

English Reformed Church, Amsterdam

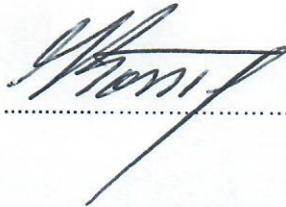
Annual accounts 2017

To be presented at the Annual General Meeting on Sunday, April 15<sup>th</sup> 2018.

	Page
Index and Signatures	1
Treasurer's report	2 - 4
Financial statements	
Income & Expenditure account 2017	5
Balance sheet as of December 31 <sup>st</sup> , 2017	6
Notes to the financial statements	6 - 8

Amsterdam, April 8<sup>th</sup>, 2018

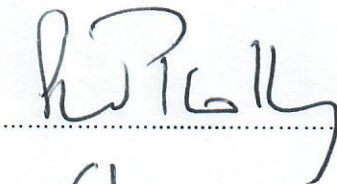
Dr. Thorsten König



Treasurer English Reformed Church  
for the Church's accounts

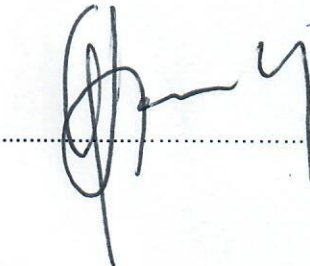
for agreement:

Mrs. Sies Plokker



member audit committee

Mr. Eduard Starrenburg



member audit committee

English Reformed Church, Amsterdam

Annual accounts 2017

## **Treasurer's report**

### **Introduction**

Along with regular maintenance and repairs at the church building and the Manse our congregation conducted a number of projects of which the most significant ones were the acquisition of new chairs and the thorough cleaning and maintenance of the organ. Over all we closed the year with a slight deficit of EUR 6.085,03 which was taken from our reserves.

### **Income**

In the previous year our income had already declined by 5% and this decline continued in 2017 by another 4%. Even an increase of revenue by renting the church to other organisation (+21%) could not offset the decline in donations (-8%) and weddings (-41%).

### **Expenditure**

The two major projects mentioned above (new chairs and maintenance of the organ) were funded by a dedicated donation we received in 2015 and by the instrument fund respectively. Taking this into account our expenses were according to my original budget planning. The decline in 'wages & salaries' is caused by a higher reference amount I reported last year; lower costs for "Electricity, water & gas" thanks to a decrease in energy prices; less spending on 'Representation' as unfortunately we could not rent the Tree House's rooms for Junior Church and Sunday School anymore; and part of the costs for the insurances we paid already in the previous year.

### **Changes in ERC's contribution to the Church of Scotland**

Until 2016 our congregation was affiliated to the 'World Mission Council' of the Church of Scotland – like all congregations of the Presbytery of Europe. This has changed due to the establishment of the 'Presbytery of International Charges'. We are now part of a "real" Presbytery of the Church of Scotland and with this our rights, but mainly our obligations, have changed.

A major consequence is the assessment or calculation of the financial contribution of our congregation towards the Church of Scotland. Until now we have paid a flat contribution to the Presbytery of Europe of EUR 1,500 and another EUR 1,500 to the Church of Scotland itself.

In Scotland congregations transfer a quite significant amount of their income (e.g. from donation or collection) to a central fund, which then pays for the salaries of the ministers and renders other services. This contribution is calculated via a complex formula based on the financial situation of the individual congregation.

What the change means is that all the congregations of the new 'Presbytery of International Charges', like us, are now assessed according to their income. The Church of Scotland applies a formula, which is supposed to take into account the special situation of the 'international' congregations (e.g. that the Church of Scotland does not pay their ministers' stipends). Our contribution is assessed according to the average income of the preceding three years. Applying this formula, the contribution of our congregation was calculated as EUR 19,143, in addition to the annual EUR 1,500 contribution to the 'Presbytery of International Charges'. To ease this significant increase in financial obligation the Church of Scotland grants a period of five years during which the "full" amount will be phased in (2017 20%, 2018 40% and so on until we have to transfer 100% in 2021).

Nevertheless this means that in 2017 we should already have paid EUR 3,828 to the Church of Scotland and EUR 1,500 to the Presbytery, in 2018 ~EUR 8,000+1,500, in 2019 ~EUR 12,000+1,500 and so on. It is obvious that this significant increase in our contribution to more than EUR 20,000 annually will be a significant burden on our finances. A five year simulation of our income and expenditure, which is a regular part of my annual budget planning, clearly shows the impact on our reserves. Therefore we have approached the Church of Scotland to address the situation and find a solution which safeguards our financial sustainability.

I will keep you informed of developments on this in my financial reports in the "Record".

### **Maintenance**

'Maintenance' includes the cost of the acquisition of the new chairs (EUR 19,108.36, funded by a special donation) according to our long-term planning, which is established on a regular basis by experts from the "Monumentenwacht Noord-Holland".

### **Status of Reserves**

The Presbytery for the International Charges recommends that its congregations maintain reserves amounting to at least 6 months of operational expenditure, and preferably 12 months.

Our congregation's average expenditure over the last six years is EUR 179,662, which means the recommended minimum reserve should be about EUR 90,000. At the end of last year our reserves were EUR 46,632.25, which means our congregation does not comply with the stated minimum requirement.

I want to repeat and stress again what I wrote in my last year's report: we need to be aware that we have obligations, not only to ourselves as a congregation to continue worship and fellowship, but even more to pay the salaries of those individuals we employ and who rely on us.

### **Charity**

We transferred Euro 31,411.48 in 2017 to Mulanje Mission Hospital, our long standing charity commitment. This consists of EUR 16,380.67 raised from our annual "Mulanje Mission Concert" in 2016 as reported last year and EUR 15,030.81 given through donation and the monthly special collection. Our congregation is committed to supporting the hospital with an average of EUR 1,000 per month and with EUR 15,030.81 we achieved this as in previous years.

The target of our 2017 "Mulanje Mission Concert" was EUR 15,000 (10,000 raised by us and 5,000 added by Wilde Ganzen, a Dutch charity organisation) to enable the hospital to establish a high dependency unit. I am grateful and proud to report that we achieved this target and transferred the relevant amount at the beginning of 2018.

This year Rev Dr Lance Stone, his wife Sally, Astrid König and I visited Mulanje Mission Hospital. We returned deeply humbled but also blessed by the great work and commitment of Ruth Shakespeare, the medical director, and the whole hospital staff in supporting the people of the Mulanje area. Again we can confirm that each Euro donated is being used to support and improve the life of local people in need.

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

### **Outlook 2017**

We will continue to carry out regular maintenance work on our church building according to a long-term maintenance plan, which was established and annually updated by "Monumentenwacht Noordholland", a consultancy firm specialising in historic buildings.

Another project we are anticipating is the replacement of the red carpet in the main aisle and in the front part of the church. You may have noticed that the current one is worn – in some places severely damaged. If you want to donate towards this project, please indicate "new red carpet" with your donation.

### **Tax deductible donation**

You have read in this report that our reserves still need our attention to reach a "healthy" level.

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**

As every year and 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, Mr. Sies Plokker & Mr Eduard Starrenburg as members of the

English Reformed Church, Amsterdam

Annual accounts 2017

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 2018

**English Reformed Church, Amsterdam, The Netherlands.****Annual Accounts 2017**Note  
1  
amounts in €**Income and expenditure account 2017 & 2016**

		2017	2016	Change	%
<b>Income:</b>					
Donations		81,337.56	88,145.40	-6,807.84	-8%
Collections		51,892.76	52,150.56	-257.80	0%
Church hire		21,544.80	17,071.40	4,473.40	21%
Concerts		16,204.24	17,427.80	-1,223.56	-8%
Weddings		5,675.00	8,000.00	-2,325.00	-41%
Church shop		860.00	1,659.40	-799.40	-93%
Flowers		-51.05	30.51	-81.56	160%
		<u>177,463.31</u>	<u>184,485.07</u>	-7,021.76	-4%
<b>Expenditures:</b>					
Wages & salaries	2	105,393.76	124,942.96	-19,549.20	-19%
Maintenance	3	62,078.23	136,366.22	-74,287.99	-120%
Electricity, water & gas		8,301.51	11,630.89	-3,329.38	-40%
Insurance	4	3,940.99	6,516.49	-2,575.50	-65%
Church Hall	5	1,321.83	266.99	1,054.84	80%
Printing, stationery & postage		4,822.91	6,029.76	-1,206.85	-25%
Travel		3,186.51	1,935.00	1,251.51	39%
Representation		1,679.52	4,482.70	-2,803.18	-167%
Telecommunications		1,629.06	1,807.65	-178.59	-11%
Presbytery dues	6	500.00	3,000.00	-2,500.00	-500%
Bank charges		1,355.56	1,290.83	64.73	5%
other expenses		571.09	-302.46	873.55	153%
		<u>194,780.97</u>	<u>297,967.03</u>	103,186.06	-53%
Interest income		280.14	1,043.57	-763.43	-273%
Interest expenditure		0.00	0.00	0.00	-
Net interest		280.14	1,043.57	-763.43	-273%
Contribution Stichting Friends		972.00	57,101.20	-56,129.20	-5775%
Contribution Salveson Fund		9,980.49			
<b>Deficit / Surplus</b>		<u><b>-6,085.03</b></u>	<u><b>-55,337.19</b></u>	<b>49,252.16</b>	<b>809%</b>
<b>Transfer from general funds</b>		<u>6,085.03</u>	<u>55,337.19</u>	-49,252.16	-809%
Surplus after appropriation		<u>0.00</u>	<u>0.00</u>		

**Balance Sheet as of December 31, 2016 & 2015**  
**mounts in €**

		2017	2016	Change	%
<b>Current assets</b>					
Cash	7	114,624.63	126,726.38	-12,101.75	-11%
Due to friends fund	8	0.00	0.00	0.00	-
		<u>114,624.63</u>	<u>126,726.38</u>	<u>-12,101.75</u>	<u>-11%</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>114,624.63</u>	<u>126,726.38</u>	-12,101.75	-10%
<b>Current liabilities</b>					
Due to charities	12	-12,134.28	-19,059.00	6,924.72	-36%
Due to deaconry fund	13	-1,010.30	-1,329.93	319.63	-24%
Due to instrument fund	14	-54,847.80	-73,620.17	18,772.37	-25%
		<u>-67,992.38</u>	<u>-94,009.10</u>	26,016.72	-28%
<b>Total liabilities</b>		<u>-67,992.38</u>	<u>-94,009.10</u>	26,016.72	-28%
<b>Net current assets</b>		<u>114,624.63</u>	<u>126,726.38</u>	-12,101.75	-10%
<b>Net assets</b>		<u><b>46,632.25</b></u>	<u><b>32,717.28</b></u>	<b>13,914.97</b>	<b>43%</b>

**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

## English Reformed Church, Amsterdam

### Annual accounts 2017

#### 3. Maintenance

Maintenance contains major work at the church for 42,517.13 and the purchase of new chairs for 19,108.36 for which the congregation received a dedicated donation in 2015.

#### 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 21,087.18 including 17,507.46 in rental costs; a total amount of 19,765.35 was received in compensation by various 'non-profit' organisations during 2017, resulting in a deficit of 1,321.83.

#### 6. Presbytery dues

Due to changes in the calculation of ERC's contribution and related delays no payments were triggered in 2017. Payments for 2017 and 2018 are due in 2018 and are reflected in the relevant budget planning. 500 is ERC's contribution to Presbytery's mission project.

#### 7. 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, 2017

#### 8. Due to friends fund

The total amount given through the donation box at the church entrance was 19,840.00. Of this 18,868 was transferred to the Stichting Friends and 972.00 was accounted as "Contribution Stichting Friends.

#### 9. 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.

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

The church silver on loan to the Amsterdams Museum is on permanent display in the religious section. The museum has insurance coverage for these objects to the amount of 160,000.

11. Due to charity projects	Opening balance	Donations	Transfers	Current balance
Mulanje Mission Hospital	18,613.00	24,932.76	-31,411.48	12,134.28
Tikodane Craft	446.00	70.00	-516.00	0.00
<b>Total</b>	<b>19,059.00</b>	<b>25,002.76</b>	<b>-31,927.48</b>	<b>12,134.28</b>

The donations include 10.000 which was raised through the "MMH concert" event and transferred to Wilde Ganzen in February 2018.

English Reformed Church, Amsterdam

Annual accounts 2017

<b>13. Due to Deaconry fund</b>	<u>Opening</u>	<u>Donations</u>	<u>Transfers</u>	<u>Current</u>
	<u>1,329.93</u>	<u>7,100.00</u>	<u>-7,419.63</u>	<u><b>1,010.30</b></u>

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

#### **14. Instrument fund**

In 2018 major maintenance and cleaning work on the organs was paid for from the instrument fund, authorised and supervised by the music director.



English Reformed Church, Amsterdam

Annual accounts 2017

**Appendix Consolidated Accounts**

Mr. Jolmer Gerritse



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

**Consolidated Annual accounts 2017 ERC & related organisations**

English Reformed Church, Amsterdam

Amounts in €

**Balance sheet as of December 31, 2017 and 2016**

	2017	2016	Change	%
<b>Current assets</b>				
Cash	114,624.63	126,726.38	-12,101.75	-11%
Due from Stichting Friends of the English Reformed Church	0.00	0.00	0.00	-
	<u>114,624.63</u>	<u>126,726.38</u>	-12,101.75	-11%
<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>114,624.63</u>	<u>126,726.38</u>	-12,101.75	-11%
<b>Current liabilities</b>				
Due to charities	-12,134.28	-19,059.00	6,924.72	-57%
Due to deaconry fund	-1,010.30	-1,329.93	319.63	-32%
Due to instrument fund	-54,847.80	-73,620.17	18,772.37	-34%
<b>Total liabilities</b>	<u>-67,992.38</u>	<u>-94,009.10</u>	26,016.72	-38%
<b>Net current assets</b>	<u>114,624.63</u>	<u>126,726.38</u>	-12,101.75	-11%
<b>Net assets</b>	<u><u>46,632.25</u></u>	<u><u>32,717.28</u></u>	13,914.97	30%

**Income and expenditure account 2017 and 2016**

	2017	2016	Change	%
<b>Income:</b>				
Donations	81,337.56	88,145.40	-6,807.84	-8%
Collections	51,892.76	52,150.56	-257.80	0%
Church hire	21,544.80	17,071.40	4,473.40	26%
Concerts	16,204.24	17,427.80	-1,223.56	-7%
Weddings	5,675.00	8,000.00	-2,325.00	-29%
Church shop	860.00	1,659.40	-799.40	-48%
Flowers	-51.05	30.51	-81.56	-267%
<b>Total Income</b>	<u>177,463.31</u>	<u>184,485.07</u>	-7,021.76	-4%
<b>Expenditures:</b>				
Wages & salaries	105,393.76	124,942.96	-19,549.20	-16%
Maintenance	8,301.51	136,366.22	-128,064.71	-94%
Electricity, water & gas	62,078.23	11,630.89	50,447.34	434%
Insurance	3,940.99	6,516.49	-2,575.50	-40%
Church Hall	1,321.83	266.99	1,054.84	395%
Printing, stationary & postage	4,822.91	6,029.76	-1,206.85	-20%
Travel	3,186.51	1,935.00	1,251.51	65%
Representation	1,679.52	4,482.70	-2,803.18	-63%
Telecommunications	1,629.06	1,807.65	-178.59	-10%
Presbytery dues	500.00	3,000.00	-2,500.00	-83%
Bank charges	1,355.56	1,290.83	64.73	5%
other expenses	571.09	-302.46	873.55	-289%
<b>Total Expenses</b>	<u>194,780.97</u>	<u>297,967.03</u>	-103,186.06	-35%
Interest income	280.14	1,043.57	-763.43	-73%
Interest expenditure	0.00	0.00	0.00	-
Net interest	<u>280.14</u>	<u>1,043.57</u>	-763.43	-73%
Contribution Stichting Friends	972.00	57,101.20	-763.43	-1%
Contribution Salveson Fund (*)	9,980.49			
(*) before 2017 included in 'wages & salaries'				
<b>Net result</b>	<u><u>-6,085.03</u></u>	<u><u>-55,337.19</u></u>	49,252.16	-89%

**Consolidated Annual accounts 2017 ERC & related organisations**

Stichting Friends of the English Reformed Church

Amounts in €

**Balance sheet as of December 31, 2017 and 2016**

	2017	2016	Change	%
<b>Current assets</b>				
Restricted Funds - chair replacement church		20,000.00	-20,000.00	-
Due from Manse/JWBS property association	14,042.00			
Free Cash	258,096.17	238,113.38	19,982.79	8%
	<u>272,138.17</u>	<u>258,113.38</u>	14,024.79	5%
<b>Fixed assets</b>				
Manse (WOZ)	778,000.00	705,000.00	73,000.00	9%
<b>Net current assets</b>	<u>272,138.17</u>	<u>258,113.38</u>	14,024.79	5%
<b>Net assets</b>	<u><u>1,050,138.17</u></u>	<u><u>963,113.38</u></u>	87,024.79	6%

**Income and expenditure account 2017 and 2016**

	2017	2016	Change	%
<b>Income:</b>				
Individual Donations	7,200.00	3,525.00	3,675.00	51%
Church visitors donations	37,868.00	26,281.03	11,586.97	44%
<b>Total Income</b>	<u>45,068.00</u>	<u>29,806.03</u>	15,261.97	34%
<b>Expenses:</b>				
Maintenance Church Building	0.00	45,000.00	-45,000.00	-
Maintenance Manse	23,403.34	-	23,403.34	-
Property tax Manse	-	544.09	-544.09	-
Bank & notary charges	155.23	110.26	44.97	29%
Board Meeting Expenses	300.00	205.00	95.00	32%
Website hosting	238.91	128.44	110.47	86%
<b>Total Expenses</b>	<u>24,097.48</u>	<u>45,987.79</u>	-21,890.31	-91%
Interest Income	1.87	582.18	-580.31	-31033%
<b>Net result</b>	<u><u>20,972.39</u></u>	<u><u>-15,599.58</u></u>	36,571.97	174%

**Consolidated Annual accounts 2017 ERC & related organisations**

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

Amounts in €

**Balance sheet as of December 31, 2017 and 2016**

	2017	2016	Change	%
<b>Current assets</b>				
Cash	386,762.80	384,839.76	1,923.04	0%
<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)	778,000.00	705,000.00	73,000.00	10%
	<u>778,000.00</u>	<u>705,000.00</u>	73,000.00	10%
<b>Total Assets</b>	<u>1,164,762.80</u>	<u>1,089,839.76</u>	74,923.04	7%
<b>Current liabilities</b>				
Due to funds	-67,992.38	-94,009.10	26,016.72	-38%
<b>Net current Assets</b>	<u>318,770.42</u>	<u>290,830.66</u>	27,939.76	10%
<b>Net Total Assets</b>	<u><u>1,096,770.42</u></u>	<u><u>995,830.66</u></u>	100,939.76	10%

**Income and expenditure account 2017 and 2016**

	2017	2016	Change	%
<b>Income:</b>				
English Reformed Church	188,415.80	241,586.27	-53,170.47	-22%
Stichting friends of the English Reformed Church	45,068.00	29,806.03	15,261.97	34%
	<u>233,483.80</u>	<u>271,392.30</u>	-37,908.50	-14%
<b>Expenses:</b>				
English Reformed Church	194,780.97	297,967.03	-103,186.06	-35%
Stichting friends of the English Reformed Church	24,097.48	45,987.79	-21,890.31	-48%
	<u>218,878.45</u>	<u>343,954.82</u>	-125,076.37	36%
Net interest	282.01	1,625.75	-1,343.74	-83%
<b>Net result</b>	<u><u>14,887.36</u></u>	<u><u>-70,936.77</u></u>	85,824.13	576%