

**Northeastern Evangelical Lutheran Church in
South Africa
NELCSA**

FINANCIAL STATEMENTS

31 December 2021

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NELCSA

Northeastern Evangelical Lutheran Church
in South Africa

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PBO 93000665

18 March 2022

REPORT OF THE CHURCH COUNCIL

Northeastern Evangelical Lutheran Church in South Africa **[Formerly known as-EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (N-T)]**

The Church Council submits the annual financial statements for the twelve months ended 31st December 2021 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 2021:

Mr Henning Springer (President of Synod)

Bishop Horst Müller

Deputy-Bishop Theodor Jäckel

Mr Vernon Filter (Treasurer)

Ms Ann Mokhine

Pastor Petra Röhrs

Prof Dr Friedeburg Wenhold

Mr Johann Engelbrecht

Mr Dieter Küsel

ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 3 to 15 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

The Trustees

NORTHEASTERN EVANGELICAL LUTHERAN CHURCH IN SOUTH AFRICA

REPORT ON FINANCIAL STATEMENTS

We have audited the Balance Sheet as at 31 December 2021, as set out on page 5 as well as the Income and Expenditure Account for the year then ended, as set out on pages 6 of the attached financial statements of the **NORTHEASTERN EVANGELICAL LUTHERAN CHURCH IN SOUTH AFRICA**.

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 trustees, 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 1 951 150. Due to the fact that Congregations normally do 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 2021, 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 2021.

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 pages 3 and 4 as well as pages 7 to 12 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

Chartered Accountants (SA)

Registered Auditors

J.C. Jonck CA (SA) RA

Director

18/03/2022

Northeastern Evangelical Lutheran Church in South Africa

Financial Results-Income and Expenditure

Pastors In Service

	2021		2021		2020	
	Budget		Actual		Actual	
Total Congregation Invoiced	17,937,758	-5%	17,059,701		16,821,033	
Vacancy Adjustment	(1,351,803)	127%	(3,067,987)		(1,851,372)	
Bad Debt Written off	0		(103,386)		(9,000)	
Contributions -Youth Pastor	142,601	-30%	100,414		133,231	
Total Nett Income	16,728,556	-16%	13,988,742		15,093,892	
Cost to Company Pastors	16,728,556	-15%	14,264,812		14,969,736	
Salaries - Pastors in Service	15,328,203	-17%	12,788,590		13,405,443	
NELCSA Medical Post Retirement Fund	1,150,353	360%	5,292,797		1,150,353	
Property reserve Allocation for Medical Fund			(4,238,630)			
Subsidy-Interest allocation	(250,000)	#####				
Transfer Cost	400,000	0%	400,000		350,000	
Continuing Professional Development	100,000	-78%	22,055		63,940	
Net Pastors In Service	0		(276,069)		124,156	

Nett Church Running Costs

	2021		2021		2020	
	Budget		Actual		Actual	
Bishop [CTC and Housing]	1,128,647	-14%	969,396		949,155	
Remuneration-Bishop	699,575	-16%	589,826		604,821	
Vehicle replacement Provision	100,000	-16%	84,432		84,432	
Bishop Housing & Maintenance Cost	329,072	-10%	295,138		259,901	
Traveling and Accommodation	392,461	-51%	191,627		157,270	
General	15,922				3,079	
Overseas Furlough	19,386		-		-	
Synods	65,000	0%	65,000		60,000	
Church Council	154,311	-54%	71,623		63,642	
Meetings and Accommodation	66,868	-92%	5,617		5,729	
Motor Vehicles Expenses	70,973	-30%	49,387		30,549	
Office Cost	1,161,102	-28%	840,353		1,214,206	
Printing and Stationery	5,596	-7%	5,224		2,963	
Communications	35,764	-35%	23,302		35,907	
Purchases, Repairs and Maintenance of Office Equipment	34,370	-99%	265		14,880	
Audit Fees	47,256	-2%	46,115		43,884	
Bank Charges	18,499	11%	20,469		32,006	
Rental/Rates	94,344	-73%	25,389		192,643	
Insurance	16,995	-46%	9,251		19,963	
Software Licenses	-		21,905			
Sundries/Legal Costs	25,735	-93%	1,686		-	
Property Donation Muden			-		22,987	
Office Salaries	882,543	-22%	686,747		843,245	
Co-Worker Training	100,000	#####				
Membership Fees	177,586	-27%	130,118		131,062	
Circuits	267,573	0%	267,573		252,427	
Total Church Running Costs	3,227,368	-26%	2,399,067		2,704,120	
Setoff Income	2,225,000	-3%	2,164,625		2,466,064	
Solidarity Contributions	900,000	-14%	771,261		895,254	
Subsidies from E.K.D	1,215,000	15%	1,393,364		1,563,709	
Other Income	10,000		-		4,401	
Interest Allocation	100,000					
Nett Church Running Costs to be Recovered	1,002,368	-77%	234,442		238,056	
Church Running Cost Contribution from Congregations	1,002,368	-14%	862,106		850,560	
Excess/(Under Recovery)	0		627,663		612,505	

Investment Income less Allocation-Investment Carry**Investment Income**

General Funds

Medical Funds

Hermannsburg Schule Fund

INVESTMENT INCOME

Interest on Arrears Accounts

Interest on Loans and Money Market

Gross Investment Income

Interest Allocation

General Funds

Allocation To nett Church Running Cost

Allocation Medical Prefunding

Net Investment Carry after Allocation

Medical Funds

Hermannsburg Schule Fund

Net Investment Carry

Average Investments per Balance Sheet

%Return on total Investment

	2021		2021	2020
	Budget		Actual	Actual
General Funds	687,092	144%	1,673,136	279,946
Medical Funds	723,307	341%	3,189,146	1,764,183
Hermannsburg Schule Fund	336,344	138%	801,412	602,547
INVESTMENT INCOME	1,746,743	224%	5,663,694	2,646,677
Interest on Arrears Accounts			13,453	33,348
Interest on Loans and Money Market	161,990	229%	533,523	467,058
Gross Investment Income	1,908,733	225%	6,210,670	3,147,083
Interest Allocation				
General Funds	(279,288)	69%	(472,999)	(439,065)
Allocation To nett Church Running Cost	(100,000)			
Allocation Medical Prefunding	(250,000)			
Net Investment Carry after Allocation	1,279,445	348%	5,737,672	2,708,018
Medical Funds	(723,307)	341%	(3,189,146)	(1,764,183)
Hermannsburg Schule Fund	(336,344)	138%	(801,412)	(602,547)
Net Investment Carry	219,795	695%	1,747,113	341,287
Average Investments per Balance Sheet	25,023,631		42,699,104	39,842,043
%Return on total Investment	6.75%		13.44%	6.80%

NELCSA**Summary of Income Statement Elements**

Pastors in Service

Nett Church Running Costs

Investment Income less Allocation-Investment Carry

Subtotal

Special allocation to Medical Prefunding Fund

Profit on Sale of fixed Property [Incl NDR realised]

Allocation of Funds-Property

Received Congregations Closing Down [Ermelo]

Allocation to other congregations [Piet Retief]

Surplus Returned to Congregations

Total

	2021		2021	2020
	Budget		Actual	Actual
Pastors in Service	0		(276,069)	124,156
Nett Church Running Costs	0		627,663	612,505
Investment Income less Allocation-Investment Carry	219,795		1,747,113	341,287
Subtotal	219,795		2,098,707	1,077,948
Special allocation to Medical Prefunding Fund	0		0	(915,608)
Profit on Sale of fixed Property [Incl NDR realised]	0		0	4,238,630
Allocation of Funds-Property	0		0	(4,238,630)
Received Congregations Closing Down [Ermelo]			500,000	
Allocation to other congregations [Piet Retief]			(500,000)	
Surplus Returned to Congregations			(1,000,004)	
Total	219,795		1,098,703	162,340

Northeastern Evangelical Lutheran Church in South Africa

BALANCE SHEET AT

31 December 2021

CAPITAL

FUNDS AND RESERVES

Transient Funds

Hermannsburg Schule Reserve

Specific Reserves

LONGTERM PROVISION AND

LIABILITES

NELCSA Medical Provision-Pensioners

CURRENT LIABILITIES

Account Payables and Provisions

Capital and Liabilities			
	<u>2021</u>	<u>%</u>	<u>2020</u>
CAPITAL	6,824,640	19.2%	5,725,937
FUNDS AND RESERVES	20,406,551	-13.4%	23,556,922
Transient Funds	4,926,236	10.7%	4,451,149
Hermannsburg Schule Reserve	5,502,679	9.2%	5,037,268
Specific Reserves	9,977,635	-29.1%	14,068,506
LONGTERM PROVISION AND LIABILITES			
NELCSA Medical Provision-Pensioners	20,705,487	57.3%	13,163,191
CURRENT LIABILITIES			
Account Payables and Provisions	1,440,649	33.1%	1,082,369
	<u>49,377,327</u>	13.4%	<u>43,528,419</u>

NON-CURRENT ASSETS

IMMOVABLE PROPERTY

INVESTMENTS

Investments General Funds

Investments Medical Funds

Investment Hermannsburg Schule

Reserve

Investec Bank Money Market

Standard Bank Money Market

Total Investments

Attributable to Funds and Reserves

Attributable to Transient Funds

Attributable to Fund Specific Reserves

Attributable to Long-Term Provisions

Attributable to General Purposes

CURRENT ASSETS

Sundry Congregations

Bank Accounts

Cash on Hand

Assets			
	<u>2021</u>	<u>%</u>	<u>2020</u>
NON-CURRENT ASSETS			
IMMOVABLE PROPERTY	516,689	3.4%	499,482
INVESTMENTS	45,556,164	14.3%	39,842,043
Investments General Funds	8,503,710	24.5%	6,830,574
Investments Medical Funds	20,705,487	57.3%	13,163,191
Investment Hermannsburg Schule Reserve	5,503,543	9.2%	5,038,132
Investec Bank Money Market	8,106,982		12,153,981
Standard Bank Money Market	2,736,442	3.0%	2,656,167
Total Investments	45,556,164	14.3%	39,842,043
Attributable to Funds and Reserves	45,556,164	14.3%	39,842,043
Attributable to Transient Funds	4,926,236	10.7%	4,451,149
Attributable to Fund Specific Reserves	15,480,314	-19.0%	19,105,773
Attributable to Long-Term Provisions	20,705,487	57.3%	13,163,191
Attributable to General Purposes	4,444,126	42.4%	3,121,930
CURRENT ASSETS			
Sundry Congregations	3,304,475	3.7%	3,186,893
Bank Accounts	1,951,150	-17.0%	2,351,286
Cash on Hand	1,352,656	61.9%	835,353
	669	162.5%	255
	<u>49,377,327</u>	13.4%	<u>43,528,419</u>

Northeastern Evangelical Lutheran Church in South Africa**FUND AND PROJECT INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDING****31 December 2021****Fund Income Statement**

	<u>2021</u>	%	<u>2020</u>
Collections and donations	860,035	20%	713,907
Church Music	67,833	228%	20,686
Church Mission	399,145	14%	349,191
Church Youth	184,486	25%	148,161
Church Seniors/Old Age Homes	33,060	88%	17,578
Theological Education	158,795	8%	146,869
Deutsche Schule Hermannsburg /HMB Foundation	16,716	-47%	31,422
Other Fund Receipts	1,171,417	-81%	5,718,310
Church Music	69,652		0
Choir Association	10,684	28%	8,353
Brass Band Association	483,526		
Church Mission	0		4,050
Theological Education	21,700		0
Church Youth	132,980	0%	133,229
Haus Kandaze	0	-100%	861,456
Building Reserve Dolphin Coast	256,000		0
Building Reserve Church Office	0	-100%	4,238,630
Seafarers' Reserve	0	-100%	127,112
Kailager	196,875	-43%	345,480
Vehicle Fund Sold Vehicle	0		0
Total fund income	2,031,452	-68%	6,432,217
Project Expenditure	3,241,683	-9%	3,578,093
Church Music	0	-100%	58,870
Choir Association			
Brass Band Association	25,787		
Church Mission	156,726	-51%	322,505
Church Youth	163,433	-11%	183,550
Church Seniors/Old Age Homes	11,016	1%	10,958
Theological Education	265,828	-10%	293,933
Deutsche Schule Hermannsburg /HMB Foundation	23,383	6%	21,960
Church Other Projects	0		6,000
Haus Kandaze	50,000	-60%	125,719
Building Reserve Dolphin Coast	360,000	-40%	600,592
Seafarers' Reserve	628,215	1%	620,186
Building Reserve -Northern Parish/Louise Trichart	2,929	8%	2,713
Building Reserve -Trinity	0	-100%	75,422
Property Reserve -Hermannsburg Schule	336,000	2%	330,000
Refugee fund	0		0
NELCSA Medical Provision	939,647	26%	748,681
Kailager	278,718	57%	177,003
Nett Income and Expenditure in Funds and Projects	(1,210,232)	-142%	2,854,124
Transfer to/(from) Income Statement	6,475,932		2,312,733
Interest allocation	224,927		2,805,795
Net movement in Funds and Projects	5,490,628		7,972,653
Opening Balance of Funds and Projects	42,075,450		34,102,797
Closing Balance of Funds and Projects	47,566,078	13%	42,075,450

FUNDS AND RESERVES FOR THE YEAR ENDED December 2021	OPENING BALANCES	COLLECTIONS and DONATIONS	Other RECEIPTS and Provisions	INTEREST and INTERNAL ALLOCATIONS	PAYMENTS/ TRANSFERS	FROM/TO INCOME STATEMENT	CLOSING BALANCE
FUNDS AND RESERVES							
TRANSIENT							
Old Age Homes	6,620	33,060	0	0	(11,016)	0	28,664
Church Youth Work	504,233	184,486	132,980	21,055	(163,433)	0	679,321
Church Music	228,142	67,833	69,652	12,797	0	0	378,424
Choir Association	28,753	10,684	10,684				39,437
Brass Band Association	0		483,526	13,447	(25,787)		471,185
Church Mission Fund	2,169,159	399,145	0	84,086	(156,726)	0	2,495,664
Theological Education	435,763	158,795	21,700	12,218	(265,828)	0	362,647
HMB Foundation	9,462	16,716			(23,383)	0	2,795
Diaconical Fund - Gossmann Trust	304,452	0	0	10,656	0	0	315,107
Seafarers' Reserve	741,290		0	16,641	(628,215)		129,716
Refugee Fund	23,276		0		0		23,276
	<u>4,451,149</u>	<u>860,035</u>	<u>718,542</u>	<u>170,900</u>	<u>(1,274,389)</u>	<u>0</u>	<u>4,926,236</u>
FUND SPECIFIC RESERVE							
Building Reserve Church Office	4,738,630		0		(4,238,630)		500,000
Building Reserve -Northern Parish	183,171		0	6,308	(2,929)		186,551
Building Reserve Louis Trichardt (Part of Northern Parish)	220,763		0	7,727			228,489
Property Reserve -Hermannsburg Schule	5,037,268		0	801,412	(336,000)		5,502,679
Building Reserve Dolphin Coast	7,655,286	0	256,000	264,295	(360,000)		7,815,581
Motor Vehicle Reserve	498,921		0	20,417	0	84,432	603,771
Kailager	198,973		196,875	3,351	(278,718)		120,481.03
Haus Kandaze Reserve	572,761		0		(50,000)		522,761
	<u>19,105,773</u>	<u>0</u>	<u>452,875</u>	<u>1,103,510</u>	<u>(5,266,277)</u>	<u>84,432</u>	<u>15,480,314</u>
LONGTERM PROVISION AND LIABILITIES							
NELCSA Medical Provision-Pensioners	6,949,325		0	1,471,382	(877,087)		7,543,620
NELCSA Medical Provision-Pastors in Service	6,213,866		0	1,717,764	(62,560)	5,292,797	13,161,866
	<u>13,163,191</u>	<u>0</u>	<u>0</u>	<u>3,189,146</u>	<u>(939,647)</u>	<u>5,292,797</u>	<u>20,705,487</u>
TOTAL DEDICATED RESERVES	<u>36,720,113</u>	<u>860,035</u>	<u>1,171,417</u>	<u>4,463,557</u>	<u>(7,480,313)</u>	<u>0</u>	<u>41,112,037</u>
Retained Earnings [Ex General Reserves]	<u>5,355,337</u>			<u>0</u>		<u>1,098,703</u>	<u>6,454,040</u>
TOTAL RESERVES	<u>42,075,450</u>	<u>860,035</u>	<u>1,171,417</u>	<u>4,463,557</u>	<u>(7,480,313)</u>	<u>6,475,932</u>	<u>47,566,078</u>

Northeastern Evangelical Lutheran Church in South Africa
STATEMENT OF CASH FLOW
FOR THE YEAR ENDING

31 December 2021

	<u>2021</u>		<u>2020</u>
Contributions	15,261,392	-4%	15,940,075
Pastors in Service	13,988,742	-7%	15,093,892
Church Running Cost	862,106		850,560
Interest on arrears Receivables	13,453		33,348
Movement in Account Receivable nett of Bad debts Written off	397,091	-1153%	(37,725)
Solidarity Receipts	771,261	-14%	895,254
Total Received from Congregations	16,032,652	-5%	16,835,329
Grants Received	1,393,364	-11%	1,563,709
Fixed Property Sales			4,238,630
Investment income per Income Statement	6,197,217	99%	3,113,735
Sundry Income	0		7,101
Total Receipts	23,623,234	-8%	25,758,503
Total Household Expenditure	16,681,086	-10%	18,600,269
Pastors in Service	14,264,812	-10%	15,885,344
Bishop Costs	969,396	2%	949,155
Office Staff	686,747	-19%	843,245
Travelling and Accommodation	191,627	22%	157,270
Office Costs	153,605	-56%	347,975
Membership Fees	130,118	-1%	131,062
Circuits	267,573	6%	252,427
Sundry Expenses	0	-100%	22,987
New Church Office	17,207		10,806
Non-Cash flow items			
Movement in Accounts Payable	(358,281)	-46%	(659,033)
Transfer to Vehicle Reserve	(84,432)		(84,432)
Transfer to Medical Liability	(5,292,797)		(2,065,961)
Transfer from Property Reserve	4,238,630		0
Total Expenses paid	15,184,206	-4%	15,790,843
Surplus Returned to Congregations	(1,000,004)		
Nett Operating cash flow	7,439,024		9,967,661
Fund and Project Receipts	2,031,452	-69%	6,459,291
Fund and Project Expenses	(3,238,638)	-9%	(3,578,093)
Other Non Cash Items-Transfer to Property Reserves	0		(4,238,630)
Total Movement in Financial Funds for the year	6,231,838		8,610,229
Funds available at beginning of year	40,677,651		32,067,422
Bank and Cash	835,607		460,466
Financial Investments	39,842,043		31,606,955
Funds available at end of year	46,909,489		40,677,651
Funds available at end of year	46,909,489		40,677,651
Bank and Cash	1,353,325		835,607
Financial Investments	45,556,164		39,842,043
Balance	0		0

Northeastern Evangelical Lutheran Church in South Africa
NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 December 2021

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

	<u>2021</u>	<u>2020</u>
Fixed Property -Revaluation	370,600	370,600
Retained income [Ex General Reserves]	<u>6,454,040</u>	<u>5,532,907</u>
	6,824,640	5,903,507

INVESTMENTS General Funds

	<u>2021</u>			<u>2020</u>		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
PSG Wealth Enhanced Int Fund	0	0	0	1,512,685	1,694,087	181,402
PSG Wealth Income FoF	0	0	0	1,512,685	1,701,138	188,453
PSG Wealth Global Creator Feeder Fund	3,395,355	4,161,697	766,342			
PSG Moderate FoF	3,025,370	4,342,013	1,316,643	3,025,370	3,435,348	409,978
Closing Balance	<u>6,420,725</u>	<u>8,503,710</u>	<u>2,082,985</u>	<u>6,050,740</u>	<u>6,830,574</u>	<u>779,834</u>

Income Statement

	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Fair Value Adjustment	1,747,973		1,747,973	345,531		345,531
Management Cost	(74,837)	(74,837)		(65,585)	(65,585)	
	<u>1,673,136</u>	<u>(74,837)</u>	<u>1,747,973</u>	<u>279,946</u>	<u>(65,585)</u>	<u>345,531</u>
Absolute Return	24.49%	-0.88%	25.59%	4.27%	-0.96%	5.27%
Annualised Return	24.49%	-0.88%	25.59%	4.27%	-0.96%	5.27%

INVESTMENTS Medical Funds

	<u>2021</u>			<u>2020</u>		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
PSG Wealth Income FoF (D)	2,154,609	2,189,316	34,707			
PSG Wealth Global Flex FeedFundD	2,014,398	2,194,636	180,239			
Coronation Global EmergMkt Flex(ZAR)	1,999,946	1,980,749	(19,197)	0	0	0
PSG Wealth Global Creator Feeder Fund	5,302,180	9,402,763	4,100,583	5,117,983	7,354,147	2,236,164
PSG Moderate FoF	3,117,983	4,938,022	1,820,039	5,117,983	5,809,043	691,060
Closing Balance	<u>14,589,116</u>	<u>20,705,487</u>	<u>6,116,371</u>	<u>10,235,966</u>	<u>13,163,191</u>	<u>2,927,225</u>

Income Statement

	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Fair Value Adjustment	3,341,661		3,341,661	1,886,258		1,886,258
Management Cost	(152,514)	(152,514)		(122,075)	(122,075)	
	<u>3,189,146</u>	<u>(152,514)</u>	<u>3,341,661</u>	<u>1,764,183</u>	<u>(122,075)</u>	<u>1,886,258</u>
Absolute Return	24.23%	-0.74%	25.39%	17.2%	-0.93%	18.40%
Annualised Return	24.23%	-0.74%	25.39%	17.2%	-0.93%	18.40%

**Investment Property Reserve -
Hermannsburg Schule**

	2021			2020		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
Closing Balance	4,079,084	5,503,543	1,424,459	4,415,084	5,038,132	623,048
Income Statement	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Pay-out received	336,000	336,000		330,000	330,000	
Fair Value Adjustment	517,587		517,587	322,900		322,900
Management Cost	(52,176)	(52,176)		(50,352)	(50,352)	
	801,412	283,824	517,587	602,547	279,648	322,900
Absolute Return	16.46%	5.83%	10.63%	12.64%	5.87%	6.78%
Annualised Return	16.46%	5.83%	10.63%	12.64%	5.87%	6.78%
Annualised Management Cost %		-1.04%			-1.06%	

<u>Standard Bank / Investec Money Market</u>	2021			2019		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
Standard Bank Call Account	2,736,442	2,736,442	0	2,656,167	2,656,167	0
Interest Received	80,275	80,275	0	314,077	314,077	0
Annualised Return	2.93%	2.93%	0.00%	3.63%	3.63%	0.00%
Investec Money Market	8,106,982	8,106,982	0	12,153,981	12,153,981	0
Interest Received	453,248	453,248	0.00%	152,981	152,981	0.00%
Annualised Return	3.82%	3.82%		3.78%	3.78%	

IMMOVABLE PROPERTY

Farm Tullochgorum

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

	2021	2020
	370,600.00	370,600.00
	200,000.00	200,000.00
	170,600.00	170,600.00
New Church Office	146,088.80	128,881.80
	516,688.80	499,481.80

New Church Office

Cost for new Church office to be erected on the Property of Johannes Gemeinde in Pretoria. The costs will be amortized over 25 years to Church running cost.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<u>2021</u>	<u>2020</u>	Movement for the year
ACCOUNTS RECEIVABLE			
EAS001 - Eastrand (ELCER)	312,657	343,788	(31,131)
JCP001 - Johannesburg Church of Peace	(4)		(4)
KEL001 - Kelvin	1,111	(13,888)	14,999
KEM001 - Kemptonpark	395,082	122,785	272,297
MID001 - Midrand	(1)		(1)
NOR001 - Nordrand	(300)	(10,000)	9,700
SBL001 - St Peters by the Lake	163,769	264,039	(100,269)
VBP001 - Vanderbijlpark	(698)	(34,840)	34,142
WES001 - West Rand	1,090,513	1,437,644	(347,132)
WES002 - West Rand (New Account)	2,616	(9,595)	12,211
Central Circuit	<u>1,964,744</u>	<u>2,099,933</u>	<u>(135,189)</u>
AUG001 - Augsburg		7,296	(7,296)
BRA001 - Braunschweig		(0)	0
PIE001 - Piet Retief	0	(169)	169
VER001 - Verden/Dundee	1,000		1,000
VRY001 - Vryheid			0
Eastern Circuit	<u>1,000</u>	<u>7,127</u>	<u>(6,127)</u>
DKP001 - Duiwelskloof/Polokwane			0
GER001 - Gerdau/Potchefstroom		(21,700)	21,700
JOH001 - Pretoria - Johannesgemeinde			0
KRO001 - Kroondal	(12)	24	(36)
NEL001 - Nelspruit	5,231	0	5,231
SPP001 - St Peters Pretoria	67,047	53,614	13,433
Northern Circuit	<u>72,266</u>	<u>31,938</u>	<u>40,329</u>
BET001 - Bethany	(24,522)		(24,522)
DOL001 - Dolphin Coast (LCDC)	(23,525)	(22)	(23,503)
HER001 - Hermannsburg			0
ULC001 - United Evangelical Lutheran Congregation			0
HIL001 - Hillcrest	(130)	(130)	(0)
NEW001 - New Germany	(6,384)	(2,477)	(3,907)
PMB001 - Pietermaritzburg			0
SHH001 - Deutsche Schule Hermannsburg Trust	(4,932)	(2,003)	(2,929)
TRI001 - Trinity Zululand		191,575	(191,575)
WIN001 - Winterton		1,503	(1,503)
Southern Circuit	<u>(59,493)</u>	<u>188,446</u>	<u>(247,939)</u>
LUC001 - LUCSA	(20,000)	0	(20,000)
Roodekrans Trust	0	25,846	(25,846)
KLE001 - Rev Emmanuel Kleinbooï		3,000	(3,000)
Non-Congregations	<u>(20,000)</u>	<u>28,846</u>	<u>(48,846)</u>
YBE001 - Bethany Youth Pastor	2,961		2,961
YDO001 - Dolphin Coast Youth Pastor	(4,966)	(0)	(4,966)
YHB001 - Hermannsburg Youth Pastor	(5,332)	(5,718)	386
YHC001 - Hillcrest Youth Pastor	(30)	(0)	(30)
YNG001 - New Germany Youth Pastor	(0)	(9)	9
YPA001 - Augsburg Youth Pastor			0
YPB001 - Braunschweig Youth Pastor			0
YPM001 - PMB/Bishopstowe Youth Pastor			0
YPR001 - Piet Retief Youth Pastor	(0)	(383)	383
YPT001 - Trinity Zululand Youth Pastor			0
YPV001 - Vryheid Youth Pastor			0
YUL001 - United Evangelical Luth Congr-Youth Past			0
YVD001 - Verden/Dundee Youth Pastor			0
YWI001 - Winterton Youth Pastor	0.00	1,107	(1,107)
KZN Youth	<u>(7,368)</u>	<u>(5,004)</u>	<u>(2,364)</u>
Total Receivables	<u>1,951,150</u>	<u>2,351,286</u>	<u>(400,136)</u>

Northeastern Evangelical Lutheran Church in South Africa**NOTES TO THE ANNUAL FINANCIAL STATEMENTS****31 December 2021****ACCOUNTS PAYABLE**

	<u>2021</u>	<u>2020</u>
Clearing Accounts		
SARS - PAYE	0	0
SARS - UIF	0	0
Medical Aid		0
Pension		0
Salary	0	1,504
Discovery risk Benefits		0
	<u>0</u>	<u>0</u>
Total Clearing Accounts	0	1,504
Bonus Provision	0	65,940
Provision for Transfers	981,873	593,873
Provision for Synod	130,879	65,879
RMM Funds	122,087	49,362
Suspense-Solidarity Run	205,811	305,811
	<u>1,440,649</u>	<u>1,082,369</u>

NELCSA Medical Provision

	2019	2020	2021
Pensioners			
Opening Balance	6,560,790	6,582,505	6,949,325
Interest /Yield	807,157	1,115,502	1,471,382
Payments of Pensioners	(785,442)	(748,681)	(877,087)
Total	<u>6,582,505</u>	<u>6,949,325</u>	<u>7,543,620</u>
As per Liability Calculation	<u>6,853,407</u>	<u>7,457,854</u>	<u>6,988,667</u>
(Shortage) /Surplus [Retired Pastors]	<u>(270,902)</u>	<u>(508,528)</u>	<u>554,953</u>
Pastors in Service			
Opening Balance	2,049,352	3,499,223	6,213,866
Contributions	1,150,353	1,150,353	5,292,797
Excess contribution		915,608	
Interest /Yield	299,518	648,681	1,717,764
Payments			(62,560)
Total	<u>3,499,223</u>	<u>6,213,865</u>	<u>13,161,866</u>
As per Liability Calculation [December2021]	<u>10,621,020</u>	<u>11,371,646</u>	<u>11,152,602</u>
(Shortage) /Surplus [Pastors in Service]	<u>(7,121,797)</u>	<u>(5,157,781)</u>	<u>2,009,264</u>
(Shortage) /Surplus [Total]	<u>(7,392,698)</u>	<u>(5,666,309)</u>	<u>2,564,217</u>
Total	<u>10,081,728</u>	<u>13,163,191</u>	<u>20,705,487</u>
Investment values	<u>13,163,191</u>	<u>13,163,191</u>	<u>20,705,487</u>