

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

**FINANCIAL STATEMENTS
31-Dec-17**

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The Trustees

EVANGELICAL LUTHERAN CURCH IN SOUTHERN AFRICA (N-T)

REPORT ON FINANCIAL STATEMENTS

We have audited the Balance Sheet as at 31 December 2017, 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 2 066 625. 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 2017, 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 2017.

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

28/03/2018

REPORT OF THE CURCH COUNCIL OF

EVANGELICAL LUTHERAN CHURCH IN SOUTH AFRICA (N-T)

The Church Council submits the annual financial statements for the twelve months ended 31st December 2017, and report 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 relates information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with 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 maintain 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 in operation for the foreseeable future.

CHURCH COUNCIL

The following acted on the church council during the year:-

Mr Henning Springer (President)
Bishop Horst Jäckel
Mr Vernon Filter (Treasurer)
Dr Hans Schütte
Mrs Annette Pfeiffer
Mrs Ann Mokhine
Mr Eckart Kruger
Pastor Petra Röhrs

ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on this pages 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)

Budget Summary

Month out of 12	12	100%	12
%			
Pastors In Service	2017	Increase	2016
Total Congregation Invoiced	15,948,260	18%	13,560,581
Bad Debt Written off	(122,104)	100%	-
Church running cost	<u>(1,032,353)</u>	9%	<u>(944,000)</u>
Contributions - Congregation Pastor in Service	14,793,804	17%	12,616,581
Contributions - Youth Pastor	129,668	2%	127,427
Vacancy Adjustment	<u>(2,803,173)</u>	32%	<u>(2,119,227)</u>
Total Nett Income	12,120,299	14%	10,624,781
Cost to company Pastors	11,907,860	0%	11,860,841
Salaries - Pastors in Service	<u>10,171,440</u>	-5%	<u>10,755,967</u>
Group Personal Insurance	276,700	14%	243,260
ELCSA (N-T) Medical Post Retirement Fund	998,080	66%	600,000
Transfer Cost	461,640		248,648
Sundry	-		12,966
Net Pastors In Service	<u><u>212,439</u></u>	-117%	<u><u>(1,236,060)</u></u>
% of			
Nett Church Running costs	2017	2016	2016
Bishop and Program facilitator	1,081,932	12%	967,014
TRAVELLING AND ACCOMMODATIONS	255,223	23%	208,159
OFFICE	1,027,123	5%	981,483
MEMBERSHIP FEES	129,282	0%	129,016
CIRCUITS	208,000	6%	196,000
Vehicle Replacement costs	173,750	6%	164,479
Total Church running costs	<u>2,875,310</u>	9%	<u>2,646,152</u>
Setoff Income	1,848,260	3%	1,790,130
Nett SOLIDARITY FUND	<u>707,524</u>	24%	<u>570,707</u>
SUBSIDIES FROM E.K.D	1,133,396	-6%	1,205,643
Other Income	<u>7,340</u>	-47%	<u>13,781</u>
Nett Church Running Costs to be recovered	<u>1,027,050</u>	20%	<u>856,022</u>
Prorata YTD Church running Cost Excess/(Under Recovery)	<u>1,032,353</u>	9%	<u>944,000</u>
	<u>5,303</u>	-94%	<u>87,978</u>
Actual as per Contribution Key Received as % of Budget	1,035,318		944,000
	100%		100%
Investment Income less allocation- Investment carry	2017	% of 2016	2016
Investment Interest Received	376,685	-13%	431,495
Dividends Received	300,174	5%	287,152
Profit /(loss) on sale of investments	110,477	-21%	139,779
Other income	0		0
Less :Management fees on investments	<u>(174,267)</u>	0%	<u>(173,613)</u>
INVESTMENT INCOME	879,237	-6%	936,451
Interest on Arrears Accounts	122,605	54%	79,617
Interest allocation to funds	<u>(691,770)</u>	36%	<u>(507,380)</u>
Net Investment Carry	<u>310,072</u>	-39%	<u>508,688</u>
% of			
Summary of Income Statement elements	2017	2016	2016
Pastors in Service	212,439	-117%	(1,236,060)
Nett Church Running Costs to be recovered	5,303	-94%	87,978
Investment Income less allocation- Investment carry	310,072	-39%	508,688
As per the above summary	<u>527,815</u>	-183%	<u>(639,394)</u>
Net income per Income Statement			
Per Income Statement	527,815		(6,543,321)
Medical Prefunding Normalised			6,847,927
Normalised Net income	<u>527,815</u>		<u>304,606</u>

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

BALANCE SHEET AT

31 December 2017

SCHEDULE	2017	2016
CAPITAL		
A	8,740,254.26	8,212,439.61
FUNDS AND RESERVES		
C	6,521,111.80	5,644,500.31
C(I)	4,260,984.04	4,306,979.62
C(II)	2,260,127.76	1,337,520.69
LONGTERM PROVISION AND LIABILITIES		
C(II)	7,497,979.87	7,653,335.00
ELCSA (NT) Medical Provisi		

CURRENT LIABILITIES

Account Payables	48,786.42	(9,817.40)
	<u>22,808,132.35</u>	<u>21,500,457.52</u>
	6.1%	6.1%

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

BALANCE SHEET AT

31 December 2017

SCHEDULE	2017	2016
NON CURRENT ASSETS		
D	4,468,406.30	4,468,406.30
IMMOVABLE PROPERTY		
	14,818,252.67	14,639,015.50
INVESTMENTS		
B	14,818,252.67	14,639,015.50
Investments	14,818,252.67	14,639,015.50
Attributable to Funds and Reserves	4,260,984.04	4,306,979.62
Attributable to Transient Funds	1,202,162.96	1,337,520.69
Attributable to Specific Reserves	8,555,944.67	7,653,335.00
Attributable to Longterm Provisions	799,161.00	1,341,180.19
Attributable to General Purposes		

LOAN ACCOUNTS

Staff	27,813.39	32,160.00
	<u>27,813.39</u>	<u>32,160.00</u>

CURRENT ASSETS

Deposits	3,493,659.99	2,360,875.72
Accounts Receivable	2,066,624.96	1,843,671.08
Sundry Congregation	2,066,624.96	1,843,671.08
Bank Balances	1,426,557.34	516,882.75
Bank Accounts	1,426,557.34	516,882.75
Cash on Hand	477.69	321.89

	<u>22,808,132.35</u>	<u>21,500,457.52</u>
	6.1%	6.1%

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED

31 December 2017

2017

EXPENSES	2017	2016
PERSONNEL COSTS	12,269,608.84	12,666,540.59
Salaries - Pastors in Service	10,171,440.10	10,755,967.38
Salaries - Bishop and Program Facilitator	779,191.42	670,816.28
Salaries - Office	739,756.64	687,332.87
Group Personal Insurance	276,699.88	243,260.26
Bishop and Program Facilitator maintenance cost	302,740.80	296,197.66
Sundries	0.00	12,966.05

TRAVELLING AND ACCOMMODATIONS

General	255,222.87	208,159.29
Overseas Furlough	50,567.66	11,352.69
Synods	15,411.72	9,335.03
Expenses, Accommodations and Meals	28,746.88	
Church Council	108,963.75	135,229.59
Motor Vehicles Expenses	51,532.86	52,241.98
Provision for Replacement of Vehicles		52,241.98
Running Expenses	51,532.86	
Meetings and Accommodation Expenses		

OFFICE

Printing and Stationery	287,386.55	294,150.45
Communications, Postage and Telephone	11,597.56	11,421.25
Purchases, Repairs and Maintenance of Office Equipment	33,700.28	30,814.36
Insurance	33,987.87	40,699.17
Audit Fees	14,199.65	13,699.12
Bank Charges	40,395.30	35,397.00
Refreshments and General meeting expenses	28,951.12	16,801.78
Rent/Rates	25,062.56	42,832.77
	99,502.21	102,485.00

MEMBERSHIP FEES

U.E.L.C.S.A.	129,281.76	129,016.30
L.W.F.	109,723.00	108,756.00
L.U.C.S.A	1,715.16	5,094.70
S.A.C.C.	6,000.00	6,000.00
	11,843.60	9,165.60

SUNDRY EXPENSES

Transfer Costs	461,639.85	248,647.54
Local Incurred Expense	246,038.80	32,957.80
Foreign Provision Transfers	215,601.05	215,689.84
Foreign Incurred Expense	0.00	0.00
Sundries	0.00	-

CIRCUITS

FUND AND PROJECT EXPENSES	208,000.00	196,000.00
Total Expenses	3,048,490.04	2,003,177.49
Profit/ (Loss) before allocation	16,659,829.91	15,745,691.66
	1,249,071.01	1,502,751.42

ALLOCATION OF FUNDS

Interest and Dividends to Funds	(721,255.38)	(8,046,072.19)
Depreciation Vehicles	(691,769.88)	(507,360.00)
Depreciation Vehicles Funding for new vehicle (+25%)	(139,000.08)	(131,583.36)
ELCSA (N-T) Medical Post Retirement Fund	(34,750.08)	(32,895.86)
Net Fund and Project Expenses	(998,080.00)	(7,447,927.00)
	1,142,343.66	73,714.03
Profit/ (Loss) after allocation	527,814.65	(6,543,320.77)

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED

31 December 2017

2016

INCOME	2017	2016
CONTRIBUTIONS		
Contributions - Congregation (As per Budget)	14,915,907.43	13,560,580.93
Contributions - Youth Pastor	129,668.40	127,426.95
Vacancy Adjustment	(2,803,172.95)	(2,119,226.80)
Bad Debt Written off	(122,103.79)	
Contributions-Church Running cost	1,032,353.00	944,000.00
Net CONTRIBUTIONS	13,152,652.09	12,512,781.08

SOLIDARITY FUND

Received from Congregations	707,524.24	570,706.84
Subsidies to Congregations	984,143.20	892,926.84
	(276,618.96)	(322,220.00)

GRANT FROM EKD

Received	1,133,396.23	1,205,642.52
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FUND AND PROJECT INCOME

Collections and donations	1,906,146.38	1,929,483.46
Other Fund Receipts	1,256,345.15	1,169,572.07
	649,801.23	759,891.39

INVESTMENT INCOME

Investment Interest Received	1,001,841.98	1,016,068.18
Dividends Received	376,684.72	431,494.82
Profit/(loss) on sale of investments	300,174.44	287,151.95
Fair Value Adjustment on Investments	110,476.81	136,778.93
Other Income	266,168.38	251,638.50
	0.00	0.00
Less : Management fees on investments	(174,267.18)	(173,613.12)
Interest on Arrears Accounts	879,237.17	936,451.08
	122,604.81	79,617.10

SUNDRY INCOME

Rental Received	7,340.00	13,781.00
Sundry Income	5,400.00	4,950.00
	1,940.00	8,831.00

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

FUND AND PROJECT INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED

Fund Income Statement

31 December 2017

	<u>2017</u>		<u>2016</u>
Collections and donations	1,256,345.15	107%	1,169,572.07
Church Music	55,427.88	75%	73,548.34
Church Mission	670,984.72	113%	591,595.79
Church Youth	213,192.92	99%	214,863.36
Church Seniors/Old Age Homes	49,602.00	68%	72,694.51
Theological Education	172,450.73	122%	141,883.47
Deutsche Schule Hermansburg	94,686.90	126%	74,986.60
	649,801.23	86%	759,891.39
Other Fund Receipts	0.00		0.00
Church Music	1,900.00	100%	20,650.00
Church Mission	190,180.17	113%	168,927.41
Theological Education	129,668.28	93%	139,271.36
Church Youth	38,700.00	147%	26,260.00
Haus Kandatze	84,352.78		
ELCSA (NT) Medical Provision-UELCSA Refund	205,000.00	100%	29,181.81
Building Reserve -Northern Parish/Louise Trichardt	0.00	100%	323,055.24
Building Reserve -Trinity	0.00		
Building Reserve Durban	0.00	100%	52,545.57
Refugee fund	1,906,146.38		1,929,463.46
Total fund income	3,048,490.04	152%	2,003,177.49
Project Expenditure	30,000.00	44%	68,750.00
Church Music	725,929.79	111%	655,202.62
Church Mission	332,400.00	87%	383,165.10
Church Youth			(14,098.50)
Church Youth write off	99,961.95	130%	76,777.50
Church Seniors/Old Age Homes	478,192.32	139%	343,135.54
Theological Education	84,680.95	200%	42,368.25
Deutsche Schule Hermansburg	2,400.00	50%	4,800.00
Church Other Projects	51,571.89	79%	65,548.59
Haus Kandatze	2,993.70	128%	2,344.08
Building Reserves	251,107.22		
Building Reserve Durban	105,563.52	100%	
Building Reserve -Northern Parish/Louise Trichardt	163,071.74		
Property Reserve -Hermanburg Schule	720,616.96		0.00
ELCSA (NT) Medical Provision	0.00	0%	375,184.31
Vehicle reserve fund			
Net Income and Expenditure in Funds and Projects	(1,142,343.66)	1550%	(73,714.03)
Transfer to/(from) Income Statement	1,699,644.81		1,069,085.45
Interest allocation	691,769.86		507,380.00
Net movement in Funds and Projects	1,249,071.01		1,502,751.42
Opening Balance of Funds and Projects	17,041,868.62		17,041,868.62
Closing Balance of Funds and Projects	18,290,939.63	99%	18,544,620.04

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

FUNDS AND RESERVES FOR THE YEAR ENDED 31 December 2017

	BALANCES 01/01/2017	COLLECTIONS AND DONATIONS	OTHER RECEIPTS AND PROVISIONS	INTEREST and INTERNAL ALLOCATIONS	PAYMENTS/ TRANSFERS	TRANSFER FROM/TO INCOME STATEMENT	BALANCE 31/12/2017
C. FUNDS AND RESERVES							
CI TRANSIENT							
Old Age Homes of the Church	4,467.51	22,323.85	0.00	0.00	(13,532.91)	0.00	13,258.45
Port Natal	312.40	15,040.45			(6,814.80)	0.00	8,538.05
Richmond	4,155.11	7,283.40			(6,718.11)	0.00	4,720.40
General Church Undertakings	0.00			0.00			0.00
Church Youth Work	718,505.58	213,192.92	129,668.28	30,299.59	(332,400.00)	0.00	759,266.37
Youth Work - General	3,600.00						3,600.00
Youth Work - Northern Circuit	78,064.96	55,350.85		3,335.40	0.00	0.00	136,751.21
Youth Work - Central Circuit	66,214.96	20,914.52		2,178.23		0.00	89,307.41
Youth Work - K.Z.N.	206,031.73	136,680.30	0.00	2,642.46	(230,000.00)	0.00	115,354.49
Youth Work - K.Z.N. Hub	364,594.23	247.25	129,668.28	22,143.50	(102,400.00)	0.00	414,253.26
Church Music	183,663.64	55,427.88	0.00	5,168.35	(30,000.00)	0.00	214,259.87
Church Mission Fund	1,993,405.07	670,984.72	1,900.00	59,902.74	(725,928.79)	0.00	2,000,262.74
Mission Fund - General	1,993,405.07	670,984.72	1,900.00	59,902.74	(725,928.79)	0.00	2,000,262.74
Mission Fund - DELP						0.00	0.00
Mission Fund - ELCER						0.00	0.00
Mission Fund - Hillcrest						0.00	0.00
Mission Fund - Friedenskirche						0.00	0.00
Theological Education	687,949.72	172,450.73	190,180.17	34,105.15	(478,192.32)	0.00	606,493.45
Deutsche Schule Hermandsburg	88,450.95	94,686.90			(84,680.95)	0.00	98,456.90
Diaconical Fund - Gossmann Trust	310,356.18	0.00			(2,400.00)	0.00	307,956.18
Violence and Trauma Fund	208,484.51					0.00	208,484.51
Refugee fund	52,545.57						52,545.57
Northern Circuit Seniors	16,541.20	465.00			(17,006.20)	0.00	0.00
Central Circuit Seniors	12,015.22	4,440.25			(16,455.47)	0.00	0.00
Southern Circuit Seniors	15,109.22	19,719.80			(34,829.02)	0.00	0.00
Eastern Circuit Seniors	15,485.25	2,653.10			(18,138.35)	0.00	0.00
	4,306,979.62	1,256,345.15	321,748.45	129,475.63	(1,753,565.01)	0.00	4,280,984.04
CUI SPECIFIC RESERVE and LIABILITIES							
Building Reserve	924,311.75	0.00		0.00	0.00		924,311.75
Building Reserve -Northern Parish	155,305.96		0.00	3,882.65	(2,993.70)		156,194.91
Building Reserve Louis Trichart	0.00	205,000.00		5,125.00			210,125.00
Building Reserve -Trinity	323,055.24		0.00	19,243.72	(105,563.52)		236,735.44
Building Reserve DELP	0.00			(6,277.68)	(251,107.22)		(257,384.90)
Property Reserve -Hermandsburg Schule	0.00			(4,076.79)	(163,071.74)	173,750.16	(167,148.53)
Motor Vehicle Reserve	(29,618.83)		0.00	3,603.28	0.00		147,734.61
ELCSA (NT) Medical Provision- Pensioners	7,653,335.00		84,352.78	480,909.05	(720,816.96)		7,497,979.87
ELCSA (NT) Medical Provision-Pastors in service	0.00			59,884.80		988,080.00	1,057,964.80
House Kandaze Reserve	(35,633.43)	0.00	38,700.00		(51,571.89)		(48,405.32)
	8,990,855.69	0.00	328,052.78	562,294.03	(1,294,925.03)	1,171,830.16	9,758,107.63
TOTAL DEDICATED RESERVES	13,297,835.31	1,256,345.15	649,801.23	691,769.86	(3,048,490.04)	1,171,830.16	14,019,081.67
Retained Earnings (Ex General Reserves)	3,744,033.31			0.00		527,814.65	4,271,847.96
TOTAL RESERVES	17,041,868.62	1,256,345.15	649,801.23	691,769.86	(3,048,490.04)	1,699,644.81	18,290,939.63

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

31 December 2017

	2017		2016
Contributions	13,052,303.02	101%	12,959,270.15
As per Income Statement	<u>13,152,652.09</u>	105%	<u>12,512,781.08</u>
Interest on arrears Receivables	122,604.81	154%	79,617.10
Movement in Account Receivable net of Bad debts Written off	<u>(222,953.88)</u>	-61%	<u>366,871.97</u>
Solidarity Receipts	984,143.20	110%	892,926.84
Fund and Project Receipts	<u>1,906,146.38</u>	99%	<u>1,929,463.46</u>
Total Received from Congregations	15,942,592.60	101%	15,781,660.45
Subsidies Received	1,133,396.23	94%	1,205,642.52
Investment income	613,068.79	90%	684,812.58
Sundry Income	7,340.00	53%	13,781.00
Loans	4,346.61	24%	18,000.00
Total Receipts	<u>17,700,744.23</u>	100%	<u>17,703,896.55</u>
Total Household Expenditure	13,887,958.83	99%	14,064,734.17
Personnel Costs	<u>12,269,808.84</u>	97%	<u>12,666,540.59</u>
Traveling and Accommodation	255,222.87	123%	208,159.29
Office Costs	287,386.55	102%	280,451.33
Membership Fees	129,281.76	100%	129,016.30
Circuits	208,000.00	106%	196,000.00
Sundry Expenses	461,639.85	176%	262,346.66
Payments out of Solidarity	<u>276,618.96</u>	86%	<u>322,220.00</u>
Fund and Project Expenses	3,048,490.04	152%	2,003,177.49
Movement in Accounts Payable	(58,603.82)	-81%	72,002.33
Total Expenses paid	<u>16,877,845.05</u>	105%	<u>16,139,913.99</u>
Net cash flow	822,899.18	53%	1,563,982.56
Fair value Adjustment	<u>266,168.38</u>	106%	<u>251,638.50</u>
Total Movement in Financial Funds for the year	1,089,067.56	60%	1,815,621.06
Funds available at beginning of year	15,156,220.14		13,340,599.08
Bank and Cash	<u>517,204.64</u>		<u>1,438,034.66</u>
Financial Investments	<u>14,639,015.50</u>		<u>11,902,564.42</u>
Funds available at end of year	16,245,287.70		15,156,220.14
Bank and Cash	<u>1,427,035.03</u>		<u>517,204.64</u>
Financial Investments	<u>14,818,252.67</u>		<u>14,639,015.50</u>
	<u>0.00</u>		<u>0.00</u>

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED

Dec-17

The Financial Statements are prepared on the historical cost and accrual basis and incorporate the following principal account policies:-

- 1) Immovable Property is not depreciated
- 2) 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.
- 3) Funds accounting is employed.
- 4) Only the financial activities of the Central Administration of the Church are accounted for.

SCHEDULES

A. CAPITAL		2017	2016
Fixed Property -Revaluation		4,468,406.30	4,468,406.30
Retained income [Ex General Reserves]		<u>4,271,847.96</u>	<u>3,744,033.31</u>
		<u>8,740,254.26</u>	<u>8,212,439.61</u>

B. INVESTMENTS

	2017			2016		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
RSA Equity	6,153,097.46	7,160,892.18	1,007,794.72	4,639,953.26	5,643,243.46	1,003,290.20
Fixed Interest	6,824,874.16	7,426,820.50	601,746.34	4,022,600.88	4,362,683.36	340,082.48
Equities and fixed income	12,977,971.62	14,587,512.68	1,609,541.06	8,662,554.14	10,005,926.82	1,343,372.68
Call Monies-Main Account	227,363.92	227,363.92	0.00	4,582,612.81	4,582,612.81	0.00
Closing Balance 31 December	13,205,335.54	14,814,876.60	1,609,541.06	13,245,166.95	14,588,539.63	1,343,372.68
Accrued income-Main Account		3,376.07	3,376.07		50,475.87	50,475.87
Closing Balance 31 December	13,205,335.54	14,818,252.67	1,612,917.13	13,245,166.95	14,639,015.50	1,393,848.55

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31-Dec-17

D. <u>IMMOVABLE PROPERTY</u>	<u>2017</u>	<u>2016</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	2,250,480.00
<u>House Kandaze</u>	157,701.30	157,701.30
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	133,995.00 23,706.30	133,995.00 23,706.30
<u>Farm Tullochgorum</u>	370,600.00	370,600.00
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	200,000.00 170,600.00	200,000.00 170,600.00
<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 1.00 1.00	2.00 1.00 1.00
	4,468,406.30	4,468,406.30

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)**NOTES TO THE ANNUAL FINANCIAL STATEMENTS****FOR THE YEAR ENDED** **Dec-17**

ACCOUNTS RECEIVABLE	2017	2016
F. <u>SUNDRY CONGREGATIONS FOR CONTRIBUTIONS</u>		
Augsburg Congregation	(28,028.88)	(48,028.96)
Bethanien Congregation	(23,527.55)	100.04
Braunschweig Gemeinde	0.00	(3.96)
Duiwelskloof/Polokwane	0.00	0.00
Durban/St Pauls Congregations	313,349.70	613,349.70
Eastrand Congregation	22,669.46	0.00
Evangelical Lutheran Mission	43,138.18	0.00
Gerdau/Potchefstroom	(40,633.92)	(44,591.26)
Harburg Congregation	0.08	0.02
Hermansburg Congregations	0.00	20,468.45
Hermansburg Deutsche Schule	0.00	0.00
Hillcrest Congregation	(1.62)	(1.74)
Johannesburg Church of Peace	0.00	0.00
Pretoria - Johannes Gemeinde	0.04	0.04
Kelvin Congregation	5,448.00	0.08
Kemptonpark Congregation	9.00	0.04
Kroondal Congregation	(9.00)	1,091.00
Midrand Congregation	0.00	220.08
Moorleight Congregation	0.00	49,442.94
Nelspruit Congregation	(1,000.08)	0.00
New Germany Congregation	(4.13)	(14.96)
New Hanover Congregation	0.00	(1,847.96)
Seafarers Mission	336,648.83	
Piet Retief Congregation	0.00	3,400.86
Nordrand/Bryanston Congregation	0.00	
Pietermaritzburg Congregation	0.00	0.00
St Peters by the Lake	0.47	(0.44)
St Peters Pretoria Congregation	(946.75)	18,861.57
Trinity Zululand Congregation	0.00	0.00
UELCSA	0.00	0.00
Vanderbijlpark Congregation	(614.71)	270,404.05
Verden/Dundee Congregations	(0.04)	0.04
Vryheid Congregation	0.00	0.00
Wartburg Congregation	(0.04)	
West Rand Congregation	1,401,629.93	960,821.45
Winterton Congregation	16,950.50	
Total Congregations	<u>2,045,077.47</u>	<u>1,843,671.08</u>
<u>OTHER RECEIVABLES</u>		
Hermansburg Youth Pastor	0.00	
Hillcrest Youth Pastor	0.00	
Youth Pastor KZN	0.00	
Moorleigh Youth Pastor	0.00	
New Germany Youth Pastor	(1.88)	
Braunschweig Youth Pastor	0.76	
Harburg Youth Pastor	(0.02)	
PMB/Bishopstowe Youth Pastor	0.12	
Piet Retief Youth Pastor	0.00	
Trinity Zululand Youth Pastor	13,289.12	
Vryheid Youth Pastor	(0.48)	
Wartburg Youth Pastor	0.12	
Winterton Youth Pastor	8,259.75	
Congregations for Youth Pastors	<u>21,547.49</u>	<u>0.00</u>
Other Receivables	-	-
Total Receivables	<u>2,066,624.96</u>	<u>1,843,671.08</u>

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N - T)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Dec-17

D.	<u>ACCOUNTS PAYABLE</u>	<u>2017</u>	<u>2016</u>
	Pension A Hambrook	0	0
	Prepayments	1,500	(9,817)
	Pensioners for medical aid subsidy	33,666	0
	Midrand congregation for Rosali Madikwe	18,976	0
	Discovery Cost of medicals	(5,356)	0
		<u>48,786</u>	<u>(9,817)</u>