

English Reformed Church, Amsterdam

Annual accounts 2016

To be presented at the Annual General Meeting on Sunday, April 9<sup>th</sup> 2017.

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English Reformed Church, Amsterdam

Annual accounts 2016

## **Treasurer's report**

### **Introduction**

In 2016 we executed a number of projects which impacted the congregation's finances. As a result we closed the year with a significant deficit of 55.337,19, which was taken from our reserves. In contrast to 2015, when we observed an increase of income, it declined in 2016.

### **Income**

Income declined by 5%. Even so we experienced an increase in 'Collections' during the services on Sunday (+12%) and revenues from 'Concerts' (+21% - a BIG Thanks to Kenneth Ewen); 'Donations' were lower into the church's bank account (-13%) and income from the 'Rental of the church' was down (-47%) compared with 2015.

### **Expenditure**

Disregarding maintenance costs, about which I report separately below, expenses increased by 14%. The reason was an increase in 'Wages & Salaries' (which was caused by a change in the way we account for wages & salaries) and 'Representation'. 'Representation' includes 1.429,68 of rent for rooms in the ABC Treehouse for Sunday School and Junior Church.

### **Maintenance**

During the summer months major maintenance work was performed on the church building and the tower. The total costs amounted to 130.551,10. The municipality of Amsterdam contributed 16.408,83 but this project would not have been possible without the major support of 57.101,20 from the Foundation "Friends of the English Reformed Church".

Despite all this help the remaining costs to the congregation was 57.041,07, which was taken from the reserves.

### **Status of Reserves**

We closed 2016 with a significant deficit of 55.337,19, which was taken from the reserves. As a consequence our reserves amount now only to 32.717,28, compared with 88.054,47 in 2015.

The so called 'running costs' for the congregation – among which are wages & salaries, electricity, gas & water, insurances, printing – amount to about 170.000 on a yearly average base - excluding maintenance.

Our current reserves represent about 19% of these running costs. This means that if we had no income at all anymore, after less than 3 months we would run out of cash.

It is best practise to have minimum reserves of 6-9 months for 'running costs' which equals 90.000-120.000.

We need to be aware that we have obligations, not only to us as a congregation to continue worship and companionship, but even more to pay salaries to those individuals we employ and who rely on us.

### **Charity**

We transferred Euro 19.126,70 to Mulanje Mission Hospital, our long standing charity commitment. This is about 7.000 more than in 2015. Malawi was facing quite significant challenges last year. At the beginning of the year a major flooding in the Mulanje area destroyed almost all pit-toilets. Consequently thousands of these had to be rebuilt with utmost urgency to prevent the spread of diseases. In the second part of the year a long lasting drought caused not only shortage of food, but also long lasting daily power cuts because the country's main, and single hydroelectric, power plant literally dried out. Your donations helped to ease this threatening situation.

As a result of the annual "Mulanje Mission Concert" event we raised 16.380,67. Together with the support from the Foundation "Wilde Gazen", which added 8.190,33 (50% of the amount we raised) these funds will enable the hospital to rebuild its laboratory to continue to provide proper diagnostics for e.g. HIV testing (10.714 tests), Malaria (5.524 test), and Tuberculosis.

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We are also continuing to serve the needy in Amsterdam – thanks to all who are “Cooking at the Kloof”.

### **Others in 2016**

Another highlight was the purchase of a new grand piano, which was paid for out of the instrument fund. Richard Zook managed not only to find a new very suitable instrument – for which we got a lot of compliments from those who played on it – but in addition sold the old one for a surprisingly good price. Secondly we could continue to employ a Lay Assistant thanks to the contribution of the Salvesen Fund of the Church of Scotland which covered half of the employment costs.

### **Outlook 2017**

What can we expect in 2017? After the maintenance work in 2016 our main organ will undergo fundamental cleaning and the little choir organ will enjoy fundamental restoration.

Some years ago we received a significant donation to replace the very dated chairs in the church with new ones. After a diligent process new ones have been ordered from a British wood furniture manufacturer, which supplied some of our sister congregations, too.

In September of 2016 the ABC Treehouse ceased its operations because the property was sold. Therefore we are in discussion with our neighbours at the Lutheran Church on whether we can use or rent part of their facilities for Junior Church and Sunday School.

### **Tax deductible donation**

You have read in this report that our reserves are depleted, and we also experienced a slight decrease in donations into the church’s bank account.

The English Reformed Church has so-called ANBI status. If you pay income tax in The Netherlands in a given calendar year and the sum of your gifts to all ANBIs exceeds 1% of the Dutch threshold income, the excess, with a maximum of 10% of that income, is deductible income.

Therefore I want to encourage each of us to consider our monetary commitment to our congregation, to continue worship, coming together and “Letting no-one be a stranger” for the years to come.

### **Thanks**

On behalf of consistory, I wish to express our great thanks to our members, associate and former members, friends & visitors, both in The Netherlands and abroad, for their much needed and continuing support and prayer for our congregation.

My special gratitude goes to Mr. Thijs Glasz for keeping the books, Mr. Baafi Sekyere for being responsible for processing the collection each week, ~~XXX~~ & Mr Eduard Starrenburg as members of the audit committee, and Mr. Jolmer Gerritse serving as the treasurer of the Stichting Friends of the English Reformed Church.

Dr. Thorsten König, Elder & Treasurer

Amsterdam, March 2017

**English Reformed Church, Amsterdam, The Netherlands.**

**Annual Accounts 2016**

Note  
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amounts in €

**Income and expenditure account 2016 & 2015**

		2016	2015	Change	%
<b>Income:</b>					
Donations		88,145.40	100,040.26	-11,894.86	-13%
Collections		52,150.56	46,018.16	6,132.40	12%
Church hire		17,071.40	25,029.43	-7,958.03	-47%
Concerts		17,427.80	13,706.00	3,721.80	21%
Weddings		8,000.00	8,120.00	-120.00	-2%
Church shop		1,659.40	121.00	1,538.40	93%
Flowers		30.51	331.35	-300.84	986%
		<u>184,485.07</u>	<u>193,366.20</u>	-8,881.13	-5%
<b>Expenditures:</b>					
Wages & salaries	2	124,942.96	101,465.74	23,477.22	19%
Maintenance	3	136,366.22	28,003.55	108,362.67	79%
Electricity, water & gas		11,630.89	10,897.18	733.71	6%
Insurance	4	6,516.49	6,980.10	-463.61	-7%
Church Hall	5	266.99	693.82	-426.83	160%
Printing, stationary & postage		6,029.76	7,981.14	-1,951.38	-32%
Travel		1,935.00	1,101.36	833.64	43%
Representation	6	4,482.70	2,810.77	1,671.93	37%
Telecommunications		1,807.65	1,615.67	191.98	11%
Presbytery dues	7	3,000.00	3,400.00	-400.00	-13%
Bank charges		1,290.83	1,180.90	109.93	9%
other expenses		-302.46	-205.40	-97.06	32%
		<u>297,967.03</u>	<u>165,924.83</u>	132,042.20	44%
Interest income		1,043.57	1,712.01	-668.44	-64%
Interest expenditure		0.00	0.00	0.00	-
Net interest		1,043.57	1,712.01	-668.44	-64%
Contribution Stichting Friends		57,101.20			
<b>Deficit / Surplus</b>		<u><b>-55,337.19</b></u>	<u><b>29,153.38</b></u>	<b>-84,490.57</b>	<b>153%</b>
<b>Transfer from/to general funds</b>		<u><b>-55,337.19</b></u>	<u><b>29,153.38</b></u>	<b>-84,490.57</b>	<b>153%</b>
Surplus after appropriation		<u>0.00</u>	<u>0.00</u>	0.00	-

**Balance Sheet as of December 31, 2016 & 2015**

		2016	2015	Change	%
<b>Current assets</b>					
Cash	8	126,726.38	188,913.30	-62,186.92	-49%
Due to friends fund	9	0.00	0.00	0.00	-
		<u>126,726.38</u>	<u>188,913.30</u>	<u>-62,186.92</u>	<u>-49%</u>
<b>Fixed assets</b>					
Church building & other possessions	10	p.m.	p.m.	0.00	0%
Silver on loan to Amsterdams Museum	11	p.m.	p.m.	0.00	0%
		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0%</u>
<b>Total assets</b>		<u>126,726.38</u>	<u>188,913.30</u>	<u>-62,186.92</u>	<u>-33%</u>
<b>Current liabilities</b>					
Due to charities	12	-19,059.00	-17,554.43	-1,504.57	9%
Due to deaconry fund	13	-1,329.93	-1,046.29	-283.64	27%
Due to instrument fund		-73,620.17	-82,258.11	8,637.94	-11%
		<u>-94,009.10</u>	<u>100,858.83</u>	<u>6,849.73</u>	<u>-7%</u>
<b>Total liabilities</b>		<u>-94,009.10</u>	<u>100,858.83</u>	<u>6,849.73</u>	<u>-7%</u>
<b>Net current assets</b>		<u>126,726.38</u>	<u>188,913.30</u>	<u>-62,186.92</u>	<u>-33%</u>
<b>Net assets</b>		<u><u>32,717.28</u></u>	<u><u>88,054.47</u></u>	<u><u>-55,337.19</u></u>	<u><u>-63%</u></u>

**Notes to the financial statements**

**1. Accounting principles**

**General**

The financial statements have been prepared under the historical cost convention. Unless stated otherwise, assets and liabilities are stated at face value.

**Recognition of income**

Contributions, donations and other income to the Church are recognised on a cash basis.

**Expenses**

Expenses are recognised upon presentation or receipt of invoices for services that have been rendered.

**2. Wages and salaries**

Wages and salaries include all personnel expense.

**3. Maintenance**

The costs for the major maintenance work at the church cost 130.551,10. The municipal of Amsterdam contributed 16.408,83 and the Stichting Friends 57.101,20.

#### 4. Insurance

Total consolidated insurance coverage amounts to 7.441.200, which is indexed. The objects include the church building for 5.622.300; properties in the church 1.176.900; the Manse 602.000.

#### 5. Church hall

Church Hall expenses amounted to 19.996,71 including 17.585,26 in rental costs; a total amount of 19.762 was received in compensation by various 'non-profit' organisations during 2016, resulting in a deficit of 266.99.

#### 6. Representation

This includes shortfalls for social gatherings (not covered by contribution at that event) and rental costs of 1.429.68 for rooms at the ABC Treehouse for Junior Church and Sunday School.

#### 7. Presbytery dues

1.500 general dues, 1.500 Mission and Renewal Fund of the Church of Scotland.

#### 8. Cash

Cash is held in Church bank accounts at ABN AMRO Bank; petty cash held for the shop & coffee, is not included, the sum of these balances did not exceed 200, as at December 31, 2016

#### 9. Due to friends fund

The total amount given through the donation box at the church entrance was 19.101,20. Of this 7.000 was transferred to the Stichting Friends and 12.101,20 was accounted as "Contribution Stichting Friends.

#### 10. Church building & other assets

Church and other assets include the church building, the entire interior, including the organs, grand piano, furniture and interior of the Church hall, partially that of the Manse.

#### 11. Silver on loan to Amsterdams Museum

The church silver on loan to the Amsterdams Museum is on permanent exhibition at the religious section, the museum has insurance coverage for these object to the amount of 160.000.

<b>12. Due to charity projects</b>	<b>Opening balance</b>	<b>Donations</b>	<b>Transfers</b>	<b>Current balance</b>
Mulanje Mission Hospital	17,248	36,871.94	-35,507.37	18,613.00
Tikodane Craft	306	140	0	446.00
<b>Total</b>	<b>17,554.43</b>	<b>37,011.94</b>	<b>-35,507.37</b>	<b>19,059.00</b>

The donations contain 16.380,67 which were raised in the concert of the "MMH concert" event and were transferred to Wilde Ganzen in January 2017.

<b>13. Due to Deaconry fund</b>	<b>Opening balance</b>	<b>Donations</b>	<b>Transfers</b>	<b>Current balance</b>
	1,043	1,000.00	-716.36	<b>1,326.93</b>

The objective of the deaconry fund is to support individuals in immediate need for help. Up to an amount of 200 it is at the discretion of the minster after consulting the treasurer to release funds - for higher amount consistory is required to be consulted. Expenses for "Cooking at the Kloof" are also reimbursed from this fund.

English Reformed Church, Amsterdam

Annual accounts 2016

**Appendix Consolidated Accounts**

Mr. Jolmer Gerritse

A handwritten signature in blue ink, consisting of several loops and a final flourish that ends in a small 'v' shape.

..... Treasurer Stichting Friends of the  
English Reformed Church  
for the Stichting's accounts

**Consolidated Annual accounts 2016 ERC & related organisations**

English Reformed Church, Amsterdam

Amounts in €

**Balance sheet as of December 31, 2016 and 2015**

	2016	2015	Change	%
<b>Current assets</b>				
Cash	126,726.38	188,913.30	-62,186.92	-49%
Due from Stichting Friends of the English Reformed Church	0.00	0.00	0.00	-
	<u>126,726.38</u>	<u>188,913.30</u>	-62,186.92	-49%
<b>Fixed assets</b>				
Church building & other possessions	0.00	0.00	0.00	-
Silver on loan to & exhibiton at the Amsterdams Museum	0.00	0.00	0.00	-
	<u>0.00</u>	<u>0.00</u>	0.00	
<b>Total assets</b>	<u>126,726.38</u>	<u>188,913.30</u>	-62,186.92	-49%
<b>Current liabilities</b>				
Due to charities	-19,059.00	-17,554.43	-1,504.57	8%
Due to deaconry fund	-1,329.93	-1,046.29	-283.64	21%
Due to instrument fund	-73,620.17	-82,258.11	8,637.94	-12%
<b>Total liabilities</b>	<u>-94,009.10</u>	<u>-100,858.83</u>	6,849.73	-7%
<b>Net current assets</b>	<u>126,726.38</u>	<u>188,913.30</u>	-62,186.92	-49%
<b>Net assets</b>	<u><u>32,717.28</u></u>	<u><u>88,054.47</u></u>	-55,337.19	-169%

**Income and expenditure account 2016 and 2015**

	2016	2015	Change	%
<b>Income:</b>				
Donations	88,145.40	100,040.26	-11,894.86	-12%
Collections	52,150.56	46,018.16	6,132.40	13%
Church hire	17,071.40	25,029.43	-7,958.03	-32%
Concerts	17,427.80	13,706.00	3,721.80	27%
Weddings	8,000.00	8,120.00	-120.00	-1%
Church shop	1,659.40	121.00	1,538.40	1271%
Flowers	30.51	331.35	-300.84	-91%
<b>Total Income</b>	<u>184,485.07</u>	<u>193,366.20</u>	-8,881.13	-5%
<b>Expenditures:</b>				
Wages & salaries	124,942.96	101,465.74	23,477.22	23%
Maintenance	136,366.22	28,003.55	108,362.67	387%
Electricity, water & gas	11,630.89	10,897.18	733.71	7%
Insurance	6,516.49	6,980.10	-463.61	-7%
Church Hall	266.99	693.82	-426.83	-62%
Printing, stationary & postage	6,029.76	7,981.14	-1,951.38	-24%
Travel	1,935.00	1,101.36	833.64	76%
Representation	4,482.70	2,810.77	1,671.93	59%
Telecommunications	1,807.65	1,615.67	191.98	12%
Presbytery dues	3,000.00	3,400.00	-400.00	-12%
Bank charges	1,290.83	1,180.90	109.93	9%
other expenses	-302.46	-205.40	-97.06	47%
<b>Total Expenses</b>	<u>297,967.03</u>	<u>165,924.83</u>	132,042.20	80%
Interest income	1,043.57	1,712.01	-668.44	-39%
Interest expenditure	0.00	0.00	0.00	-
Net interest	<u>1,043.57</u>	<u>1,712.01</u>	-668.44	-39%
Contribution Stichting Friends	57,101.20			
<b>Net result</b>	<u><u>-55,337.19</u></u>	<u><u>29,153.38</u></u>	-84,490.57	-290%



**Consolidated Annual accounts 2015 ERC & related organisations**

Stichting Friends of the English Reformed Church

Amounts in €

**Balance sheet as of December 31, 2016 and 2015**

	2016	2015	Change	%
<b>Current assets</b>				
Restricted Funds - chair replacement church	20,000.00	20,000.00	0.00	-
Free Cash	238,113.38	273,015.98	-34,902.60	-15%
	<u>258,113.38</u>	<u>293,015.98</u>	-34,902.60	-14%
<b>Fixed assets</b>				
Manse (WOZ)	705,000.00	602,000.00	103,000.00	15%
<b>Net current assets</b>	<u>258,113.38</u>	<u>293,015.98</u>	-34,902.60	-14%
<b>Net assets</b>	<u><u>963,113.38</u></u>	<u><u>895,015.98</u></u>	<b>68,097.40</b>	<b>6%</b>

**Income and expenditure account 2016 and 2015**

	2016	2015	Change	%
<b>Income:</b>				
Bequests	0.00	0.00	0.00	
Individual Donations	3,525.00	1,535.00	1,990.00	56%
Church visitors donations	26,281.03	15,000.00	11,281.03	75%
Subsidies maintenance church building	-	3,868.00	-3,868.00	-100%
<b>Total Income</b>	<u>29,806.03</u>	<u>20,403.00</u>	9,403.03	32%
<b>Expenses:</b>				
Maintenance Church Building	45,000.00	0.00	45,000.00	
Maintenance Church & Manse Clock	-	992.20	-992.20	
Property tax Manse	544.09	524.34	19.75	4%
Bank & notary charges	110.26	123.86	-13.60	-12%
Other expenses	205.00	20.00	185.00	90%
Travel	0.00	0.00	0.00	
Website hosting	128.44	140.42	-11.98	-9%
<b>Total Expenses</b>	<u>45,987.79</u>	<u>1,800.82</u>	44,186.97	96%
Interest Income	582.18	1,474.63	-892.45	-61%
<b>Net result</b>	<u><u>-15,599.58</u></u>	<u><u>20,076.81</u></u>	-35,676.39	<b>229%</b>

**Consolidated Annual accounts 2016 ERC & related organisations**

English Reformed Church &amp; Stichting Friends of the English Reformed Church

Amounts in €

**Balance sheet as of December 31, 2016 and 2015**

	2016	2015	Change	%
<b>Current assets</b>				
Cash	384,839.76	481,929.28	-97,089.52	-20%
<b>Fixed assets</b>				
Church building & other possessions	0.00	0.00	0.00	-
Silver on loan to Amsterdams Museum	0.00	0.00	0.00	-
Manse (WOZ)	705,000.00	602,000.00	103,000.00	17%
	<u>705,000.00</u>	<u>602,000.00</u>	103,000.00	17%
<b>Total Assets</b>	<u>1,089,839.76</u>	<u>1,083,929.28</u>	5,910.48	1%
<b>Current liabilities</b>				
Due to funds	-94,009.10	-100,858.83	6,849.73	-7%
<b>Net current Assets</b>	<u>290,830.66</u>	<u>381,070.45</u>	-90,239.79	-24%
<b>Net Total Assets</b>	<u><u>995,830.66</u></u>	<u><u>983,070.45</u></u>	12,760.21	1%

**Income and expenditure account 2016 and 2015**

	2016	2015	Change	%
<b>Income:</b>				
English Reformed Church	241,586.27	193,366.20	48,220.07	25%
Stichting friends of the English Reformed Church	29,806.03	20,403.00	9,403.03	32%
	<u>271,392.30</u>	<u>213,769.20</u>	57,623.10	27%
<b>Expenses:</b>				
English Reformed Church	297,967.03	165,924.83	132,042.20	80%
Stichting friends of the English Reformed Church	45,987.79	1,800.82	44,186.97	2454%
	<u>343,954.82</u>	<u>167,725.65</u>	176,229.17	-105%
Net interest	1,625.75	3,186.64	-1,560.89	-49%
<b>Net result</b>	<u><u>-70,936.77</u></u>	<u><u>49,230.19</u></u>	-120,166.96	169%