,083.96	-	-	-
PSG Wealth Income FoF	1,512,685.00	1,517,297.13	4,612.13	-	-	-
PSG Moderate FoF	3,025,370.00	3,054,607.20	29,237.20	-	-	-
RSA Equity	0.00	0.00	0.00	6,153,097.46	7,160,892.18	1,007,794.72
Fixed Interest	0.00	0.00	0.00	6,824,874.16	7,426,620.50	601,746.34
Equities and fixed income	6,050,740.00	6,091,673.29	40,933.29	12,977,971.62	14,587,512.68	1,609,541.06
Call Monies-Main Account	204.99	204.99	0.00	227,363.92	227,363.92	0.00
Closing Balance 31 December	6,050,944.99	6,091,878.28	40,933.29	13,205,335.54	14,814,876.60	1,609,541.06
Accrued income-Main Account		0.00	0.00		3,376.07	3,376.07
Closing Balance 31 December	6,050,944.99	6,091,878.28	40,933.29	13,205,335.54	14,818,252.67	1,612,917.13

	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Income Statement						
Dividends ,Interest	576,722.38	576,722.38		676,859.16	676,859.16	0.00
Fair Value Adjustment	36,100.85	0	36,100.85	266,168.38	0.00	266,168.38
Profit /(loss) on sale of investments	(1,162,036.75)	(1,162,036.75)	0.00	110,476.81	110,476.81	0.00
Management Cost	(44,811.52)	(44,811.52)	0.00	(174,267.18)	(174,267.18)	0.00
	(594,025.04)	(630,125.89)	36,100.85	879,237.17	613,068.79	266,168.38

B2 INVESTMENTS Medical Funds

	2018		
	Book Value	Market Value	Fair Value Adjustment
PSG Wealth Creator Fund FoF	2,155,678.63	2,191,803.00	36,124.37
PSG Wealth Global Creator Feeder Fund	2,155,678.63	2,126,897.58	(28,781.05)
PSG Moderate FoF	4,311,357.25	4,355,389.36	44,032.11
RSA Equity	0.00	0.00	0.00
Fixed Interest	23,467.30	23,467.30	0.00
Equities and fixed income	8,646,181.81	8,697,557.24	51,375.43
Call Monies	858.51	858.51	0.00
Closing Balance 31 December	8,647,040.32	8,698,415.75	51,375.43
Accrued income-Main Account		0.00	
Closing Balance 31 December	8,647,040.32	8,698,415.75	51,375.43

	Total	Realised	Fair Value Adjustment
Income Statement			
Dividends ,Interest	167,654.74	167,654.74	
Fair Value Adjustment	50,526.69		50,526.69
Profit /(loss) on sale of investments	(347,961.43)	(347,961.43)	
Management Cost	(71,237.78)	(71,237.78)	
	(201,017.78)	(251,544.47)	50,526.69

B3 Investment Property Reserve -Hermansburg Schule

	2018		
	Book Value	Market Value	Fair Value Adjustment
Investment PSG Wealth	2,949,260.00	2,632,999.48	(316,260.52)
Loan DSH Trust	2,050,740.19	2,050,740.19	0.00
Total	5,000,000.19	4,683,739.67	(316,260.52)
Income Statement			
Payout received	200,000.00	200,000.00	
Fair Value Adjustment	(316,260.52)		(316,260.52)
	(116,260.52)	200,000.00	(316,260.52)

Loan to DSH Trust [The Deutsche Shule Hermansburg operator] carries interest at 7% per annum and is repayable at 30 april 2019

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER

D. <u>IMMOVABLE PROPERTY</u>	<u>2018</u>	<u>2017</u>
<u>27 Caro Nome, Kempton Park.</u> Being Caro Nome Agricultural Holdings, Registration Division IR Transvaal - 8565 Square Metres. Deed of Transfer 11337/85 At Cost in 1985	25,037.50	25,037.50
<u>23 Caro Nome, Kempton Park.</u> Being Caro Nome Agricultural Holdings, Registration Division IR Transvaal - 2,1620 Hectares. Deed of Transfer :T2746/86 At Cost	1,664,585.50	1,664,585.50
<u>Farm Endeavour No. A6289</u> Farm Endeavour No. A6289 situated in the Administrative District of Kwazulu - Natal in extent 767, 2014ha. - donated by Hermannsburg Mission in and subject to the terms and conditions of Deed of Donation dated 18th March 1992 and 28th April 1992. Deed of Transfer T26895/92 - as valued on 11th July 1990 by Steve Maritz Property Consultants, Pietermaritzburg. (subject to a lease of thirty years from 1st October 1991.) At Cost	-	2,250,480.00
<u>House Kandaze</u> Lot 987 Shelly Beach situate in Borough of Shelly Beach, Administrative District of Kwazulu - Natal in extent 1656 Square Metres - Deed of Transfer 24997/93 At Cost in 1993 Additions - 2007	157,701.30 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">133,995.00 23,706.30</div>	157,701.30 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">133,995.00 23,706.30</div>
<u>Farm Tullochgorum</u> Being Sub 2(of 1) of the Farm Tullochgorum No. 11312, situated in the Southern Natal; Joint Services Board Area, Administrative District of Kwazulu - Natal in extent 2,1774ha - bequeathed by Estate Late A.M.H. Kaiser - Deed of Transfer 23413.94 At Valuation for Estate Duty Purposes Kailager - Cost of Development	370,600.00 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">200,000.00 170,600.00</div>	370,600.00 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">200,000.00 170,600.00</div>
<u>Mueden Properties</u> Mueden Properties - brought to account at nominal values in 1997 Sub 41 (of 29) of the Farm Nietgedocht No. 1192 - 4128 Square Meters Sub 7 (of 4) of the Farm Nietgedocht No. 1192 - 3692 Square Meters Deed of Transfer No. 734/87	2.00 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">1.00 1.00</div>	2.00 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">1.00 1.00</div>
	2,217,926.30	4,468,406.30

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER
ACCOUNTS RECEIVABLE
SUNDRY CONGREGATIONS FOR CONTRIBUTIONS

	<u>2018</u>	<u>2017</u>
Augsburg Congregation	(43,250.76)	(28,028.88)
Bethanien Congregation	(24,285.23)	(23,527.55)
Durban/St Pauls Congregations	0.00	313,349.70
Eastrand Congregation	59,188.70	22,669.46
Evangelical Lutheran Mission	0.00	43,138.18
Gerdau/Potchefstroom	(24,507.80)	(40,633.92)
Harburg Congregation	(0.08)	0.08
Hillcrest Congregation	(65.30)	(1.62)
Pretoria - Johannes Gemeinde	0.00	0.04
Kelvin Congregation	(285.00)	5,448.00
Kemptonpark Congregation	0.00	9.00
Kroondal Congregation	(8.38)	(9.00)
Nelspruit Congregation	(1,000.04)	(1,000.08)
New Germany Congregation	(4.01)	(4.13)
New Hanover Congregation	(1.96)	0.00
Seafarers Mission	0.00	336,648.83
Nordrand/Bryanston Congregation	1.20	0.00
St Peters by the Lake	48,732.01	0.47
Deutsche Schule Hermansburg Trust	(5,074.00)	0.00
St Peters Migrant Mission Project	(257,266.88)	0.00
St Peters Pretoria Congregation	0.00	(946.75)
United Evangelical Lutheran Congregation	5,198.53	(614.71)
Vanderbijlpark Congregation	(3,220.03)	(0.04)
Vryheid Congregation	0.00	(0.04)
West Rand Congregation (Debt up to 2017)	1,496,401.48	1,401,629.93
West Rand Congregation-New account	210,278.12	0.00
Winterton Congregation	4,701.67	16,950.50
Total Congregations	<u>1,465,532.24</u>	<u>2,045,077.47</u>

OTHER RECEIVABLES

Bethanien Youth Pastor	0.12	0.00
Hermansburg Youth Pastor	0.12	0.00
Hillcrest Youth Pastor	0.12	0.00
New Germany Youth Pastor	(1.76)	(1.88)
Augsburg Youth Pastor	0.12	0.00
Braunschweig Youth Pastor	0.00	0.76
Harburg Youth Pastor	0.00	(0.02)
PMB/Bishopstowe Youth Pastor	0.00	0.12
Trinity Zululand Youth Pastor	0.00	13,289.12
Vryheid Youth Pastor	0.00	(0.48)
United Evangelical Luth Congr-Youth Past	2.15	0.00
Wartburg Youth Pastor	0.00	0.12
Winterton Youth Pastor	7,450.23	8,259.75
Congregations for Youth Pastors	<u>7,451.10</u>	<u>21,547.49</u>
Other Receivables	-	-
Total Receivables	<u>1,472,983.34</u>	<u>2,066,624.96</u>

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
31 DECEMBER 2018

<u>ACCOUNTS PAYABLE</u>	<u>2018</u>	<u>2017</u>
Prepayments	0	1,500
Pensioners for medical aid subsidy	0	33,666
Midrand congregation for Rosali M	0	18,976
Discovery Cost of medicals	0	(5,356)
Provision for Synod	50,000	0
Rental Deposit -Haus Kandatze	5,000	0
	<u>55,000</u>	<u>48,786</u>

ELCSA (NT) Medical Provision

Pensioners	Dec 16	Dec 17	2018
Opening Balance	-	7,653,335	7,497,980
Contributions	7,447,927	84,353	(950)
Interest /Yield	205,408	480,909	(162,571)
Payments of Pensioners	-	(720,617)	(729,132)
Total	<u>7,653,335</u>	<u>7,497,980</u>	<u>6,605,326</u>

Pastors in Service

Opening Balance	-	0	1,057,965
Contributions	-	998,080	985,298
Interest /Yield	-	59,885	(38,447)
Payments of Pensioners	-	-	-
Total	<u>0</u>	<u>1,057,965</u>	<u>2,004,816</u>
Total	<u>7,653,335</u>	<u>8,555,945</u>	<u>8,610,142</u>