

Dated:

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1. Basis of budget

1.1 Cost Categories

The basis of the budget is to allocate the cost items into two categories:

- **Pastors in Service**- Pastors’ Cost to Company [Salary, medical, pension, UIF and Group risk insurance], a prefunding for medical aid liability for pastors when they retire, provision for transfer cost and Continuing Professional Development for pastors and Pastors’ conference. In This budget a new item for Theological Education was added.
- **Nett Church Running Cost**- the office, bishops’ cost, synod and travelling costs, Church Council meeting costs, membership fees and circuit costs.
EKD subsidy and Self-Assessed NELCSA Contribution are set off against this to arrive at a nett cost.
The building of a new Church Office will also affect the Church running cost. This will in the long run reduce Church running cost.
- **Investment Carry**- The returns received from Investing Funds less allocation to various special and general funds and purposes.

1.2 Recovery of Cost Categories

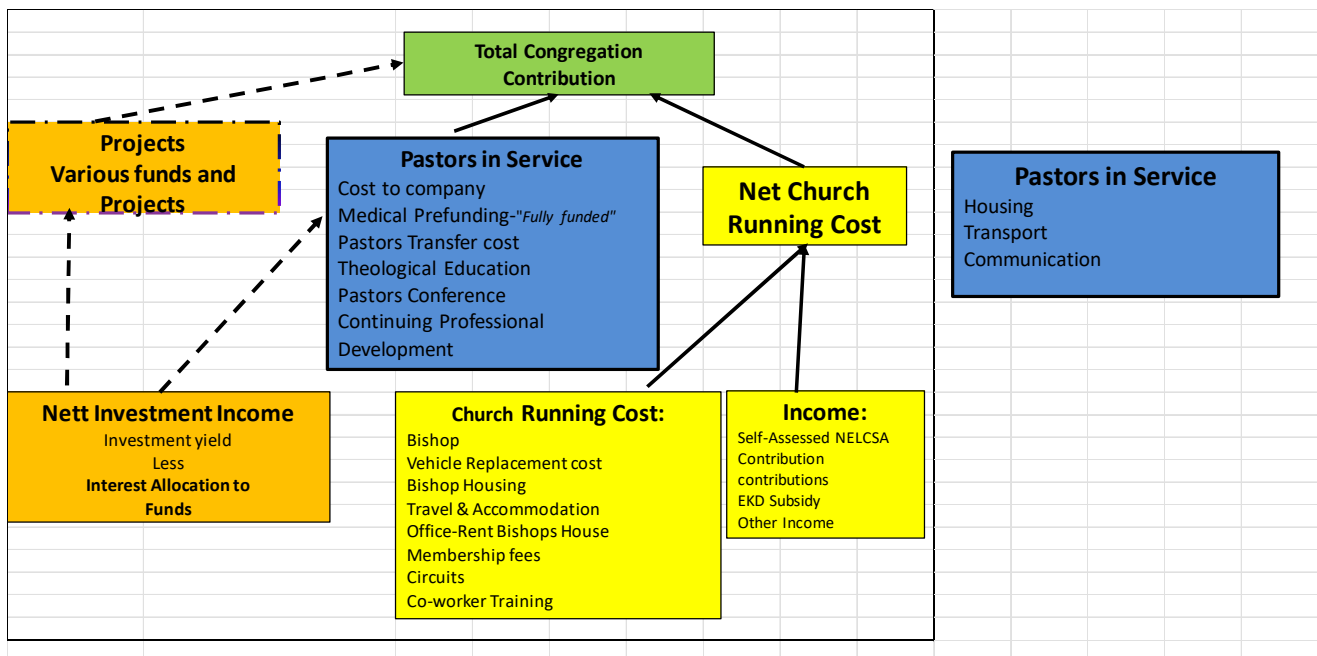
These costs are recovered from the congregations in two different ways:

- **Pastors in Service** -fully recovered from a congregation with a pastors’ post or portion of a post. If a post is vacant such amount would be credited as a so called “vacancy adjustment”. There are currently 27.25 posts of which 6.25 are vacant.
- **Nett Church Running Cost** -this needs to be fully recovered from all the congregations with a pastors’ post or portion of a post. Congregations with vacancies still pay the Nett Church Running cost.

The above two cost categories are generally of a fixed nature with little discretion that can be applied to the budget.

1.3 Project Cost

Project costs are discretionary and depend on the income for such projects. The project income and expenditure are separately budgeted and transferred into the Funds and Reserves statement to monitor balances.



2 Assumptions

The following assumptions have been used in the budget:

Table 1: Assumptions

Cost increases	2023	2024	2025
Salary	6.00%	7.00%	7.00%
Medical	8.00%	8.00%	8.00%
Bishop's housing	6.00%	6.00%	6.00%
General	6.00%	6.00%	6.00%
ZAR /Euro	17.00	18.00	19.00
Interest allocation<R250 000	3.50%	3.50%	3.50%
Interest allocation>R250 000	3.50%	3.50%	3.50%
Investment assumptions	2023	2024	2025
Interest Yield	4.00%	7.00%	7.00%
Dividend Yield	2.00%	2.00%	2.00%
Capital Growth	5.00%	4.00%	4.00%
Self-Assessed Contributions	800 000	750 000	700 000
Continuing Professional Development	100 000	107 000	114 490
Co-Worker Training	75 000	75 000	75 000
Theological Education		250 000	250 000
Smoothing Reserve		75 000	(75 000)
Office Building Cost-Bishop's home			
Rental	60 000	38 160	40 450
Cash Cost	40 704	20 000	21 200
Rental and costs	100 704	58 160	61 650

3 Cost of Pastors in Service

3.1 Cost to Company-Salary and Related Cost

The budget assumes the highest salary scale. Most of our pastors are on this scale.

NELCSA, governed by a Synod decision, follows as a guideline the Dutch Reformed Church [NG Kerk] remuneration study commission guidelines when determining salary scales.

A 13th cheque of the basic salary is payable in December.

Employer Pension Fund Contributions.

The Employer Pension Fund contribution is 14 % of Pensionable Salary [“Basic Salary” PLUS 30%].

The history of the additional 30% dates back many years when the Church decided to increase the contributions to enable pastors to purchase homes at retirement as they are not able to own a home /property during their working life as they live in manses and are frequently transferred.

Medical Aid Contribution (Head office staff is not eligible for this contribution)

The employer contributes 50% of the Medical Aid contribution of pastors. The employees and pensioners (those pensioners who were employed as pastors before 2010) are encouraged to elect a lower plan reducing costs for both Employee, Pensioners, and Employer. In such cases the Employer then subsidises 60% of the medical aid contribution. In 2024 the actual amount of medical aid subsidy was reset which led to a reduction of 10.8% in this cost item.

Group Life

A 0.72% of “Basic Salary” is also paid towards a Risk Insurance for the employee for Death and Dread Decease cover.

3.2 Transfer Cost

Also added is the provision for transfer cost when Pastors are transferred between congregations. As Transfers tend to happen synchronous the actual cost is normally bunched together and therefor provisions are made each year to even out the cost effect thereof.

By the end December 2022 a provision of R1 041 138 was accumulated.

This enables us to leave the provision in 2024/25 at R200 000.

3.3 Theological Education

In this budget a new item for Theological Education amounting to R250 000 per annum, was added.

The UELCSA member churches are nurturing and growing the Theological Education Centre at Stellenbosch University. From 2023 UELCSA has created a new position for "Student Tutor" to support students. Although UELCSA has received support from EKD and is funding part of this from reserves, the additional cost must be paid by member churches. NELCSA with the highest number of congregations, portion of UELCSA cost is 62%. Theological Education offerings would NOT be sufficient to fund this additional cost.

Together with the Offerings and this Income we would fund and maintain the Theological Education Fund, as shown in the slide below:

Table 2: Theological Education Fund

FUNDS	OPENING BALANCES	Offerings and DONATIONS	Other RECEIPTS and Provisions	INTEREST and INTERNAL ALLOCATIONS	PAYMENTS/ TRANSFERS	CLOSING BALANCE
Theological Education 24	302 028	200 000	250 000	9 877	(469 831)	292 073
Theological Education 25	292 073	210 000	250 000	8 741	(502 342)	258 472

3.4 Continuing Professional Development and Pastors' Conference

There is a need for pastors to attend courses, seminars and training to keep abreast of latest issues and trends. For this an amount of R150 000 is budgeted for both years. Pastors do not make sufficient use of these funds. The Pastors' conference cost has this year been budgeted separately.

3.5 Post-Retirement Medical liability

The Post-Retirement medical liability and the funding thereof is shown in **Table 3: Post-Retirement Medical Liability and Funding**.

Table 3: Post-Retirement Medical Liability and Funding

Pensioners	2021	2022	2023	2024	2025
Opening Balance	6 949 325	7 543 620	5 593 898	5 102 837	4 516 914
Interest /Yield	1 471 382	(1 030 133)	338 940	339 683	304 528
Payments of Pensioners	(877 087)	(919 590)	(830 000)	(925 606)	(961 520)
Total	7 543 620	5 593 898	5 102 837	4 516 914	3 859 921
As per Liability Calculation	6 988 667	6 381 543	5 613 859	5 020 942	4 383 452
Shortage /Excess [Retired Pastors]	554 953	(787 645)	(511 021)	(504 028)	(523 530)
Pastors in Service					
Opening Balance	6 213 865	13 161 866	11 509 986	12 207 387	12 906 317
Contributions	5 292 797	0			
Interest /Yield	1 717 764	(1 651 880)	697 401	698 930	740 866
Payments	(62 560)	0			
Total	13 161 866	11 509 986	12 207 387	12 906 317	13 647 184
As per Liability Calculation	11 152 602	11 029 196	10 735 766	10 850 872	10 926 975
Shortage /Excess [Pastors in Service]	2 009 264	480 790	1 471 621	2 055 445	2 720 209
Shortage /Excess [Total]	2 564 217	(306 855)	960 599	1 551 417	2 196 679
Total	20 705 486	17 103 883	17 310 224	17 423 231	17 507 105
Investment values	20 705 487	17 101 549	17 310 224	17 423 231	17 507 105

In the last 5 years an amount of R5.434 million was contributed to the fund and allocated to the Pastors in Service. The effect was an increase of the Pastors in Service Cost in excess of R40 000 per annum per post. In 2020 a portion [R915,608] of the excess shown by the Church was also allocated to the fund. These excess profits were mostly due to the good investment returns during the year. The Church Council allocated these excess funds to benefit congregations and not build up reserves.

In 2020 Church Council decided to sell the two properties, Plot 23 and 27, in Bonaero Park. The considerations were the uncertainty that the Corona Virus and Lockdown posed, threats of land invasion and a non-income yielding asset with no immediate other options.

The cash funds yielded from this equal R 4,238,630

The proceeds were allocated to the Post-Retirement Medical Fund so that all congregations have the benefit in a way of reduced Pastors in Service Cost.

Despite the 2022 negative investment yields affecting this fund to the amount of R2,682 million, it was still in a positive funded position of R0.960 million at the end of 2022.

As can be seen in Table 2 above and based on the current assumptions [Mortality age -84 years; medical inflation 8%; investment growth 5% +2 % dividend yield] and payments to pensioners, the fund continues into a positive funded position in 2024/5.

The Church Council is of the view that the funding is therefore sufficient and no further annual contribution is budgeted for or foreseen.

The Church Council will monitor the situation and will also consider allocating Excess Income to this fund if so required before loading the Pastors' Post with this liability again.

3.6 Total Cost of Pastor in Service Post

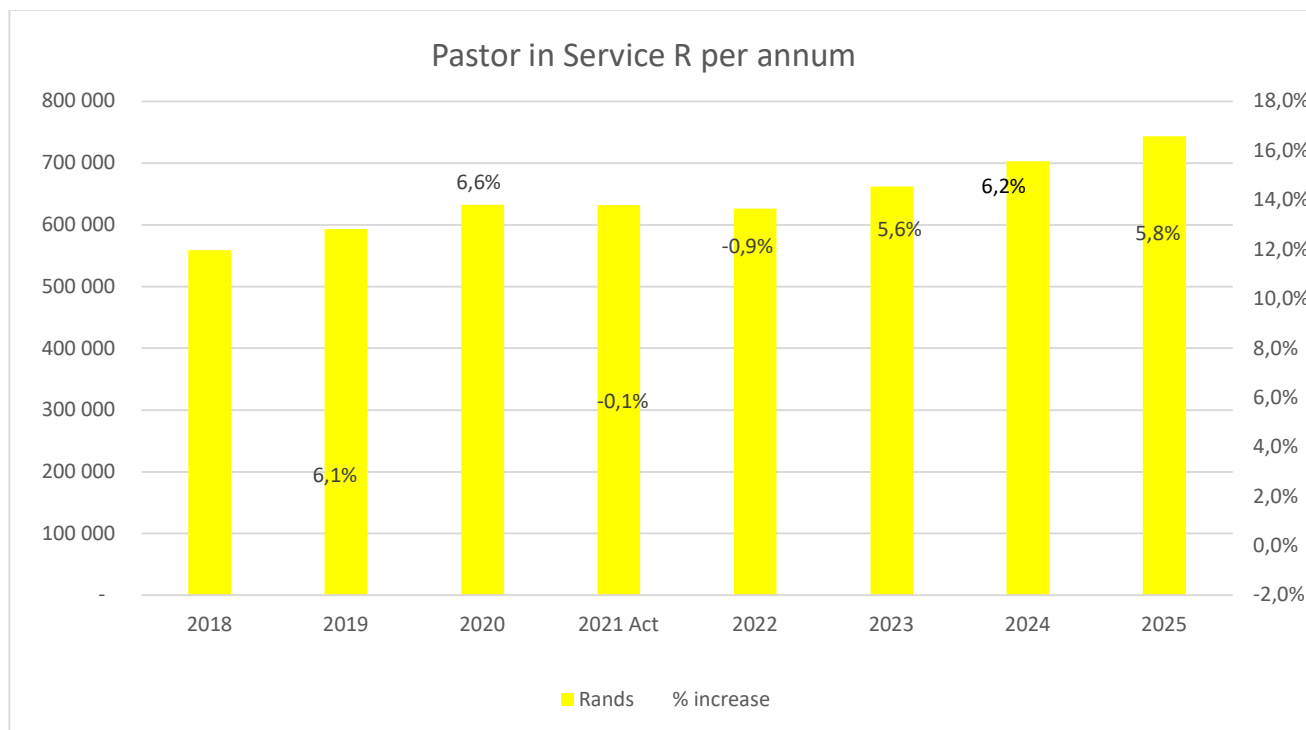
Detailed in **Table 4: Cost of Pastor in Service**, this means in simple terms the cost to employ a Pastor in Service by NELCSA per annum is R 698 175 in 2024 and R732 504 in 2025.

Table 4: Cost of Pastor in Service

Standard Pastor cost	2023 pa	2024 pa	2024%	2025 pa	2025%
Basic Salary	440 347	466 081	5.8%	498 716	7.0%
13 th cheque	37 045	39 269	6.0%	42 018	7.0%
Child Allowance	5 400	3 319	-38.5%	3 319	0.0%
Uniform Allowance	4 800	4 800	0.0%	4 800	0.0%
Medical Aid	76 170	67 900	-10.9%	73 332	8.0%
Total Cost to NELCSA	563 762	581 369	3.1%	622 185	7.0%
PENSION	66 459	70 449	6.0%	75 380	7.0%
Pension Ex Group Life	14 448	15 315	6.0%	16 387	7.0%
UIF	1 101	1 165	5.8%	1 247	7.0%
Group Life	3 170	3 356	5.8%	3 591	7.0%
Cost to Company before Related cost	648 940	671 654	3.5%	718 790	7.0%
% increase to Salary Package	6.13%	3.5%		7.0%	
Transfer cost provision	8 602	9 302	8.1%	9 302	0.0%
Theological Education		11 628	100.0%	11 628	0.0%
Continuing Professional Development and Conference	4 301	6 977	62.2%	7 395	6.0%
Smoothing Reserve		3 488		(3 488)	
Total Cost-NELCSA Pastor in Service	661 844	703 049	6.2%	743 627	5.8%
% increase		6.2%		5.8%	
Total Number of Posts	27.25	27.25		27.25	
Number of Vacant Posts	(4.00)	(5.75)		(5.75)	
Net posts Filled	23.25	21.50		21.50	
Total Costs					
Total Number of Posts	18 035 237	19 158 086		20 263 833	
Number of Vacant Posts	(2 647 374)	(4 042 532)		(4 275 855)	
Net posts Filled	15 387 863	15 115 554		15 987 978	

Over the years the Cost of Pastors in Service increased as demonstrated in **Table 5: Pastor in Service 2017-2025**

Table 5: Pastor in Service 2017-2025



3.7 Housing and Travelling Cost for Pastor

Housing and travelling cost, is budgeted and expensed by individual congregations based on local circumstances and needs.

3.8 Recovery of Pastor in Service Cost

The recovery or collection of Pastors in Service is budgeted to be totally recovered from congregations based on Pastors' Posts actually filled. To smooth or equalize the % increase for the 2024 and 2025 years a "Smoothing transfer" of R250 000 was budgeted for. The over recovery in 2024 will be balanced by an under recovery in 2025.

Table 6 lists the "27.25" Congregations with Pastors' Post, or part thereof, and this forms the basis of the collections and the Pastor in Service costs. Note that current vacancies are budgeted for as "Vacancy Adjustments". The total did not change from 2023 budget as the closure of LCDC congregation loss of the half post was taken up by the increase to a full post at Durban Seafarers Mission.

Table 6: List of Congregations for Contribution Key

CONGREGATION	Actual Pastor's post filled	Pastor's post budget	Net Church Running Costs
Base calculator			
AUGSBURG	1.00	1.00	1.00
BETHANY	1.00	1.00	1.00
BRAUNSCHEWIG	1.00	1.00	1.00
DUIWELSKLOOF/POLOKWANE	-	-	0.10
LUTHERAN CONGREGATION DOLPHIN COAST	-		
DURBAN SEAFARERS' MISSION	1.00	1.00	1.00
ELCER (Ev. Luth Church East Rand)	-	1.00	1.00
GERDAU/ POTCHEFSTROOM	1.00	1.00	1.00
HERMANNSBURG	0.25	0.25	0.25
HERMANNSBURG School Pastor's Post	0.50	0.50	0.50
HILLCREST	1.00	1.00	1.00
JOHANNESBURG CHURCH OF PEACE	0.50	0.50	1.00
KEMPTON PARK	1.00	1.00	1.00
KROONDAL	1.00	1.00	1.00
MK-KELVIN	0.50	0.50	0.50
MK-MIDRAND	0.50	0.50	0.50
NELSPRUIT	-	0.50	0.50
NEW GERMANY	1.00	1.00	1.00
NORTHRAND	1.00	1.00	1.00
PIET RETIEF	1.00	1.00	1.00
PIETERMARITZBURG	1.25	1.25	1.25
PRETORIA – JOHANNES	1.00	1.00	1.00
PRETORIA - ST. PETER	1.50	1.50	1.50
ST. PETERS BY THE LAKE	-	1.00	1.00
TRINITY ZULULAND	-	1.00	1.00
UELC	2.00	2.00	2.00
VANDERBIJLPARK	-	1.00	1.00
VERDEN / DUNDEE	-	0.50	0.50
VRYHEID	1.00	1.00	1.00
WEST RAND	0.25	1.00	1.00
WINTERTON /ELM Share	0.17	0.17	-
WINTERTON	0.83	0.83	1.00
YOUTH PASTOR KZN	0.25	0.25	0.25
Total	21.50	27.25	27.85
Vacancies		5.75	

Table 7: Recovery Pastors in Service

Pastors in Service	2023	2024	2025
	Budget	Budget	Budget
Total Congregation Invoiced	17 862 374	18 974 217	20 068 352
Vacancy Adjustment	(2 647 374)	(4 042 532)	(4 275 855)
Bad Debt Written off			
Contributions -Youth Pastor	172 861	183 869	195 481
Total Nett Income	15 387 860	15 115 554	15 987 978
Cost to company Pastors	15 387 860	15 115 554	15 987 978
Salaries - Pastors in Service	15 087 860	14 515 554	15 378 978
Transfer Cost	200 000	200 000	200 000
Pastors Conference		100 000	106 000
Continuing Professional Development	100 000	50 000	53 000
Net Pastors in Service	0	0	0

4 Nett Church Running Cost

4.1 Bishop's Post Cost to Company, Housing and Vehicle Cost

- **Salary** -at Cost to Company same as the Cost of Pastor in Service Plus a 10% Bishop Allowance
- **Housing** -NELCSA has the policy not to own a house as every new Bishop might have different housing needs and locations. The house is rented in accordance with the guidelines. Energy and water, telephone and internet, and gardening costs are also paid for. As we are renting the property maintenance costs are generally for the Lessor.
As with the outgoing bishop the new bishop opted to purchase a property and the Church will rent this on an armlength basis.
- **Vehicle** -An annual provision is made for the replacement of the vehicle. The maintenance cost is actively managed by replacing vehicles such that most costs are covered by maintenance service plans. Fuel and other related costs are also budgeted for.

Table 8: Bishop's Post Cost

Nett Church Running Cost	2023	2024	2025
	Budget	Budget	Budget
Bishop [CTC and housing]	1 100 572	1 149 455	1 236 709
Remuneration-Bishop	696 500	717 455	779 719
Vehicle Replacement Provision	75 000	75 000	75 000
Housing	329 072	357 000	381 990

With a new Bishop being elected at Synod 2021 (held in 2022) the costs did not change dramatically due to new circumstances.

4.2 Travel and Accommodation.

- Travelling Cost, international and local, are mostly flights by the bishop.
- Church Council -These are costs for Church Council members' travel compensation and accommodation to attend Church Council Meetings
- Provision of R60 000 per annum is made for Cost of Synod which takes place every 2 years.
The Church Office [Rental, Staff costs, Printing and Stationery, Communication, Repairs and Maintenance of Office Equipment, Audit fees, Bank Charges, Insurance]

- Cost for the Synod is also provided for over 2 years to even out the expenses.
- Meetings and accommodation are costs for refreshments at meetings held at the office.
- Motor Vehicle Expenses are Fuel and Maintenance Cost for the bishop’s official vehicle.

Table 9: Travel and Accommodation

Nett Church Running Cost	2023	2024	2025
	Budget	Budget	Budget
Travelling and Accommodation	357 336	378 776	401 503
General	17 890	18 964	20 102
Overseas Furlough	42 400	44 944	47 641
Synods	63 600	67 416	71 461
Church Council	127 200	134 832	142 922
Meetings and Accommodation	26 500	28 090	29 775
Motor Vehicle Expenses	79 746	84 530	89 602

4.3 Office Cost

- **Personnel Remuneration** -These costs are the bishop’s Personal Assistant and the Bookkeeper remuneration.
- **Rental** -The planned Church Office at Johannesgemeinde has not been completed yet. Covid Lockdown, political infighting at Tshwane municipality and problems with previous building plans slowed down the approval of building plans. In November 2022 the Church Council decided NOT to proceed with building a church office and informed Johannes Gemeinde.

Covid Pandemic forced a “Home office /Virtual office “working environment in 2020. The Bishop, Theo Jäckel, moved into his new residence in Willows Pretoria. The Church Council has allocated and installed an office at this address [570 Witogie Street, The Willows] and this will serve as the Church Office.

Table 10: Office Building Cost -Bishop’s home

Office Building Cost-Bishop’s home	2023	2024	2025
Rental	60 000	38 160	40 450
Cash Cost	40 704	20 000	21 200
Rental and costs	100 704	58 160	61 650

The result is a reduced cost. The 2023 Budget was based on the planned office at Johannesgemeinde.

- **Communication** -This is a need that has become critical in the “Home office /Virtual office” environment.
- **Other** -Audit Fees, Bank Charges, Insurance and Office Equipment, Printers and Electronic Equipment.

Table 11: Office Cost**Nett Church Running Cost**

	2023	2024	2025
	Budget	Budget	Budget
Office Cost	1 067 661	1 049 787	1 106 010
Printing and Stationery	6 288	6 665	7 065
Communications	40 184	42 596	45 151
Office Equipment -Purchase & Maintenance	38 618	40 935	43 391
Audit Fees	53 097	56 283	59 660
Bank Charges	31 800	33 708	35 730
Office Rental and amortization	100 704	58 160	61 650
Insurance	19 095	20 241	21 456
Software Licences		20 000	21 200
Sundries	10 600	5 000	5 300
Office Salaries	767 275	766 200	805 407

4.4 Membership Fees**Table 12: Membership Fees**

	<u>Budget 2023</u>	<u>Budget 2024</u>	<u>Budget 2025</u>
UELCSA	129 312	133 576	142 306
LWF	5 000	5 300	5 618
LUCSA	6 000	6 360	6 742
SACC	10 000	10 600	11 236
CUC		12 000	12 720
	<u>150 312</u>	<u>167 836</u>	<u>178 622</u>

4.5 Circuit Cost

- The allocation to circuits to support work done in the circuit has been inflated by 6% from previous years.
- The Church Law 1 Budget Allocation for the circuits is allocated as follows:
50% equally to the number (4) circuits.
50% allocated according to number of congregations.

4.6 Co-worker Training

- A provision has been made for training of co-workers and helpers in congregations in general, but specifically to support small congregations who rely on lay-led ministry.

4.7 Setoff Income

- **Self-Assessed NELCSA Contributions** -During a very difficult 2022 an amount of R 721 882 was received from congregations.
The effect of the downturn in the economy is starting to show its teeth even more in 2023 and we forecast a reduction from this in 2023 and onwards.
The budget for 2024/25 is R750 000 and R700 000 as we hope and pray for a recovery in those years.
- **Subsidies from EKD** -Funding is maintained at 81 000 Euro and we are very thankful for this support. We have been told for some time now that this will reduce and suspect that with the Corona Pandemic affecting the Churches in Europe this might now be applied, but we don't know to what extent.

The amount received in ZAR is dependent on the Euro/ZAR exchange rate. We used 18 ZAR/Euro amounting to R 1 458 000 in 2024 and 19 ZAR/Euro amounting to R 1 539 000 in 2025.

- We have entered into an agreement with the “Deutsche Seafarer’s Mission” [DSM] to perform administrative and accounting functions for their station in Durban [Manned by Pastor Ron Küsel]. For this work, performed by the Treasurer and the Bookkeeper, NELCSA collects income of R2000 per month, inflated annually.

Table 13: Net Church Running Cost-Summary

Nett Church Running Cost	2023	2024	2025
	Budget	Budget	Budget
Bishop [CTC and housing]	1 100 572	1 149 455	1 236 709
Travelling and Accommodation	357 336	378 776	401 503
Office Cost	1 067 661	1 049 787	1 106 010
Co-Worker Training	75 000	75 000	75 000
Membership Fees	150 312	165 836	176 502
Circuits	300 645	318 684	337 805
Total Church running costs	3 051 526	3 137 538	3 333 528
% increase		2.8%	6.2%
Setoff Income	2 177 000	2 234 400	2 266 984
Self-Assessed Contributions	800 000	750 000	700 000
Grant from EKD	1 377 000	1 458 000	1 539 000
Admin fees DSM		26 400	27 984
Nett Church Running Costs to be recovered	874 526	903 138	1 066 544
Church Running Cost Contribution from Congregations	874 526	903 138	1 066 544
Excess / (Under Recovery)	0	0	0
Number of Congregations	27.85	27.85	27.85
Amount Recovered per Congregation	31 401	32 429	38 296
As per Contribution Schedule		32 429	38 296
		3.3%	18.1%

5 Investment Carry

The Church Council uses an investment manager and our investments are now with PSG Wealth Funds. The emphasis was also to diversify investments as a higher emphasis was placed on offshore investments.

The assumption for investment yields for this budget are: **Investment assumptions**

	2023	2024	2025
Interest Yield	4.00%	7.00%	7.00%
Dividend Yield	2.00%	2.00%	2.00%
Capital Growth	5.00%	4.00%	4.00%

We believe this is not overly aggressive as the assumption is only 1% above our inflationary assumption of 6%. The risk area is clearly the Capital Growth of 4% but with the 2023 correction in the markets seemingly behind us, we believe this is a conservative assumption.

The Investment Returns and Balances for 2022/23 are calculated and shown in **Table 14: Investment Returns:**

Table 14: Investment Returns

INVESTMENTS General Funds	2025 Budget			2024 budget		
	Opening Value	Market Value	Fair Value Adjustment	Opening Value	Market Value	Fair Value Adjustment
PSG Wealth Global Creator Feeder Fund	3 768 987	3 995 126	226 139	3 555 648	3 768 987	213 339
PSG Moderate FoF	4 088 295	4 333 592	245 298	3 856 882	4 088 295	231 413
Closing Balance	7 857 282	8 328 719	471 437	7 412 530	7 857 282	444 752
Income Statement	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Fair Value Adjustment	471 437		471 437	444 752		444 752
Management Cost	(80 930)	(80 930)		(76 349)	(76 349)	
Absolute Return	390 507	(80 930)	471 437	368 403	(76 349)	444 752
	4.97%	-1.03%	6.00%	4.97%	-1.03%	6.00%
INVESTMENTS Medical Fund	2025 Budget			2024 budget		
	Opening Value	Market Value	Fair Value Adjustment	Opening Value	Market Value	Fair Value Adjustment
PSG Wealth Income FoF (D)	(378 369)	(1 362 591)	(26 486)	516 262	(378 369)	36 138
PSG Wealth Global Flex FeedFund	2 117 479	2 244 527	127 049	1 997 621	2 117 479	119 857
PSG Wealth Global Creator Feeder Fund	10 082 109	10 687 035	604 927	9 511 423	10 082 109	570 685
PSG Moderate FoF	5 602 013	5 938 133	336 121	5 284 918	5 602 013	317 095
Closing Balance	17 423 231	17 507 105	1 041 610	17 310 224	17 423 231	1 043 776
Income Statement	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Fair Value Adjustment	1 219 626		1 219 626	1 211 715		1 211 715
Management Cost	(174 232)	(174 232)		(173 102)	(173 102)	
Absolute Return	1 045 394	(174 232)	1 219 626	1 038 613	(173 102)	1 211 715
	6.00%	-1.00%	7.00%	6.00%	-1.00%	7.00%
Hermannsburg School Pastor Fund	2025 Budget			2024 budget		
	Opening Value	Market Value	Fair Value Adjustment	Opening Value	Market Value	Fair Value Adjustment
Investment PSG Wealth	3 922 986	3 792 113	(91 643)	4 030 258	3 922 986	(66 969.41)
Investment PSG Wealth	3 922 986	3 792 113	(91 643)	4 030 258	3 922 986	(66 969)
Income Statement	Total	Realised	Fair Value Adjustment	Total	Realised	Fair Value Adjustment
Pay-out received	366 252	366 252		349 087	349 087	
Fair Value Adjustment	(91 643)		(91 643)	(66 969)		(66 969)
Management Cost	(39 230)	(39 230)		(40 303)	(40 303)	
Absolute Return	235 379	327 022	(91 643)	241 815	308 785	(66 969)
Annualised Management Cost %	6.00%	8.34%	-2.34%	6.00%	7.66%	-1.66%
		-1.00%			-1.00%	

Standard Bank Investec Money Market	2025 Budget	2024 Budget
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	Opening Value	Market Value	Fair Value Adjustment	Opening Value	Market Value	Fair Value Adjustment
Standard Bank Call Account	898 836	961 755	0	840 034	898 836	0
Interest Received	62 919	62 919	62 919	58 802	58 802	58 802
Annualised Return	7.00%	7.00%		7.00%	7.00%	
Investec Money Market	13 605 690	13 605 690	0	13 650 178	13 650 178	0
Withdraw	(1 000 000)	(1 000 000)		(1 000 000)	(1 000 000)	
Interest Received	952 398	952 398		955 512	955 512	
Investec Money Market	13 558 088	13 558 088	0	13 605 690	13 605 690	0
Interest Received	952 398	952 398	952 398	955 512	955 512	955 512
Annualised Return	7.02%	7.02%		7.02%	7.02%	
Total Interest Received on Money Market Funds			1 015 317			1 014 315

Interest at 3.5% is allocated to funds we hold and manage on behalf of Church Institutions and Causes.

Applying these assumptions, the forecast for investment yield and allocation thereof is:

Table 15: Investment Returns and Allocation

	2023	2024	2025
Investment Income less Allocation-Investment Carry			
Investment Income	Budget	Budget	Budget
General Funds	480 428	368 403	390 507
Medical Funds	1 169 759	1 038 613	1 045 394
Hermannsburg School Pastor Fund	304 517	241 815	235 379
INVESTMENT INCOME	1 954 704	1 648 831	1 671 280
Interest on Arrears Accounts	0	0	0
Interest on Loans and Money Market	243 164	1 014 315	1 015 317
Gross Investment Income	2 197 868	2 663 146	2 686 597
Interest Allocation			
General Funds (3.5%)	(395 309)	(642 100)	(662 084)
Net Interest Carry after Allocation	1 802 559	2 021 046	2 024 513
Medical Funds	(1 169 759)	(1 038 613)	(1 045 394)
Hermannsburg School Pastor Fund	(304 517)	(241 815)	(235 379)
Net Investment Carry	328 283	740 618	743 740
Investments per Balance Sheet	31 987 942	43 198 736	43 660 423
%Return on Total Investment	6.87%	6.16%	6.15%

The detail of Allocated Interest [3.5%] is in the table below:

Table 16: Interest Allocation to Internal Funds

Interest Allocation to Internal Funds	2024	2025
Old Age Homes	0	0
Youth Work - K.Z.N. Hub	9 025	5 478
Church Music	16 932	16 917
Choir Association	0	0
Brass Band Association	17 649	18 479
Ministry and Discipleship [MaD]	97 953	103 407
Theological Education	9 877	8 741
HMB Foundation	0	0
Diaconical Fund – Gossman	0	0
Seafarers' Account	0	0
Refugee Fund	0	0
Transient Funds	151 436	153 021
FUND SPECIFIC RESERVE	0	0
Building Reserve Church Office	0	0
Building Reserve -Northern Parish	14 825	15 228
Hermannsburg School Pastor Fund	241 815	235 379
Development Reserve	430 485	444 268
Motor Vehicle Reserve	27 555	31 145
Kailager	1 252	1 296
Haus Kandaze Reserve	16 547	17 126
Total Specific Reserve	732 479	744 442
LONGTERM PROVISION AND LIABILITES		
NELCSA Medical Provision-Pensioners	339 683	304 528
NELCSA Medical Provision-Pastors in Service	698 930	740 866
Total Long-term Provision and Liabilities	1 038 613	1 045 394
Total Allocation	1 922 528	1 942 857
From Individual Investments		
Hermannsburg School Pastor Fund	(241 815)	(235 379)
Medical Investments	(1 038 613)	(1 045 394)
From General Funds	642 100	662 084

6 Summary Income Statement

The summary Income Statement is shown below.

Table 17: Summary Income Statement

NELCSA	2023	2024	2025
Summary of Income Statement elements	Budget	Budget	Budget
Pastors in Service	0	0	0
Nett Church Running Costs to be recovered	0	0	0
Investment Income less Allocation- Investment Carry	328 283	740 631	743 767
Surplus before Allocations	328 283	740 631	743 767

7 Fund and Project Income Statement

7.1 Transient Funds

The various funds received via compulsory collections, voluntary donations and other receipts and expenses paid for “Projects” or “Funds on behalf of” are shown here.

These Receipts and Expenses do not directly impact the contributions by congregations to the Church.

The Church Work related projects include Church Music, Church Mission, Church Youth and Theological Education.

Certain NELCSA Institutions like Brass Band Association, Choir Association and Kailager have transferred their funds to the Church as they have experienced problems with FICA arrangements at the banks.

Seafarers’ Mission Fund -This fund originated from 2018 when the property of the Seafarers was sold, and Pastor Ron Küsel took over the ministry. Since 1 January 2022 a new arrangement has been made with the Seafarers’ Mission, a NELCSA Pastor is seconded for a 100% post and the NELCSA office is dealing with the administration and accounting function for a fee.

7.2 Fund Specific Reserve

Hermannsburg School Pastor Fund- This is a fund originating from the sale of the farm left to the school by the Hermannsburg Mission. It is retained to specifically fund the 50% Pastors’ Post for the school.

Building Reserve Dolphin Coast- This originates from the sale of the former Durban properties and was set aside by the Church Council to plant a new Durban congregation. This is used to fund the Lutheran Congregation Dolphin Coast.

Other Property Reserve Funds are from congregations who closed, and the properties were sold, and funds deposited for use by the remaining structures of those congregations.

7.3 Long-term Provision and Liabilities

The NELCSA Provision for Post-Retirement Medical Liabilities is accounted for here, split into Pensioners and Pastors in Service. Refer to Table 2.

The Balances are shown in **Table 18: Funds and Reserves** and the Income and Expenses in **Table 15: Fund Income Statement**.

Table 18: Funds and Reserves

FUNDS AND RESERVES and Long-term Provisions

	37 123 104	41 484 407	42 070 657
Transient Funds	4 078 738	5 231 497	5 327 443
Hermannsburg School Pastor Fund	4 977 410	3 920 549	3 783 968
Specific Reserves	9 063 555	14 909 131	15 452 141
NELCSA Medical Provision-Pensioners	19 003 401	17 423 231	17 507 105

Table 19: Fund Income Statement

Fund Income Statement

	Actual 2022	Budget 2023	Budget 2024	Budget 2025
Collections and donations	958 047	728 750	834 438	876 159
Church Music	104 965	26 250	27 563	28 941
Ministry and Discipleship [MaD]	445 364	367 500	385 875	405 169
Church Youth	175 065	157 500	180 000	189 000
Church Seniors/Old Age Homes	19 165	-	20 000	21 000
Theological Education	190 805	157 500	200 000	210 000
HMB Foundation	22 683	20 000	21 000	22 050
Other Fund Receipts	3 017 241	52 500	2 485 778	2 598 047
Choir Association	9 496	-	-	-
Brass Band Association	43 590	-	45 770	48 058
Ministry and Discipleship [MaD]	-	-	-	-
Theological Education	55 697	-	250 000	250 000
KZN Youth Hub	-	-	36 749	39 066
Church Youth	65 203	52 500	55 125	57 881
Building Reserve Dolphin Coast	748 405	-	-	-
Building Reserve Church Office	55 928	-	-	-
Seafarer's	1 855 367	-	1 948 135	2 045 542
Kailager	183 555	-	150 000	157 500
Total fund income	3 975 287	781 250	3 320 216	3 474 206
Project Expenditure	4 648 189	2 630 701	4 666 765	4 905 639
Church Music	0	42 000	44 100	46 305
Brass Band Association	32 679	-	40 000	42 000
Ministry and Discipleship [MaD]	290 271	315 000	330 750	347 288
Church Youth	140 000	180 000	189 000	198 450
KZN Youth Hub	132 774	135 000	141 750	148 838
Church Seniors/Old Age Homes	43 293	0	20 000	21 000
Theological Education	252 872	274 788	469 831	502 342
HMB Foundation	19 543	20 000	21 000	22 050
Church Office write-down	155 749	-	-	-
Haus Kandaze	50 000	0	0	0
Building Reserve Dolphin Coast	360 000	500 000	31 927	37 695
Seafarers' Mission	1 642 191	0	1 948 135	2 045 542
Building Reserve -Northern Parish	2 766	2 991	3 141	3 298
Hermannsburg School Pastor	336 000	330 922	351 525	371 813
NELCSA Medical Provision	919 590	830 000	925 606	961 520
Kailager	270 460	-	150 000	157 500
Vehicle Reserve Fund	-	0	0	0
Net Income and Expenditure in Funds and Projects	(672 902)	(1 849 451)	(1 346 549)	(1 431 433)

7.4 Fund Statements

See detail Budget Fund and Reserve Statements for 2024 and 2025 in **Annexure A**.

8 Balance Sheet

The Projected/Budgeted Balance Sheet for NELCSA is shown in Table 20: Balance Sheet.

Table 20: Balance Sheet

Northeastern Evangelical Lutheran Church in South Africa

BALANCE SHEET AT

CAPITAL

Fixed Property -Revaluation

Retained Earnings

FUNDS AND RESERVES and Long-term Provisions

Transient Funds

Hermannsburg School Pastor Fund

Specific Reserves

NELCSA Medical Provision-Pensioners

CURRENT LIABILITIES

Account Payables and Provisions

NON-CURRENT ASSETS

IMMOVABLE PROPERTY

NELCSA Office

INVESTMENTS

Investments General Funds

Investments Medical Funds

Hermannsburg School Pastor Fund

Investec Money Market

Standard Bank Money Market

Attributable to Funds and Reserves

Attributable to Transient Funds

Attributable to Fund Specific Reserves

Attributable to Long-term Provisions -Medical

Attributable to Hermannsburg School Pastor Fund

Attributable to General Purposes

CURRENT ASSETS

Accounts Receivable

Bank Balances

	2023	2024	2025
	Budget	Budget	Budget
	7 960 824	7 960 824	7 960 824
Fixed Property -Revaluation	370 600	370 600	370 600
Retained Earnings	7 590 224	8 330 871	9 074 676
FUNDS AND RESERVES and Long-term Provisions	37 123 104	41 483 914	42 069 556
Transient Funds	4 078 738	5 231 523	5 327 501
Hermannsburg School Pastor Fund	4 977 410	3 920 549	3 783 968
Specific Reserves	9 063 555	14 908 612	15 450 983
NELCSA Medical Provision-Pensioners	19 003 401	17 423 231	17 507 105
CURRENT LIABILITIES			
Account Payables and Provisions	600 000	1 000 000	1 200 000
	45 683 928	50 444 738	51 230 380
NON-CURRENT ASSETS			
IMMOVABLE PROPERTY	370 600	370 600	370 600
NELCSA Office	1 380 000	0	0
INVESTMENTS	31 987 942	43 705 588	44 139 635
Investments General Funds	7 295 131	7 857 282	8 328 719
Investments Medical Funds	19 003 401	17 423 231	17 507 105
Hermannsburg School Pastor Fund	4 977 410	3 920 549	3 783 968
Investec Money Market		13 605 690	13 558 088
Standard Bank Money Market	712 000	898 836	961 755
Attributable to Funds and Reserves	31 987 942	43 705 588	44 139 635
Attributable to Transient Funds	4 078 738	5 231 523	5 327 501
Attributable to Fund Specific Reserves	9 063 555	14 908 612	15 450 983
Attributable to Long-term Provisions -Medical	19 003 401	17 423 231	17 507 105
Attributable to Hermannsburg School Pastor Fund	4 977 410	3 920 549	3 783 968
Attributable to General Purposes	(5 135 162)	2 221 674	2 070 079
CURRENT ASSETS	11 945 386	6 368 550	6 720 144
Accounts Receivable	2 500 000	1 300 000	1 200 000
Bank Balances	9 445 386	5 068 550	5 520 144
	45 683 928	50 444 738	51 230 380

9 Summary of impact to Congregation Contribution

The reset in 2021 of the medical aid contributions to Pastors in Service, the use of a “Smoothing Reserve” and the reduction in Office Cost allowed the Church Council to keep the Congregation Contribution at an increase of 5.2% and 5.4 % respectively in 2024 and 2025.

This includes a funding for Theological Education of R250 000 per annum to support the very important work of the UELCSA Theological Education program at Stellenbosch University.

Table 21: Summary of Increases

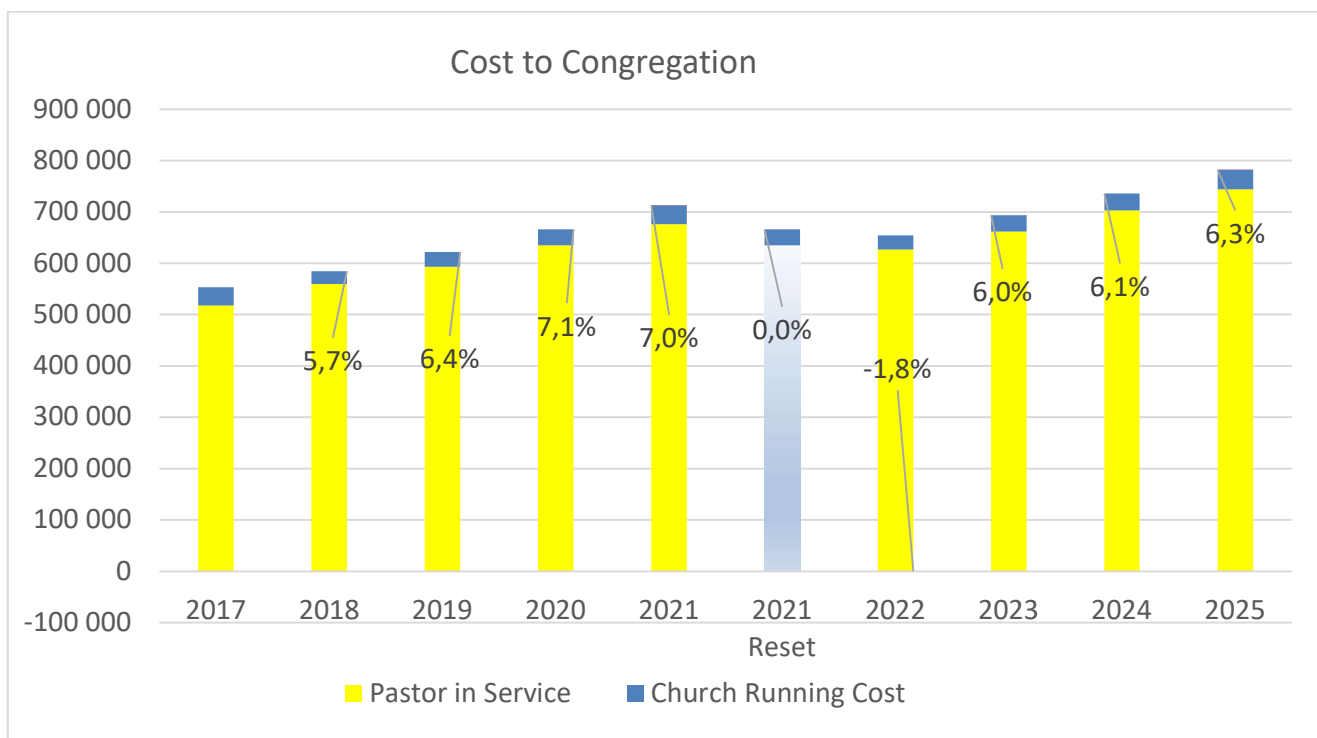
Summary of Increases	2023	% increase	2024	% increase	2025
Pastors in Service Cost	661 844	6.2%	703 049	5.8%	743 627
Net Church Running Cost	31 401	3.3%	32 429	18.1%	38 296
Total	693 245	6.1%	735 478	6.3%	781 923

The proposed 2024 contributions are 6.1% higher than 2023

The proposed 2025 contributions are 6.3 % higher than 2024.

For the past 6 years the Cost to Congregations with a Pastor is shown in Table 21

Table 22: Cost to Congregation



9.1 Invoicing and Self-Assessed Contributions

For administrative purposes and to remind the congregational treasurers and administrative staff to pay contributions regularly an “Invoicing” system has been introduced by the Church Bookkeeping Function.

Table 23: Invoicing to Congregation

	2023		2024		2025	
	Per Annum	Per Month	Per Annum	Per Month	Per Annum	Per Month
Typical Cost Invoice to a Congregation						
Cost of Pastor in Service	661 844	55 154	703 049	58 587	743 627	61 969
Net Church Running Cost	31 401	2 617	32 429	2 702	38 296	3 191
Total Invoicing	693 245	57 770	735 478	61 290	781 923	65 160
Expected "Hurdle" Self-Assessed Contribution	28 725	2 394	26 930	2 244	25 135	2 095
Total Contribution NOT to be Subsidised	721 970	60 164	762 408	63 534	807 058	67 255

The Self-Assessed NELCSA Contribution appeals to the more affluent congregations to contribute voluntary so that the less affluent congregations contribute only the invoiced portion.

Congregations should assess themselves on how much self-assessed contributions it could afford. We would appeal to affluent congregations to see this as a contribution to the further existence of our Church. If we cannot bank on the self-assessed contributions, the annual contributions required from smaller congregations are going to increase to unaffordable levels which will lead to the “loss” or “closure” of congregations, but cost will continue to be collected from the remaining congregations. Any congregation contributing *less than* R26 930 [2024] or R25 135 [2025] to Self-Assessed NELCSA Contribution is being subsidised.

10 Church Law 1

10.1 Church Law 1 -Schedule 1

Table 24: Church Law 1

Church Law 1 Schedule 1

	2023	Per Contribution Schedule	
		2024	2025
Financial contributions by congregations	17 131 080	16 805 467	17 793 619
Pastors in service	15 387 860	15 115 554	15 987 978
Net Church running Cost	874 526	903 138	1 066 544
KZN Youth Hub Fund	68 694	36 774	39 096
Per Contribution Schedules	16 331 080	16 055 467	17 093 619
Self-Assessed Contributions	800 000	750 000	700 000
Other income-subsidy and Net investment return	1 705 283	2 225 047	2 310 789
EKD Subsidy	1 377 000	1 458 000	1 539 000
Admin Fees DSM		26 400	27 984
Net investment return	328 283	740 647	743 805
Total Income	18 836 363	19 030 514	20 104 407
Expenditure	18 508 080	18 289 867	19 360 603
Pastors in service	15 387 860	15 115 554	15 987 978
Total Church running costs	3 051 526	3 137 538	3 333 528
KZN Youth Hub Fund	68 694	36 774	39 096
Income less Expenses	328 283	740 647	743 805

10.2 2024 Contribution Schedule 2

CONGREGATION	2024						
CONGREGATION	Actual Pastor's post filed	Pastor's post budget	Net Church Running Costs	PASTOR POSTS ACTUALY FILLED	Net Church Running Costs	Youth Pastor KZN	TOTAL NET Amount Payable
Base calculator				703 049	903 138	220 643	0
AUGSBURG	1.00	1.00	1.00	703 049	32 429	15 760	751 238
BETHANY	1.00	1.00	1.00	703 049	32 429	15 760	751 238
BRAUNSCHWEIG	1.00	1.00	1.00	703 049	32 429	15 760	751 238
DUIWELSKLOOF/POLOKWANE	-	-	0.10	0	3 243	0	3 243
DURBAN SEAFARERS MISSION	1.00	1.00	1.00	703 049	32 429	0	735 478
ELCER (Ev. Luth Church East Rand)	-	1.00	1.00	0	32 429	0	32 429
GERDAU/ POTCHEFSTROOM	1.00	1.00	1.00	703 049	32 429	0	735 478
HERMANNSBURG	0.25	0.25	0.25	175 762	8 107	15 760	199 630
HERMANNSBURG School Pastor	0.50	0.50	0.50	351 525	16 214	0	367 739
HILLCREST	1.00	1.00	1.00	703 049	32 429	15 760	751 238
JOHANNESBURG CHURCH OF PEACE	0.50	0.50	1.00	351 525	32 429	0	383 953
KEMPTON PARK	1.00	1.00	1.00	703 049	32 429	0	735 478
KROONDAL	1.00	1.00	1.00	703 049	32 429	0	735 478
MK-KELVIN	0.50	0.50	0.50	351 525	16 214	0	367 739
MK-MIDRAND	0.50	0.50	0.50	351 525	16 214	0	367 739
NELSPRUIT	-	0.50	0.50	0	16 214	0	16 214
NEW GERMANY	1.00	1.00	1.00	703 049	32 429	15 760	751 238
NORTHRAND	1.00	1.00	1.00	703 049	32 429	0	735 478
PIET RETIEF	1.00	1.00	1.00	703 049	32 429	15 760	751 238
PIETERMARITZBURG	1.25	1.25	1.25	878 811	40 536	15 760	935 107
PRETORIA - JOHANNES	1.00	1.00	1.00	703 049	32 429	0	735 478
PRETORIA - ST. PETER	1.50	1.50	1.50	1 054 574	48 643	0	1 103 217
ST. PETERS BY THE LAKE	-	1.00	1.00	0	32 429	0	32 429
TRINITY ZULULAND	-	1.00	1.00	0	32 429	15 760	48 189
UELC	2.00	2.00	2.00	1 406 098	64 857	31 520	1 502 476
VANDERBIJLPARK	-	1.00	1.00	0	32 429	0	32 429
VERDEN / DUNDEE	-	0.50	0.50	0	16 214	15 760	31 975
VRYHEID	1.00	1.00	1.00	703 049	32 429	15 760	751 238
WEST RAND	0.25	1.00	1.00	175 762	32 429	0	208 191
WINTERTON /ELM Share	0.17	0.17	-	117 175	0	0	117 175
WINTERTON	0.83	0.83	1.00	585 874	32 429	15 760	634 063
YOUTH PASTOR KZN	0.25	0.25	0.25	175 762	8 107	(183 869)	0
Total	21.50	27.25	27.85	15 115 554	903 138	36 774	16 055 467
Vacancies		5.75					
Gross income				15 115 554	903 138	36 774	16 055 467

10.3 2025 Contribution Schedule 3

CONGREGATION	2025						
CONGREGATION	Actual Pastor's post filed	Pastor's post budget	Net Church Running Costs	PASTOR POSTS ACTUALY FILLED	Net Church Running Costs	Youth Pastor KZN	TOTAL NET Amount Payable
Base calculator				743 627	1 066 544	234 577	0
AUGSBURG	1.00	1.00	1.00	743 627	38 296	16 755	798 678
BETHANY	1.00	1.00	1.00	743 627	38 296	16 755	798 678
BRAUNSCHWEIG	1.00	1.00	1.00	743 627	38 296	16 755	798 678
DUIWELSKLOOF/POLOKWANE	-	-	0.10	0	3 830	0	3 830
DURBAN SEAFARERS MISSION	1.00	1.00	1.00	743 627	38 296	0	781 923
ELCER (Ev. Luth Church East Rand)	-	1.00	1.00	0	38 296	0	38 296
GERDAU/ POTCHEFSTROOM	1.00	1.00	1.00	743 627	38 296	0	781 923
HERMANNSBURG	0.25	0.25	0.25	185 907	9 574	16 755	212 236
HERMANNSBURG School Pastor	0.50	0.50	0.50	371 813	19 148	0	390 961
HILLCREST	1.00	1.00	1.00	743 627	38 296	16 755	798 678
JOHANNESBURG CHURCH OF PEACE	0.50	0.50	1.00	371 813	38 296	0	410 109
KEMPTON PARK	1.00	1.00	1.00	743 627	38 296	0	781 923
KROONDAL	1.00	1.00	1.00	743 627	38 296	0	781 923
MK-KELVIN	0.50	0.50	0.50	371 813	19 148	0	390 961
MK-MIDRAND	0.50	0.50	0.50	371 813	19 148	0	390 961
NELSPRUIT	-	0.50	0.50	0	19 148	0	19 148
NEW GERMANY	1.00	1.00	1.00	743 627	38 296	16 755	798 678
NORTHRAND	1.00	1.00	1.00	743 627	38 296	0	781 923
PIET RETIEF	1.00	1.00	1.00	743 627	38 296	16 755	798 678
PIETERMARITZBURG	1.25	1.25	1.25	929 534	47 870	16 755	994 159
PRETORIA - JOHANNES	1.00	1.00	1.00	743 627	38 296	0	781 923
PRETORIA - ST. PETER	1.50	1.50	1.50	1 115 440	57 444	0	1 172 884
ST. PETERS BY THE LAKE	-	1.00	1.00	0	38 296	0	38 296
TRINITY ZULULAND	-	1.00	1.00	0	38 296	16 755	55 052
UELC	2.00	2.00	2.00	1 487 254	76 592	33 511	1 597 357
VANDEBIJLPARK	-	1.00	1.00	0	38 296	0	38 296
VERDEN / DUNDEE	-	0.50	0.50	0	19 148	16 755	35 904
VRYHEID	1.00	1.00	1.00	743 627	38 296	16 755	798 678
WEST RAND	0.25	1.00	1.00	185 907	38 296	0	224 203
WINTERTON /ELM Share	0.17	0.17	-	123 938	0	0	123 938
WINTERTON	0.83	0.83	1.00	619 689	38 296	16 755	674 741
YOUTH PASTOR KZN	0.25	0.25	0.25	185 907	9 574	(195 481)	0
Total	21.50	27.25	27.85	15 987 978	1 066 544	39 096	17 093 619
Vacancies		5.75	-				
Gross income				15 987 978	1 066 544	39 096	17 093 619

11. Prescribed Offerings

Additional pressure on the Theological Education Fund forced Church Council to propose two [2] additional prescribed offerings to this cause and reduce the prescribed offerings for Ministry and Discipleship [MAD] accordingly.

This also had the effect of the 10 % arrangement allocation changing.

Also note the various name changes; Self-Assessed Contributions [previously Solidarity Fund] and Ministry and Discipleship [MAD] [previously Mission Fund]

Proposed Section 74 (1)

- (1) In accordance with Section 74 (1) of the Constitution of NELCSA the following offerings for the church are prescribed:

<u>Prescribed Offering</u>	Prescribed number
Ministry and Discipleship [MAD]	10
Circuit Youth Work (see * below)	4
Theological Education	6
Church Music (Cantate)	1
Total	<u>21</u>

(*The Southern and Eastern Circuit offerings are paid into the KZN Youth Work Fund. The Youth Work Northern and Central Circuit offerings are paid into their respective Youth Work Funds.)

b) Additional Recommended Offering's Prescribed number

Self-Assessed Contributions	6
HMB Foundation**	4
Old Age Homes: APN / Richmond Road / local home*	2
Circuit Senior work*	2
Total	<u>14</u>

* Does not form part of the 10% as set in (2)

** See reason for change in 10.2 below

- (2) Congregations with the practice that offerings and tithes/contributions are given on the altar, can apply to Church Council to give 10% of these giving's at the altar in lieu of prescribed offerings. The compulsory and voluntary offerings are still announced every Sunday.

- (3) The 10% offerings received from congregations participating in the practice as approved in (2) will be allocated as follows:

Offering 10 % arrangement	Number	%
Ministry and Discipleship [MAD]	10	37%
Circuit Youth Work	4	15%
Theological Education	6	22%
Church Music (Cantate)	1	4%
Self-Assessed Contributions	6	22%
Total	<u>27</u>	<u>100%</u>

Annexure A: Fund and Reserve Statements 2024,2025

FUNDS AND RESERVES FOR THE YEAR ENDED December 2024	OPENING BALANCES	COLLECTIONS and DONATIONS	Other RECEIPTS and Provisions	INTEREST and INTERNAL ALLOCATIONS	PAYMENTS/ TRANSFERS	FROM/TO INCOME STATEMENT	CLOSING BALANCE
TRANSIENT							
Old Age Homes	4 536	20 000			(20 000)		4 536
Church Youth Work	661 226	180 000	91 870	9 035	(330 750)	0	611 382
Youth Work - General	298 083	180 000	55 125		(189 000)	0	344 208
Youth Work - K.Z.N. Hub	363 143		36 745	9 035	(141 750)	0	267 174
Church Music	500 307	27 563	0	16 932	(44 100)	0	500 702
Choir Association	48 933		0				48 933
Brass Band Association	498 489		45 770	17 649	(40 000)		521 908
Ministry and Discipleship [MAD]	2 743 534	385 875	0	97 953	(330 750)	0	2 896 612
Theological Education	302 028	200 000	250 000	9 877	(469 831)	0	292 073
HMB Foundation	5 935	21 000		0	(21 000)	0	5 935
Diaconical Fund - Gossmann	326 136			0		0	326 136
Seafarers' Account	0		1 948 135	0	(1 948 135)		0
Refugee Fund	23 276						23 276
	<u>5 114 401</u>	<u>834 438</u>	<u>2 335 775</u>	<u>151 446</u>	<u>(3 204 566)</u>	<u>0</u>	<u>5 231 493</u>
FUND SPECIFIC RESERVE							
Building Reserve Church Office	400 179		0				400 179
Building Reserve -Northern Parish	426 704			14 825	(3 141)		438 388
Hermannsburg School Pastor fund	4 030 258			241 815	(351 525)		3 920 549
Building Reserve Dolphin-Coast	12 330 852		0	430 465	(31 857)		12 729 460
Motor Vehicle Reserve	712 291			27 555		75 000	814 846
Kailager	35 771		150 000	1 252	(150 000)		37 023
Haus Kandaze Reserve	472 761			16 547			489 308
	<u>18 408 816</u>	<u>0</u>	<u>150 000</u>	<u>732 459</u>	<u>(536 522)</u>	<u>75 000</u>	<u>18 829 753</u>
LONGTERM PROVISION AND LIABILITES							
NELCSA Medical Provision-Pensioners	5 661 382			339 683	(925 606)		5 075 459
NELCSA Medical Provision-Pastors in Service	11 648 842			698 930	0	0	12 347 772
	<u>17 310 224</u>	<u>0</u>	<u>0</u>	<u>1 038 613</u>	<u>(925 606)</u>	<u>0</u>	<u>17 423 231</u>
TOTAL DEDICATED RESERVES	<u>40 833 441</u>	<u>834 438</u>	<u>2 485 775</u>	<u>1 922 517</u>	<u>(4 666 694)</u>	<u>75 000</u>	<u>41 484 476</u>
Retained Earnings	7 590 224			0		740 628	8 330 852
TOTAL RESERVES	<u>48 423 665</u>	<u>834 438</u>	<u>2 485 775</u>	<u>1 922 517</u>	<u>(4 666 694)</u>	<u>815 628</u>	<u>49 815 329</u>

FUNDS AND RESERVES FOR THE YEAR ENDED December 2025	OPENING BALANCES	COLLECTIONS and DONATIONS	Other RECEIPTS and Provisions	INTEREST and INTERNAL ALLOCATIONS	PAYMENTS/ TRANSFERS	FROM/TO INCOME STATEMENT	CLOSING BALANCE
TRANSIENT							
Old Age Homes	4 536	21 000			(21 000)		4 536
Church Youth Work	611 382	189 000	96 944	5 509	(347 288)	0	555 547
Youth Work - General	344 208	189 000	57 881		(198 450)	0	392 639
Youth Work - K.Z.N. Hub	267 174		39 062	5 509	(148 838)	0	162 907
Church Music	500 702	28 941	0	16 917	(46 305)	0	500 254
Choir Association	48 933		0				48 933
Brass Band Association	521 908		48 058	18 479	(42 000)		546 445
Ministry and Discipleship [MAD]	2 896 612	405 169	0	103 407	(347 288)	0	3 057 901
Theological Education	292 073	210 000	250 000	8 741	(502 342)	0	258 472
HMB Foundation	5 935	22 050		0	(22 050)	0	5 935
Diaconical Fund - Gossmann	326 136			0		0	326 136
Seafarers' Account	0		2 045 542	0	(2 045 542)		0
Refugee Fund	23 276						23 276
	<u>5 231 493</u>	<u>876 159</u>	<u>2 440 543</u>	<u>153 052</u>	<u>(3 373 813)</u>	<u>0</u>	<u>5 327 435</u>
FUND SPECIFIC RESERVE							
Building Reserve Church Office	400 179						400 179
Building Reserve -Northern Parish	438 388			15 228	(3 298)		450 318
Hermannsburg School Pastor fund	3 920 549			235 233	(371 813)		3 783 968
Building Reserve Delphin-Coast	12 729 460		0	444 214	(37 621)		13 136 054
Motor Vehicle Reserve	814 846			31 145		75 000	920 991
Kailager	37 023		157 500	1 296	(157 500)		38 319
Haus Kandaze Reserve	489 308			17 126			506 433
	<u>18 829 753</u>	<u>0</u>	<u>157 500</u>	<u>744 242</u>	<u>(570 232)</u>	<u>75 000</u>	<u>19 236 263</u>
LONGTERM PROVISION AND LIABILITES							
NELCSA Medical Provision-Pensioners	5 075 459			304 528	(961 520)		4 418 466
NELCSA Medical Provision-Pastors in Service	12 347 772			740 866			13 088 638
	<u>17 423 231</u>	<u>0</u>	<u>0</u>	<u>1 045 394</u>	<u>(961 520)</u>	<u>0</u>	<u>17 507 105</u>
TOTAL DEDICATED RESERVES							
	<u>41 484 476</u>	<u>876 159</u>	<u>2 598 043</u>	<u>1 942 688</u>	<u>(4 905 565)</u>	<u>75 000</u>	<u>42 070 802</u>
Retained Earnings	8 330 852			0		743 763	9 074 615
TOTAL RESERVES	<u>49 815 329</u>	<u>876 159</u>	<u>2 598 043</u>	<u>1 942 688</u>	<u>(4 905 565)</u>	<u>818 763</u>	<u>51 145 417</u>