

AVM 2024: Finance report

Another year has passed, and again it's good and appropriate to reflect on God's financial provision to Emmanuel Church.

Financial year: 12 months ending 31 March 2024:

For the 12 months ending 31 March 2024, the church reported a net cash inflow of R752k.

Total	
Inflows	
R	5,211,763
	26.6%
	vs prior year
Outflows	
R	4,459,928
	5.9%
	vs prior year
Nett flow	
R	751,835

For those looking a little closer, this is made up of a net surplus as per the income statement (+R899,711), the purchase of assets (-R111,534), capital repayments on the loan with REACH (-R128,533) and then adjusted for depreciation (a non-cash expense) on property, plant & equipment (+R92,194).

This can be broken down into the General Fund, the Care Fund and the Building Fund / Loan.

The General Fund, which relates to the normal running of the church, reported a net surplus of R141k. Part of the reason for this positive result relates to the staff changes we experienced during 2023. For a couple of months, we only had one pastor on the books, and even now we have a smaller staff complement than before.

General	
Inflows	
R	4,104,798
	9.3%
	vs prior year
Outflows	
R	3,964,070
	2.6%
	vs prior year
Nett flow	
R	140,728

The care fund sat at a healthy R217,978 balance. That we could still effectively maintain the fund despite a growing need among us is a sign of generosity that we are very thankful for. We were able to provide support for 7 families over the financial year, meeting a total need of R161k.

Care fund			
Inflows		Fund balance	
R	145,115	R	217,978
	27.8%		
	vs prior year		
Outflows		Nett flow	
R	161,129	R -	16,014
	35.9%		
	vs prior year		

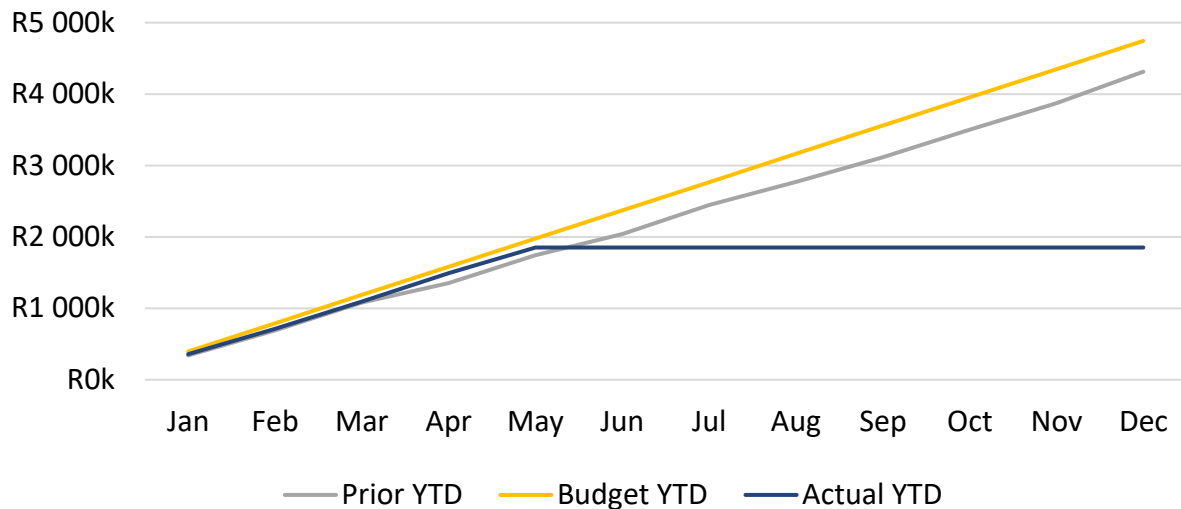
Due mainly due to the 2024 fundraising drive, the Build & REACH loan showed a net inflow of R627k and while as of 31 March the loan balance was still high at R819k, since then we have been moving cash from the current account into the loan account to lower interest until such time as we feel comfortable in settling and closing the account for good. By God's grace, that would mean that the loan will be settled in under 5 years since its inception – several years earlier than the 8 to 10 years originally aimed at.

Build and loan			
Inflows		Loan balance	
R	961,850	R	818,753
	287.9%		
	vs prior year		
Outflows		Nett flow	
R	334,729	R	627,121
	47.3%		
	vs prior year		

Ministry year: 5 months ending 31 May 2024:

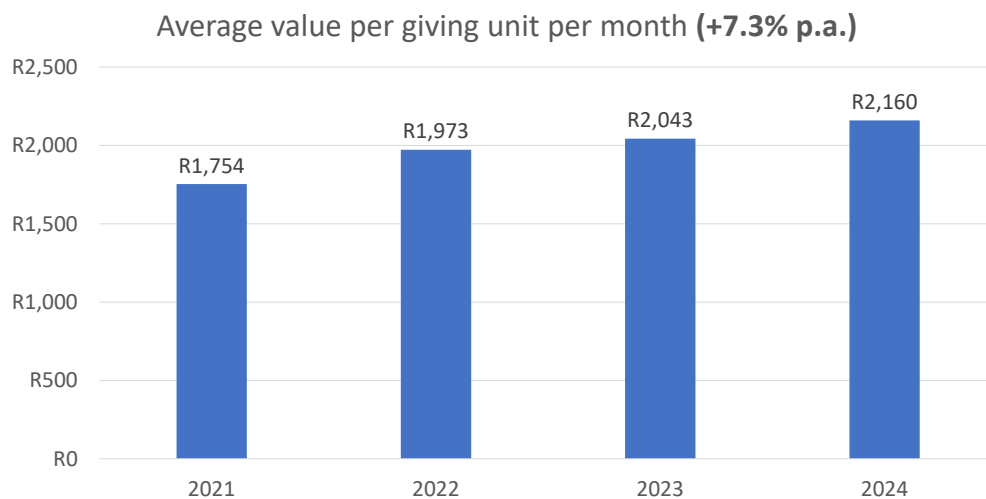
For the ministry year so far, while our planned giving income is only slightly lower than budgeted, it is important to remember that we budgeted for a shortfall of R189k. As of 31 May we are R95k shy of our target surplus for the year to date. Of course, there are still 7 months to come, and with the fluctuations we tend to see from one month to the next, it is difficult to get a good idea of where we will land. Overall things are looking under control.

Planned giving total vs budget

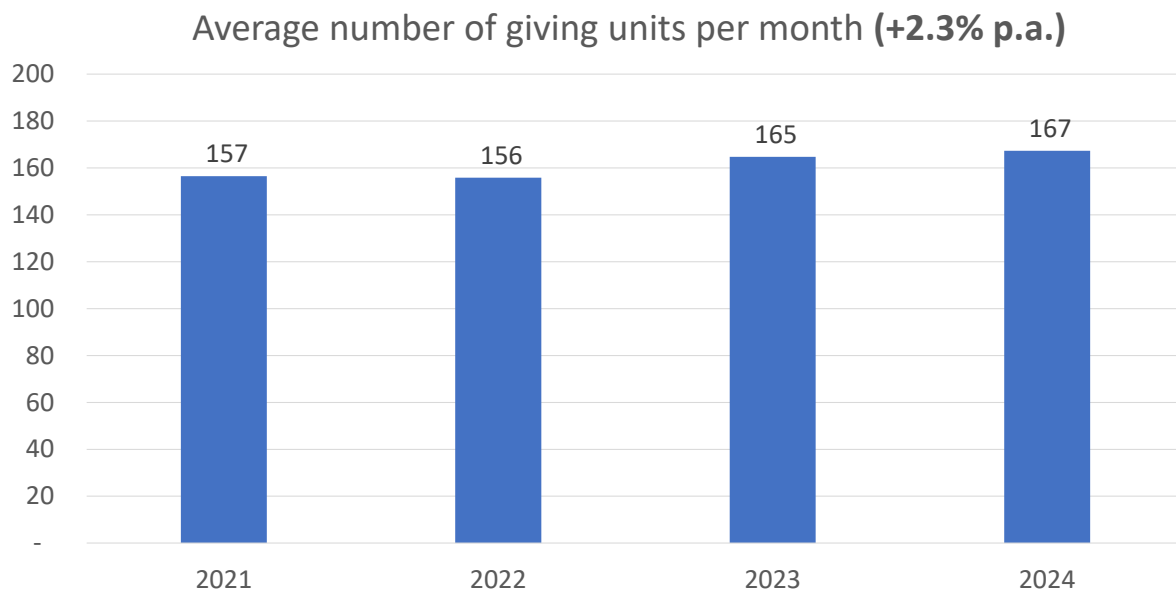


Giving:

A quick look at the evolution of planned giving since 2021 shows an average annual increase in the average value per giving unit of 7.3%. This is slightly above inflation so represents a real increase.



The average number of giving units per month has remained fairly flat at an average annual increase of 2.3%.



While we are very thankful for the state of our finances and the generosity of our church, we are still not where we ought to be. Based on a recent survey on the number of households vs the average number of giving units received per month, only about 55% of our members and regulars are routinely giving towards gospel ministry at Emmanuel. What matters is not how much we give, but that we're all invested in God's mission. Let us examine our hearts as we prayerfully consider everything God has provided for us. Jesus told us not to store up for ourselves treasures on earth, but to store up treasures in heaven, for where our treasure is, there our hearts will be also.

Finance committee:

Money is an essential factor in almost all ministry areas of the church, so it's important for the leadership to steward this resource with wisdom, integrity and transparency. For this reason, I cannot be solely responsible for it.

Fortunately, we have a finance committee made up of Emmanuelites with complementing skill sets, suitable experience and the courage to challenge shortcomings and bad ideas head-on (which they do! 😊). The aim is really to make this a working committee – one that's involved in guiding the Council in all financial matters – and while we're not quite there yet (and that's on me) we're heading in the right direction. Plans for the rest of the year are to work on expanding and tweaking the finance guidelines, improving the budgeting process, and getting some more mundane but necessary tasks off our to-do list.

Committee members are Cornelius Schoonees, Crystal Abdoll, Michelle Vorster, and since a couple of weeks ago Chris Hartley. I'd like to thank each of them for their willingness to serve, and their sincere hearts for the well-being of Emmanuel.

I'd like to extend a special thank you to Michelle who handles most of the day-to-day finances and is always ready and willing to get the job done. Last year I promised her it would get better than it was at the time, and I really hope it did.

In conclusion, as a team we're looking forward to what the Lord has in store for us in the year ahead. May everything we do be for His glory alone.

Arjan

**EMMANUEL CHURCH
BELLVILLE CAPE**

FINANCIAL STATEMENTS

31ST MARCH 2024

**VSB MANAGEMENT SERVICES CC
304 Nerine Close
Boschenmeer
PAARL
7646**

EMMANUEL CHURCH – BELLVILLE CAPE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The reports and statements set out below comprise the annual financial statements presented to the Church:

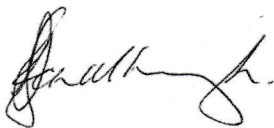
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**REPORT OF THE AUDITOR TO THE MEMBERS OF
EMMANUEL CHURCH, BELLVILLE CAPE**

I have examined the annual financial statement set out on pages 1 to 5. Except as explained in the following paragraph, my examination was made in accordance with generally accepted auditing standards.

In common with similar organizations, it is not feasible for the Church to institute accounting controls over cash collections from donations prior to the initial entry of the collections in the accounting records. Accordingly it was impracticable for me to extend my examination beyond the receipts actually recorded.

Subject to the effects of any adjustments which might have been determined to be necessary had it been possible for me to examine the cash collections referred to in the preceding paragraph, in my opinion, the financial statements referred to above fairly present the financial position of the Church at 31st March 2024 and the results of its operations for the year then ended in accordance with generally accepted accounting practice.



I.G. van Schalkwyk
Chartered Accountant

6th June 2024

EMMANUEL CHURCH - BELLVILLE, CAPE

BALANCE SHEET AS AT 31st MARCH 2024

	<u>NOTE</u>	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
FUNDS EMPLOYED			
CAPITAL FUNDS	1	6,597,403	5,697,692
Long Term Liability - REACH		818,753	837,291
CURRENT LIABILITIES		48,096	35,764
Deposit		1,000	0
Trade Payables		3,500	3,500
Thailand Missions		0	13,441
General Missions		3,293	5,500
Pastoral Care		1,596	2,680
Special projects		20,000	0
General Ministries		18,707	10,643
		<u>7,464,252</u>	<u>6,570,747</u>
EMPLOYMENT OF FUNDS			
FIXED ASSETS	2	6,365,932	6,346,592
CURRENT ASSETS		1,098,320	224,155
Cash on Hand		26,107	12,208
Cash at Bank		981,033	211,947
Deposits		31,000	0
Thailand Mission		60,180	0
		<u>7,464,252</u>	<u>6,570,747</u>

EMMANUEL CHURCH - BELLVILLE, CAPE

INCOME STATEMENT FOR THE YEAR ENDED 31st MARCH 2024

	<u>NOTE</u>	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
INCOME		5,561,758	4,479,275
Tithes and Offerings		4,337,465	4,043,819
Sundry Income and Donations	3	1,224,293	435,456
LESS EXPENDITURE		4,662,047	4,409,442
Administration	4	214,937	180,444
Care Fund		161,129	118,561
Ministerial and pastoral	5	2,832,883	2,864,939
Missions - Net		517,506	420,833
Property	6	589,278	461,907
Levy: REACH		346,314	362,758
SURPLUS / (SHORTFALL) for the year		<u>899,711</u>	<u>69,833</u>

EMMANUEL CHURCH - BELLVILLE, CAPE

NOTES TO THE FINANCIAL STATEMENTS AT 31st MARCH 2024

	<u>2024</u> R	<u>2023</u> R
1a. CAPITAL FUND		
Balance as at 1 April 2022	5,697,692	5,627,859
Surplus(Shortfall) for the year	899,711	69,833
	<hr/>	<hr/>
Balance as at 31 March 2023	<u>6,597,403</u>	<u>5,697,692</u>
b. INCLUDES:		
Care Fund Reserve	217,979	233,993
2. FIXED ASSETS		
Computers and equipment	241,689	274,638
Cost	1,054,671	1,028,137
Accumulated depreciation	812,982	753,499
Furniture and fittings	32,712	65,423
Cost	607,619	607,619
Accumulated depreciation	574,907	542,196
Land and Buildings	1,728,448	1,728,448
Improvements 2020	4,125,992	4,125,992
Improvements 2021	152,091	152,091
Improvements 2023	85,000	
	<hr/>	<hr/>
	<u>6,091,531</u>	<u>6,006,531</u>
TOTAL FIXED ASSETS	<u>6,365,932</u>	<u>6,346,592</u>

EMMANUEL CHURCH - BELLVILLE, CAPE

NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 2024

	<u>2024</u> R	<u>2023</u> R
3. SUNDRY INCOME AND DONATIONS		
Building Fund	961,850	247,948
Care Fund	145,115	113,550
Interest received	12,145	6,907
General	105,183	67,051
	<u>1,224,293</u>	<u>435,456</u>
4. ADMINISTRATION		
Bank Charges	23,719	21,866
Postage and telephones	70,184	82,215
Stationery and copier costs	56,187	46,758
Subscriptions	35,099	3,278
Sundry	29,748	26,327
	<u>214,937</u>	<u>180,444</u>
5. MINISTERIAL AND PASTORAL		
Catering	19,385	25,858
Music Ministry	4,990	14,901
Preaching fees	7,200	7,550
Salaries and social charges	2,687,225	2,766,676
Sunday School and Youth	21,172	26,154
Training and Courses	48,664	22,525
Travel	43,447	0
Womans ministry	800	1,275
	<u>2,832,883</u>	<u>2,864,939</u>
6. PROPERTY AND EQUIPMENT		
Cleaning	24,626	13,608
Depreciation	92,194	85,560
Electricity, water, rates	187,523	135,283
Insurance	46,952	53,116
Interest paid	98,771	82,700
Maintenance of equipment	30,654	35,857
Repairs, maintenance	99,092	55,783
Security	9,466	
	<u>589,278</u>	<u>461,907</u>