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Final version for Synod

FINANCIAL REPORTS

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Final Draft

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EVANGELICAL LUTHERAN CHURCH IN SOUTH AFRICA (CAPE CHURCH)
Financial Statements for the year ended 31 December 2022

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

Figures in Rand

	Note	2022	2021
Assets			
Non-Current Assets			
Property, plant and equipment	2	316 452	4 623
Loans to receivable	3	-	40 735
Other financial assets	4	16 429 389	16 237 014
		<u>16 745 841</u>	<u>16 282 372</u>
Current Assets			
Food parcels		13 820	47 180
Receivables	5	155 130	173 471
Cash and cash equivalents	6	485 769	849 763
		<u>654 719</u>	<u>1 070 414</u>
Total Assets		<u>17 400 560</u>	<u>17 352 786</u>
Equity and Liabilities			
Equity			
Special fund and reserves	7	17 181 386	16 997 080
Liabilities			
Current Liabilities			
Payables	8	219 174	355 706
Total Equity and Liabilities		<u>17 400 560</u>	<u>17 352 786</u>

2.

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (CAPE CHURCH)
Financial Statements for the year ended 31 December 2022

DETAILED STATEMENT OR SURPLUS AND DEFICIT
Figures in Rand

	2022	2021
INCOME		
Subsidies received - EKD	642 943	658 611
Stewardship contributions	5 304 304	5 150 900
Net transfers to reserves	178 625	(2 233 476)
Less: transfer from / (to) Medical Aid Reserve Fund	-	(2 233 476)
Less: transfer from / (to) Stewardship Contribution Contingency Fund	178 625	-
Income and growth from investments	(71 368)	1 966 381
Membership fees - Paarl congregation	10 000	30 000
Interest income	285 331	257 610
Sundry income	14 405	-
Profit on sale of Motor vehicle	132 000	-
TOTAL INCOME	6 496 240	5 830 026
CONGREGATION EXPENSES		
Circuit conferences	22 500	21 000
Deputising travelling	119 978	42 857
Medical Aid	347 322	289 030
Pastor's convocation	75 616	450
Pension fund	431 376	386 517
Salaries - congregation	3 357 145	3 082 824
Salaries - other	-	67 640
Workmens compensation insurance	7 252	7 412
Removal expenses	-	-
Hymn books write-off	-	-
Unemployment insurance	14 725	14 722
	4 375 914	3 912 452
CHURCH OFFICE EXPENSES		
Entertainment	5 377	2 614
Bishop's Office expenses	29 755	21 467
Inventory	-	-
Medical Aid	65 643	74 153
Office expenses	15 024	11 025
Pension fund	82 510	79 207
Postage & telephone	19 905	25 990
Salaries	516 308	479 143
Unemployment insurance	2 126	1 983
Workmens compensation insurance	853	872
	737 501	696 454
	5 113 415	4 608 905

Carried forward to page 8

EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA (CAPE CHURCH)
Financial Statements for the year ended 31 December 2022

DETAILED STATEMENT OF SURPLUS AND DEFICIT
Figures in Rand

	2022	2021
Brought forward from page 7	5 113 415	4 608 905
<i>Department</i> Treasury expenses (<i>Accountant</i>)		
Audit fees - current year	49 508	49 737
Computer maintenance	16 044	12 946
Bank charges	5 186	5 150
Medical Aid	61 951	64 051
Office expenses	11 944	11 117
Salaries	228 180	218 535
Unemployment insurance	2 696	2 711
Workmens compensation insurance	427	436
	<u>375 936</u>	<u>364 683</u>
Subscriptions		
LUCSA	6 000	6 000
Lutheran World Federation	-	-
Subs. UELCSA	-	-
Conventus of Reform Churches		
SA Council of Churches- Membership fees	9 246	9 166
WPCC	2 500	2 500
	<u>17 746</u>	<u>17 666</u>
Other expenses		
Depreciation	67 913	7 926
Employee benefit insurance	38 591	32 623
Furniture and fittings written off	-	-
General travelling	154 400	57 746
Insurance premiums	22 394	12 984
Interest paid CLF	107 175	93 122
Legal fees	21 638	34 122
Medical aid - pensioners	494 596	465 855
Motor vehicle expense	330	7 881
Sundries	1 484	22 045
Fees on investments	80 622	-
Synod expenses	-	104 468
	<u>989 143</u>	<u>838 772</u>
TOTAL EXPENDITURE	<u>6 496 240</u>	<u>5 830 026</u>
SURPLUS FOR THE YEAR	<u>-</u>	<u>-</u>

CAPE CHURCH

	<u>Budget 2022</u>	<u>Actual 2022</u>	<u>Variance %</u>
<u>Income:</u>			
Subsidy EKD	600,000	642,943	
Stewardship Contributions	6,104,400	5,304,304	
Interest, Dividends, Adjustments	750,000	548,993	
Total Income	7,454,400	6,496,240	(12,85)

<u>Expenses:</u>			
Salaries	4,102,000	3,357,145	
Medical Aid Contribution	335,100	347,322	
Pension Fund Contribution	465,700	431,376	
Removal Expenses	-	-	
Circuit Conference	22,500	22,500	
Deputising	150,000	119,978	
WCA - U.I.F.	16,000	21,977	
Ministers' Convocation	40,000	75,616	
Congregation Expenses	5,131,300	4,375,914	(14,72)

Motor Vehicles	40,000	-	
Salaries	560,000	516,308	
Medical Aid Contribution	81,500	65,643	
Pension Fund Contribution	86,500	82,510	
Inventory	10,000	-	
Postage/Tel/Fax	25,000	19,905	
Office Exp.incl.Cost sharing St.Martini	60,000	44,779	
U.I.F.	3,000	2,979	
Entertainment	10,000	5,377	
Church Office Expenses	876,000	737,501	(15,81)

Salary	236,000	228,180	
Medical Aid Contribution	70,000	61,951	
Postage, Tel. & Fax	14,000	11,944	
Office Expenses			
Computer Expenses	15,000	16,044	
U.I.F./WCA	3,500	3,123	
Audit Fees	40,000	49,508	
Bank Charges	8,000	5,186	
Treasury Expenses	386,500	375,936	(2,73)
SACC	13,000	11,746	
LUCSA	6,000	6,000	
UELCSA	129,100	-	
LWF	2,500	-	
Conventus of Reformed Churches	2,000	-	
Subscriptions	152,600	17,746	(88,37)
Insurance	16,000	22,394	
Depreciation	8,000	67,913	
Synod Expenses	80,000	-	
General Travelling	136,000	154,400	
Medical Aid Pensioners	530,000	494,596	
Accident/Employees' Benefit	33,000	38,591	
Sundries	5,000	1,484	
Legal Fees	-	21,638	
Fees on Investment	-	80,622	
Motor Vehicle Expenses	-	330	
Interest Paid CCW/CLF	100,000	107,175	
Other Expenses	908,000	989,143	8,93
Total Expenses	7,454,400	6,496,240	

ELCSA CAPE CHURCH

6.

REMUNERATION - AVERAGE COST TO EMPLOYER - PER MONTH

	<u>2024</u>	<u>2025</u>
Basic Salary	38,500	40,400
Spouse's Allowance	400	400
Children's Allowance	450	450
Pension Fund Contribution	7,000	7,350
Medical Aid Contribution	6,800	7,500
Insurances -Discovery etc	800	850
13th Cheque	3,200	3,350
Medical Aid Pensioners	5,400	5,950
	<u>62,550</u>	<u>66,250</u>

ELCSA CAPE CHURCH

PROPOSED BUDGETS 2024-2025

	<u>2024 Budget</u>	<u>2025 Budget</u>
Income:		
Subsidies: EKD	700,000	750,000
Stewardship Contributions	5,876,220	6,230,700
Interest-Div. & Adjustments	1,200,000	1,200,000
Donations etc. (Beacon Bay)	24,000	24,000
Total Income	7,800,220	8,204,700
Expenses:		
<u>Congregation Expenses:</u>		
Salaries	4,054,220	4,249,700
Medical Aid Contribution	400,000	440,000
Pension Fund Contribution	515,000	540,000
Removal Expenses	100,000	50,000
Circuit Conferences	25,000	26,000
Deputising - Travelling	200,000	210,000
W.C.A. & U.I.F.	18,000	19,000
Ministers' Convocation	25,000	-
	5,337,220	5,534,700
<u>Church Office Expenses:</u>		
Salaries	580,000	610,000
Medical Aid Contributions	75,000	82,000
Pension Fund Contributions	92,000	98,000
Inventory	10,000	10,000
Postage/Telephone & Fax	20,000	24,000
Office Expenses/Cost Share	50,000	55,000
U.I.F.	3,000	3,000
Entertainment	10,000	10,000
	840,000	892,000
<u>Treasury Expenses:</u>		
Salaries	250,000	265,800
Medical Aid Contributions	65,000	72,000
Pension Fund Contributions	48,000	50,000
Postage/Telephone & Office	15,000	16,000
Computer Expenses	18,000	20,000
U.I.F./WCA	4,000	4,200
Audit Fees	50,000	63,000
Bank Charges	6,000	7,000
	456,000	498,000
<u>Subscriptions:</u>		
L.U.C.S.A.	6,000	6,000
United Church	-	-
Conventus Reformed Church	-	-
LWF	3,000	3,000
SACC	15,000	16,000
	24,000	25,000
<u>Other Expenses:</u>		
Legal Fees	10,000	10,000
General Travelling	165,000	180,000
Medical Aid Pensioners	590,000	650,000
Accident-Empl.Benefit Insur:	38,000	43,000
Sundries	6,000	6,000
Interest Paid CLF & CCW	115,000	120,000
Synod Expenses/Prov	60,000	75,000
Motor Vehicles	5,000	6,000
Depreciation	51,000	45,000
Insurance Premiums	23,000	25,000
Fees on Investments	80,000	95,000
	1,143,000	1,255,000
Total Expenditure	7,800,220	8,204,700

ELCSA CAPE CHURCH

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PROPOSED STEWARDSHIP CONTRIBUTIONS PER MONTH

<u>Congregation/Parish</u>	<u>2024</u>	<u>2025</u>
St.Martini +3 000.00	65,550	69,250
Philippi/Wynberg	15,630	16,520
Bellville	62,550	66,250
Worcester	3,250	3,450
Stellenbosch	62,550	66,250
Strand Street +3 000.00	65,550	69,250
Southern Cape	15,350	16,270
Port Elizabeth -10 000.00 (60%)	31,350	33,750
Beacon Bay (+ 2,000) - donation under income	62,550	66,250
EL/Brakf/Komga - 6 500.00	56,050	59,750
Stutterheim/KWT/MLT-Vacant	31,275	33,125
Bfn/Kby -5 000.00	18,030	19,110
	<u>489,685</u>	<u>519,225</u>

ELCSA CAPE CHURCH

ABBREVIATIONS

LUCSA	Lutheran Communion in Southern Africa
UELCSA	United Evangelical Lutheran Church in Southern Africa
SACC	South African Council of Churches
LWF	Lutheran World Federation
WPCC	Western Province Council of Churches
CLF	Car Loan Fund
CCW	Circuit Conference West
CCE	Circuit Conference East
EKD	Evangelische Kirche in Deutschland
WCA	Workmen's Compensation Act
UIF	Unemployment Insurance Fund

NOTES TO FINANCIAL STATEMENTS AT 31.12.2022 (pages 1 – 3)

Page 1

Note 2: Replacement of motor vehicle for the Bishop (balance R316,452).

- See under Income (page 2): profit on sale of motor vehicle (R132,000)
- See under Other expenses (page 3): depreciation (2022: R67,913), motor vehicle depreciated over 5 years.

Note 4: Unit trust investments at fair value, of which 97% at Glacier Invest in various dedicated portfolios and the balance at Allan Gray in their Money Market fund.

Note 7: Special funds and reserves, comprising of various dedicated funds, including (rounded figures):

- Medical Aid Reserve fund: R4,67m
- Theological Education fund: R3,17m
- Car Loan Finance fund: R2,86m
- Stewardship Contribution Contingency fund: R1,25m
- Solidarity fund: R61,175
- Mission fund: R49,600
- Church Music fund: R43,500

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Income: income & growth from investments, based on total investment balance as at 31.12.2022 versus 31.12.2021

Notes:

- According to accounting policies “financial instruments, which consists of unit trusts and money market investments, are recorded at cost and are subsequently measured at fair value. Interest, dividends and fair value movements are combined and not separately disclosed, in surplus or deficit”.
- On average over 3 years the net return (after fees) of the investments amounts to $\pm 10\%$ pa.

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Other expenses: fees on investments – new audit principle to show costs separately.

Subscriptions: UELCSA – subscriptions are paid yearly out of the Theological Education fund (2022: R283,280; 2021: R122,955)