

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

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

31 December 2019

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The Trustees

NORTHEASTERN EVANGELICAL LUTHERAN CHURCH IN SOUTH AFRICA

www.bdj.co.za

REPORT ON FINANCIAL STATEMENTS

We have audited the Balance Sheet as at 31 December 2019, 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 and 7 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 2 303 582. 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 2019, 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 2019.

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

27/02/2020

Ms Annette Pfeiffer [Until October 2019]

Pastor Petra Röhrs

Dr Hans Schütte [Until October 2019]

Prof Dr Friedeburg Wenhold [From October 2019]

Johann Engelbrecht [From October 2019]

Dieter Küsel [From October 2019]

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

Northeastern Evangelical Lutheran Church in South Africa

Summary Financial Results

Pastors In Service

Month out of 12

Total Congregation Invoiced

Bad Debt Written off

Contributions -Youth Pastor

Vacancy Adjustment

Total Nett Income

Cost to Company Pastors

Salaries - Pastors in Service

Group Personal Insurance

NELCSA Medical Post Retirement Fund

Transfer Cost

Continuous Training cost

Net Pastors In Service

Nett Church Running costs

Bishop

Travelling and Accommodation

Office

Membership fees

Circuits

Vehicle Replacement costs

Total Church running costs

Setoff Income

Nett Voluntary giving's

Subsidies from EKD

Other Income

Nett Church Running Costs to be recovered

Church running Cost contribution from Congregations

Excess/(Under Recovery)

Investment Income less allocation-Investment carry

Investment Income

General funds

Medical Funds

Standard Bank Money Market

Hermansburg Schule fund

Investment Income

Interest on Loans

Interest Allocation

General Funds

Medical Funds

Hermansburg Schule Fund

Net Investment Carry

Summary of Income Statement elements

Pastors in Service

Nett Church Running Costs to be recovered

Investment Income less allocation-Investment carry

Allocation of Funds-Property

As per the above summary

YTD 2019		
12	%	Budget YTD
16,673,202	-1%	16,914,002
(74,484)		0
124,474	-16%	148,368
(1,533,141)	187%	(534,126)
15,190,042	-8%	16,528,244
15,174,128	-9%	16,718,996
13,445,502	-13%	15,542,946
110,984		-
1,150,353	17%	985,298
458,655	140%	190,752
8,635		-
15,913	-108%	(190,752)

YTD 2019		
825,636	-28%	1,150,165
276,447	-36%	431,893
1,184,905	19%	995,041
124,825	-21%	158,051
238,138	0%	238,139
131,307	-31%	189,375
2,781,259	-12%	3,162,664
2,323,548	-8%	2,515,000
999,375	-23%	1,300,000
1,290,808	6%	1,215,000
33,365		-
457,711	-29%	647,664
819,154	-2%	838,416
361,443	89%	190,752

YTD 2019		
12	%	Budget YTD
451,933	-14%	523,955
1,095,169	109%	523,955
584,666		0
588,761		0
2,720,530	160%	1,047,910
332,225		0
		0
(749,111)	45%	(516,994)
(1,095,169)	112%	(516,994)
(588,761)		0
619,714	4351%	13,922

YTD 2019		
YTD 2019	%	Budget YTD
15,913		(190,752)
361,443		190,752
619,714		13,922
(500,000)		
497,070	0	13,922

Northeastern Evangelical Lutheran Church in South Africa

BALANCE SHEET AT

31 December 2019

NON CURRENT ASSETS

IMMOVABLE PROPERTY

INVESTMENTS

Investments General Funds

Investments Medical Funds

Investment Hermansburg Schule Reserve

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

LOAN ACCOUNTS

Staff

Vehicle Loans RMM

CURRENT ASSETS

Accounts Receivable

Sundry Congregation

Bank Balances

Cash on Hand

		Assets		
Reference	2019	%	2018	
D	2 336 002	5.3%	2 217 926	
	31 606 955	25.7%	25 143 448	
B1	6 550 627	7.5%	6 091 878	
B2	10 248 654	17.8%	8 698 416	
B3	4 765 585	1.7%	4 683 740	
B4	10 042 089	77.1%	5 669 414	
	31 606 955	25.7%	25 143 448	
	4 835 115	-9.2%	5 324 936	
	13 965 883	57.8%	8 848 742	
	10 081 728	17.1%	8 610 142	
	2 724 230	15.5%	2 359 628	
	0	-100.0%	144 258	
	0	-100.0%	4 895	
	0	0.0%	139 363	
	2 774 028	24.4%	2 229 405	
	9979	57.1%	7 451	
	2 303 582	57.1%	1 465 532	
	460 070	-39.2%	756 249	
	397	129.7%	173	
	<u>36 716 985</u>	23.5%	<u>29 735 037</u>	

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Northeastern Evangelical Lutheran Church in South Africa

BALANCE SHEET AT

31 December 2019

CAPITAL

FUNDS AND RESERVES

Transient Funds

Hermansburg Schule Reserve

Specific Reserves

LONGTERM PROVISION AND LIABILITES

NELCSA Medical Provision-Pensioners

CURRENT LIABILITIES

Account Payables and Provisions

Capital and Liabilities			
	2019	%	2018
	7 410 924	7.5%	6 896 217
	18 800 998	32.6%	14 173 678
	4 835 115	-9.2%	5 324 936
	4 764 721	0.2%	4 755 050
	9 201 163	124.8%	4 093 691
	10 081 728	17.1%	8 610 142
	423 336	670%	55 000
	<u>36 716 985</u>	23.5%	<u>29 735 037</u>

Northeastern Evangelical Lutheran Church in South Africa

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED

INCOME

CONTRIBUTIONS

Contributions - Congregation (As per Budget)

Contributions -Youth Pastor

Vacancy Adjustment

Bad Debt Written off

Contributions-Church Running cost

Nett CONTRIBUTIONS

SOLIDARITY FUND

GRANT FROM EKD

Received

INVESTMENT INCOME

General funds

Standard Bank Money Market

Medical Funds

Hermannsburg Schule Fund

Interest on Loans

Interest on Arrears Accounts

SUNDRY INCOME

Rental Received

Bequests from Estates

Sundry Income

Profit on sale of Property

Farm Endeavour

Release of Property Reserve

Allocated to Deutsche Schule Hermannsburg Trust

Allocated to Deutsche Schule Hermannsburg Fund

FUND AND PROJECT INCOME

Collections and donations

Other Fund Receipts

31 December 2019

2019

%

2018

	16 673 202	2%	16 320 024
	124 474	6%	116 959
	(1 533 141)	-14%	(1 790 594)
	(74 494)	#DIV/0!	0
	819 154	11%	736 429
	16 009 195	4%	15 382 817
	999 375	7%	931 335
	1 290 808	5%	1 230 979
	3 030 896	-531%	(703 570)
	469 570	-179%	(594 025)
	584 666		0
	1 106 675	-651%	(201 018)
	537 761	-563%	(116 261)
	332 225	408%	65 462
	0	-100%	142 272
	33 365	265%	9 140
	4 550	-14%	5 300
	26 000		
	2 815	-27%	3 840
	0		0
	0		8 235 520
	0		2 250 480
	0		(5 243 000)
	0		(5 243 000)
	7 128 256	-58%	16 981 740
	1 065 889	-11%	1 202 824
	6 062 367	-62%	15 778 916
	28 491 896	-16%	33 832 441

Northeastern Evangelical Lutheran Church in South Africa

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED

31 December 2019

	<u>2019</u>	<u>%</u>	<u>2018</u>
<u>EXPENSES</u>			
<u>PERSONNEL COSTS</u>			
	15 194 254	2%	14 859 080
Salaries - Pastors in Service	13 445 502	4%	12 937 504
Salaries - Bishop and Program Facilitator	561 838	13%	497 516
Salaries - Office	803 497	10%	732 275
Group Personal Insurance	110 984	-70%	374 430
Bishop and Program Facilitator maintenance cost	263 798	-5%	276 295
Expenses Pastors Training and Courses	8 635		41 080
<u>TRAVELLING AND ACCOMMODATIONS</u>			
	276 447	-17%	332 373
General	17 833	35%	13 244
Overseas Furlough	16 587	3%	16 124
Synods	60 000	0%	60 000
Church Council	127 561	-1%	128 352
Motor Vehicles Expenses	54 466	-8%	59 034
Meetings and Accommodation Expenses			55 819
<u>OFFICE</u>			
	381 408	17%	324 927
Printing and Stationery	8 481	82%	4 655
Communications, Postage and Telephone	36 644	23%	29 748
Purchases, Repairs and Maintenance of Office Equipment	42 507	49%	28 588
Insurance	10 698	-24%	14 136
Audit Fees	41 946	7%	39 306
Bank Charges	31 770	106%	15 387
Refreshments and General meeting expenses	13 482	-37%	21 406
Rental/Rates	195 879	14%	171 702
<u>MEMBERSHIP FEES</u>			
	124 825	-3%	128 930
U.E.L.C.S.A.	109 329	-1%	110 425
L.W.F.	0	-100%	3 339
L.U.C.S.A	6 000	0%	6 000
S.A.C.C.	9 496	4%	9 166
<u>SUNDRY EXPENSES</u>			
	458 655	-3%	471 216
Transfer Costs	458 655	-3%	471 216
Sundries	0		0
<u>CIRCUITS</u>			
	238 138	7%	222 560
<u>FUND AND PROJECT EXPENSES</u>			
	4 762 650	-43%	8 322 184
<u>TOTAL EXPENSES</u>			
	<u>21 436 377</u>	-13%	<u>24 861 270</u>
PROFIT / (LOSS) before allocation	7 055 519	-23%	9 171 171
<u>ALLOCATION OF FUNDS</u>			
	(6 540 813)		(9 689 040)
Investment Allocation to Funds	(749 111)	225%	(230 158)
Investment Allocation to Medical Liability	(1 106 675)	-651%	201 018
NELCSA Medical Post Retirement Fund	(1 150 353)	17%	(985 298)
Investment Allocation to Deutsche Schule Hermannsburg	(537 761)		116 281
Depreciation Vehicles	(105 046)	0%	(105 046)
Depreciation Vehicles Funding for new vehicle (+25%)	(26 262)	0%	(26 262)
Allocation to Property fund	(500 000)		0
Net Fund and Project Expenses	(2 365 606)	-73%	(8 659 555)
PROFIT / (LOSS) after allocation	<u>514 706</u>		<u>(517 869)</u>

Northeastern Evangelical Lutheran Church in South Africa

FUND AND PROJECT INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED

31 December 2019

Fund Income Statement

Collections and donations

	2019	%	2018
	1 065 889	-11%	1 202 824
Church Music	50 620	-42%	86 531
Church Mission	565 577	-5%	597 779
Church Youth	187 409	-17%	225 309
Church Seniors/Old Age Homes	19 401	9%	17 802
Theological Education	178 147	-8%	193 776
Building Reserve Durban New	0		6 582
Deutsche Schule Hermannsburg	64 736	-14%	75 045

Other Fund Receipts

	2019	%	2018
	6 062 367	-62%	15 778 916
Choir Association	20 400		0
Theological Education	56 394	4%	54 342
Church Youth	124 474	-33%	186 955
Haus Kandaze	36 428	-5%	38 312
NELCSA Medical Provision-UELCSA Refund	0		(950)
Building Reserve Durban	5 034 672	-35%	7 737 210
Property Reserve -Hermannsburg Schule	0		5 243 000
Building Reserve Church Office	500 000		0
Seafarers' Reserve	60 000		2 420 047
Vehicle fund Sold Vehicle	230 000		100 000

Total fund income

7 128 256 -58% 16 981 740

Project Expenditure

4 762 650 -43% 8 322 184

	2019	%	2018
Church Music	94 515	373%	20 000
Church Mission	515 422	-36%	807 453
Church Youth	531 461	-12%	601 653
Church Seniors/Old Age Homes	23 204	-15%	27 256
Theological Education	238 187	-31%	345 574
Deutsche Schule Hermannsburg	83 579	-46%	154 659
Church Other Projects	3 000	-38%	4 800
Haus Kandaze	76 604	-32%	112 707
Building Reserve Durban	793 342	-81%	4 143 683
Seafarers' Reserve	565 273	-34%	853 475
Building Reserve -Northern Parish/Louise Trichart	2 131	2%	2 089
Building Reserve -Trinity	77 000	-14%	90 000
Property Reserve -Hermannsburg Schule	586 184	187%	204 541
Refugee fund	12 592	-24%	16 678
ELCSA (NT) Medical Provision	785 442	8%	729 132
Violence and Trauma Fund	0		208 485
Vehicle reserve fund	374 715	0%	0

Nett Income and Expenditure in Funds and Projects

2 365 606 27% 8 659 555

Transfer to/(from) Income Statement

1 796 367 598 737

Interest allocation

2 451 639 (87 121)

Net movement in Funds and Projects

6 613 612 9 171 171

Opening Balance of Funds and Projects

27 462 111 18 290 940

Closing Balance of Funds and Projects

34 075 723 124% 27 462 111

Northeastern Evangelical Lutheran Church in South Africa

FUNDS AND RESERVES FOR THE YEAR ENDED

31 December 2019

	BALANCES 2019/01/01	CHURCH COLLECTIONS AND DONATIONS	OTHER RECEIPTS AND PROVISIONS	INTEREST and INTERNAL ALLOCATIONS	PAYMENTS/ TRANSFERS	TRANSFER FROM/TO INCOME STATEMENT	BALANCE 2019/12/31
FUNDS AND RESERVES							
TRANSIENT							
Old Age Homes	3 803.85	19 400.63	0.00	0.00	(23 204.48)	0.00	0.00
Church Youth Work	592 949.27	187 408.81	124 473.60	18 135.52	(531 460.78)	0.00	391 506.42
Church Music	287 811.01	50 619.67	0.00	14 694.96	(94 514.63)	0.00	258 611.01
Choir Association	0.00		20 400.00				20 400.00
Church Mission Fund	1 998 023.47	565 577.26	0.00	116 890.71	(515 422.26)	0.00	2 065 069.18
Theological Education	539 580.66	178 146.74	56 394.00	32 156.09	(238 186.60)	0.00	568 080.89
Deutsche Schule Hermansburg	18 843.22	64 735.91			(83 579.13)	0.00	0.00
Diaconical Fund - Gossmann Trust	303 156.18	0.00			(3 000.00)	0.00	300 156.18
Seafarers' Reserve	1 644 900.54		60 000.00	68 377.64	(565 273.27)		1 208 004.91
Refugee fund	35 867.88		0.00		(12 591.76)		23 276.12
	5 324 936.06	1 065 889.02	261 267.60	250 254.92	(2 067 232.91)	0.00	4 895 114.71
FUND SPECIFIC RESERVE							
Building Reserve Church Office	0.00		500 000.00				500 000.00
Building Reserve -Northern Parish	157 969.01		0.00	16 395.71	(2 130.64)		172 224.08
Building Reserve Louis Trichardt(Part of Northern Parish)	215 378.13		0.00	5 384.45			220 762.58
Building Reserve -Trinity	150 403.83		0.00	1 835.09	(77 000.04)		75 238.88
Property Reserve -Hermansburg Schule	4 755 050.44		0.00	595 854.18	(586 184.00)		4 764 720.62
Building Reserve Dolphin Coast	3 304 232.33	0.00	5 034 671.83	452 733.73	(793 341.93)		7 988 295.96
Motor Vehicle Reserve	388 518.14		230 000.00	22 506.64	(374 715.00)	131 307.48	397 617.26
Haus Kandaze Reserve	(122 800.10)		36 427.64		(76 603.58)		(162 976.04)
	8 848 741.78	0.00	5 801 099.47	1 094 709.80	(1 909 975.19)	131 307.48	13 965 863.34
LONGTERM PROVISION AND LIABILITIES							
NELCSA Medical Provision-Pensioners	6 560 799.96		0.00	807 156.87	(785 441.98)		6 582 504.85
NELCSA Medical Provision-Pastors in service	2 049 351.97			299 517.77		1 150 353.24	3 499 222.98
	8 610 141.93	0.00	0.00	1 106 674.64	(785 441.98)	1 150 353.24	10 081 727.83
TOTAL DEDICATED RESERVES	22 783 819.79	1 065 889.02	6 062 367.07	2 451 639.36	(4 762 650.08)	1 281 660.72	28 882 725.86
Retained Earnings [Ex General Reserves]	4 678 291.16			0.00		514 706.36	5 192 997.52
TOTAL RESERVES	27 462 110.95	1 065 889.02	6 062 367.07	2 451 639.36	(4 762 650.08)	1 796 367.08	34 075 723.40

Northeastern Evangelical Lutheran Church In South Africa

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED

31 December 2019

	2019		2018
Contributions	15 168 618	-6%	16 118 730
As per Income Statement	16 009 195	4%	15 382 817
Interest on arrears Receivables	0	-100%	142 272
Movement in Account Receivable nett of Bad debts Written off	(840 578)	-242%	593 642
Solidarity Receipts	999 375	7%	931 335
Fund and Project Receipts	7 128 256	-58%	16 981 740
Total Received from Congregations	23 296 249	-32%	34 031 805
Subsidies Received	1 290 808	5%	1 230 979
Nett Investment income Realised	1 180 729		(616 208)
Investment income per Income Statement	3 030 896	-458%	(845 841)
Hermannsburg School Correction 2018	58 093		0
Add Back Fair Value adjustment	(1 908 260)	-931%	229 633
Sundry Income	33 365	265%	9 140
Loans	144 258	-224%	(116 445)
Total Receipts	25 945 410	-25%	34 539 271
Total Household Expenditure	16 791 803	3%	16 339 086
Personnel Costs	15 194 254	2%	14 859 080
Travelling and Accommodation	276 447	-17%	332 373
Office Costs	381 408	17%	324 927
Membership Fees	124 825	-3%	128 930
Circuits	238 138	7%	222 560
Sundry Expenses	458 655	-3%	471 216
New Church Office	118 076		0
Fund and Project Expenses	4 762 650	-43%	8 322 184
Movement in Accounts Payable	(368 336)	5828%	(6 214)
Total Expenses paid	21 186 117	-14%	24 655 056
Nett cash flow	4 759 292		9 884 215
Fair value Adjustment	1 908 260		(229 633)
Other Non Cash Items-Transfer to Property Reserves	(500 000)		0
Total Movement in Financial Funds for the year	6 167 553		9 654 582
Funds available at beginning of year	25 899 869		16 245 286
Bank and Cash	756 422		1 427 035
Financial Investments	25 143 448		14 818 253
Funds available at end of year	32 067 422		25 899 869
Funds available at end of year	32 067 422		25 899 869
Bank and Cash	460 466		756 422
Financial Investments	31 606 955		25 143 448
	0		0

Northeastern Evangelical Lutheran Church In South Africa

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 December 2019

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>2019</u>	<u>2018</u>
Fixed Property -Revaluation	2 217 926	2 217 926
Retained income [Ex General Reserves]	<u>5 192 998</u>	<u>4 678 291</u>
	<u>7 410 924</u>	<u>6 896 217</u>

INVESTMENTS General Funds

	2019			2018		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
PSG Wealth Enhanced Int Fund	1 512 685	1 619 127	106 442	1 512 685	1 519 769	7 084
PSG Wealth Income FoF	1 512 685	1 624 266	111 581	1 512 685	1 517 297	4 612
PSG Moderate FoF	3 025 370	3 307 234	281 864	3 025 370	3 054 607	29 237
Equities and fixed income	<u>6 050 740</u>	<u>6 550 627</u>	<u>499 887</u>	<u>6 050 740</u>	<u>6 091 673</u>	<u>40 933</u>
Closing Balance 31 December	6 050 740	6 550 627	499 887	6 050 945	6 091 878	40 933
	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Income Statement						
Dividends, Interest	0			576 722	576 722	
Fair Value Adjustment	530 803		530 803	36 101		36 101
Profit /(loss) on sale of investments	2 606	2 606		(1 162 037)	(1 162 037)	
Management Cost	(63 840)	(63 840)		(44 812)	(44 812)	
	<u>469 570</u>	<u>(61 234)</u>	<u>530 803</u>	<u>(594 025)</u>	<u>(630 126)</u>	<u>36 101</u>
Annualised Return	7.8%	-1.01%	8.77%	-6.87%	-7.29%	0.42%
Annualised Management Cost %		-1.06%			-6.22%	

INVESTMENTS Medical Funds

	2019			2018		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
PSG Wealth Creator Fund FoF	0	0	0	2 155 679	2 191 803	36 124
PSG Wealth Global Creator Feeder Fund	4 542 806	5 289 074	746 268	2 155 679	2 126 898	(28 781)
PSG Moderate FoF	4 542 807	4 959 580	416 774	4 311 357	4 355 389	44 032
Closing Balance 31 December	9 085 613	10 248 654	1 163 041	8 647 040	8 698 416	51 375
Income Statement	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Dividends, Interest	0	0		167 655	167 655	
Fair Value Adjustment	1 202 370		1 202 370	50 527		50 527
Profit /(loss) on sale of Investments	3 018	3 018		(347 961)	(347 961)	
Management Cost	(98 713)	(98 713)		(71 238)	(71 238)	
	1 106 675	(95 695)	1 202 370	(201 018)	(251 544)	50 527
Annualised Return	12.2%	-1.05%	13.23%	-2.32%	-2.91%	0.58%
Annualised Management Cost %		-1.09%			-9.89%	

Investment Property Reserve -Hermannsburg Schule

	2019			2018		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
Investment PSG Wealth	4 745 084	4 765 585	20 501	2 949 260	2 632 999	(316 261)
Loan DSH Trust	0	0	0	2 050 740	2 050 740	0
Total	4 745 084	4 765 585	20 501	5 000 000	4 683 740	(316 261)
Income Statement	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Pay-out received	301 000	301 000		200 000	200 000	
Interest DSH Trust Loan	96 404	96 404				
Fair Value Adjustment	175 087		175 087	(316 261)		(316 261)
Management Cost	(34 730)	(34 730)				
	537 761	362 674	175 087	(116 261)	200 000	(316 261)
Annualised Return	11.33%	7.64%	3.69%	-27.90%	48.00%	-75.90%
Annualised Management Cost %		-0.73%				

Standard Bank Money Market

	2019			2018		
	Book Value	Market Value	Fair Value Adjustment	Book Value	Market Value	Fair Value Adjustment
Standard Bank Call Account	10 042 089	10 042 089	0	5 669 414	5 669 414	0
Income Statement	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Interest Received	584 666	584 666	0	0	0	0
Annualised Return	5.82%	5.82%	0.00%	0.00%	0.00%	0.00%

Northeastern Evangelical Lutheran Church in South Africa

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IMMOVABLE PROPERTY

2 019

2 018

27 Caro Nome, Kempton Park.

Being Caro Nome Agricultural Holdings,
Registration Division IR Transvaal - 8565 Square Metres.
Deed of Transfer 11337/85

At Cost in 1985

25 038

25 038

23 Caro Nome, Kempton Park.

Being Caro Nome Agricultural Holdings,
Registration Division IR Transvaal – 2,1620 Hectares.
Deed of Transfer :T2746/86

At Cost

1 664 586

1 664 586

Haus Kandaze

Lot 987 Shelly Beach situated in Borough of Shelly Beach,
Administrative District of KwaZulu - Natal in extent 1656
Square Metres - Deed of Transfer 24997/93

At Cost in 1993

157 701

157 701

Additions - 2007

133 995

133 995

23 708

23 708

This Property has been sold for R950 000 and the transaction is in the process of being completed.

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

370 600

370 600

200 000

200 000

170 600

170 600

Mueden Properties

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

2

1

1

1

1

New Church Office

118 076

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.

2 336 002

2 217 926

Northeastern Evangelical Lutheran Church in South Africa

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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ACCOUNTS RECEIVABLE

2019

2018

SUNDRY CONGREGATIONS FOR CONTRIBUTIONS

AUG001 - Augsburg Congregation	0	(43 251)
BET001 - Bethany Congregation	(46 000)	(24 285)
BRA001 - Braunschweig Gemeinde	(120)	
DKP001 - Duiwelskloof/Polokwane	0	
DOL001 - Dolphin Coast	(999)	
EAS001 - Eastrand Congregation	304 848	59 189
GER001 - Gerdau/Potchefstroom	52 175	(24 508)
HER001 - Hermannsburg Congregations	(5 117)	
HIL001 - Hillcrest Congregation	(65)	(65)
JCP001 - Johannesburg Church of Peace	(1)	
JOH001 - Pretoria - Johannes Gemeinde	0	
KEL001 - Kelvin Congregation	1 113	(285)
KEM001 - Kemptonpark Congregation	(3 485)	
KRO001 - Kroondal Congregation	(8)	(8)
MWI001 - Moorleight Congregation	0	
NEL001 - Nelspruit Congregation	790	(1 000)
NEW001 - New Germany Congregation	(2 649)	(4)
NOR001-Nordrand/Bryanston Congregation	0	1
PIE001 - Piet Retief Congregation	(5)	
PMB001 - Pietermaritzburg Congregation	0	
SBL001 - St Peters by the Lake	414 913	48 732
SHH001 - Deutsche Schule Hermansburg Trust	(5 074)	(5 074)
SMM001 - St Peters Migrant Mission Project	0	(257 267)
SPP001 - St Peters Pretoria Congregation	0	
TRI001 - Trinity Zululand Congregation	116 868	
ULC001 - United Evangelical Lutheran Congregation	0	5 198
VBP001 - Vanderbijlpark Congregation	(852)	(3 220)
VER001 - Verden/Dundee Congregations	0	
VRY001 - Vryheid Congregation	0	
WES001 - West Rand Congregation	1 466 644	1 496 401
WES002 - West Rand (New Account)	7 224	210 278
WIN001 - Winterton Congregation	3 383	4 702
Total Congregations	<u>2 303 582</u>	<u>1 465 532</u>

OTHER RECEIVABLES

YBE001 - Bethany Youth Pastor	0	0
YHB001 - Hermannsburg Youth Pastor	0	0
YHC001 - Hillcrest Youth Pastor	1	0
YMO001 - Moorleigh Youth Pastor	0	
YNG001 - New Germany Youth Pastor	(1)	(2)
YPA001 - Augsburg Youth Pastor	0	0
YPB001 - Braunschweig Youth Pastor	(4 149)	
YPM001 - PMB/Bishopstowe Youth Pastor	0	
YPR001 - Piet Retief Youth Pastor	(3 903)	
YPT001 - Trinity Zululand Youth Pastor	0	
YPV001 - Vryheid Youth Pastor	0	
YUL001 - United Evangelical Luth Congr-Youth Past	0	2
YVD001 - Verden/Dundee Youth Pastor	0	
YWI001 - Winterton Youth Pastor	1 068	7 450
Congregations for Youth Pastors	(6 984)	7 451
Other Receivables	16 963	0
Total Receivables	2 313 561	1 472 983

31 December 2019**ACCOUNTS PAYABLE**

	<u>2019</u>	<u>2018</u>
Provision for Transfers	268 126	0
Provision for Synod	5 879	50 000
RMM Suspense Account	139 354	0
Rental Deposit -Haus Kandatzke	15 000	5 000
RMM Funds	0	0
Suspense	(5 022)	0
	<u>423 336</u>	<u>55 000</u>

NELCSA Medical Provision

Pensioners	Dec-16	Dec-17	2018	2019
Opening Balance	-	7 653 335	7 497 980	6 560 790
Contributions	7 447 927	84 353	(950)	0
Interest /Yield	205 408	480 909	(207 107)	807 157
Payments of Pensioners	-	(720 617)	(729 132)	(785 442)
Total	7 653 335	7 497 980	6 560 790	6 582 505
Pastors in Service				
Opening Balance	-	0	1 057 965	2 049 352
Contributions	-	998 080	985 298	1 150 353
Interest /Yield	-	59 885	6 089	299 518
Payments of Pensioners	-			
Total	0	1 057 965	2 049 352	3 499 223
Total	7 653 335	8 555 945	8 610 142	10 081 728
Investment values			<u>8 698 416</u>	<u>10 248 654</u>