

# FINANCIAL Report 2021



## Financial Review 2021

2021 once again turned out differently than we had originally expected; Corona had a major impact on visitors and services. The budget had not been adjusted after the 2020 figures, first of all because the realization of 2020 showed that the decline in income was compensated by the decline in expenses, but also because an epidemic like Corona cannot be predicted.

Also in 2021, the income from church members and visitors was lower than expected. Again, the loss of the Sunday meetings was a major cause. Expenses were also lower than expected. Many activities were discontinued or were carried out on a smaller scale. The church services themselves, however, remained more expensive because of the costs for the live streams with which ICF was able to continue the services. These costs include rental of cameras and other equipment needed to make a good quality live stream.

A new major development is the scaling up of youth ministry. We decided in fall 2020 to pay two youth workers for a portion of their commitment, allowing them to invest more time in mentoring young people. We saw that there was a clear need for this, and that the task was too large to provide structural and consistent guidance only through volunteers. The total investment in youth work was approximately 15,000 (incl. housing, activities and allocated staff hours). Parents of teenagers were asked to make an additional contribution in the autumn of 2021, but there was hardly any response to this.

Ultimately, there is a modest coverage shortfall; the income was lower than expected, and the costs did not decrease enough. We have a coverage deficit (negative balance) of €4,748 for 2021. This is not a problem after many positive years, but it is an important point of attention for 2022.

## Financial perspective coming years

In 2022 we need to work on increasing the income from church members and visitors. ICF has about 480 members and visitors, including children, from whom we need around 140,000 Euros per year (excluding diaconal expenses). Per person, so also per child, we need an amount of 260 Euros per year. Not everyone will be able to afford this amount; ICF is a community with many children, migrants, students and people with an income at social minimum. That's not a problem, we are a church to also carry these burdens together. It does need to be made clearer how much it costs to be a church, so that we can manage ourselves well. It should not be that only a small group bears most of the costs (as previous analysis of the figures showed); a better distribution - more spread out among more people - will make us financially healthier.

In addition, activities will start to increase again in 2022, which will mean higher costs. So, there must be an appropriate contribution from members in return.

## Diaconate

The finances of the diaconate are kept separate from the general church finances, with a view to independence and protection of privacy of those receiving diaconal aid. 2021 was another special (corona) year. Over much of the year there were no live services, and therefore no Sunday collections. This year too, the weekly receipts via the GIVT app were divided in a ratio of 60-40 between ICF Church and ICF Diaconate. In order to be able to meet the weekly needs of members of the congregation, deacons also advanced (sometimes) considerable (cash) amounts.

**Diaconal Income:** The (Sunday) collection income decreased to €1,931 (€2,476 in 2020) but the income through the GIVT app increased to €7,312 (€6,614 in 2020). Receipts through the Diaconate bank account also decreased significantly, to €17,538 (this was €21,022 in 2020). In total, the diaconate received €26,781 from collection, GIVT and bank in 2021 (€30,111 in 2020). The decrease in receipts was a change in trend from the previous four years in which receipts increased each year.

In addition to the offerings for missionaries, a special collection was held this year for the sudden funeral of a young sister from our congregation. With this collection over €1,300 was raised.

Furthermore, a total of €350 was repaid to the diaconry on outstanding loans in 2021. In addition to the receipt of annual Christmas hampers from our sister congregation in Oud-Beijerland, an amount of €345 was also received this year for the diaconal Christmas campaign.

**Diaconal Expenses:** In 2021, diaconal expenses also decreased slightly to €27,377 (€28,153 in 2020). As in previous years, more than 50% of the diaconal expenditure consisted of contributions for the purpose of basic living expenses. In addition, the diaconal treasury (in addition to the receipts from the special collection) paid a substantial contribution to funeral expenses and to expenses for family reunification. Furthermore, there were more regular expenses for travel costs, medical costs, legal costs, (municipal) taxes, energy and inventory.

Whereas diaconal expenses in 2020 showed an extreme increase of almost 50% compared to 2019, expenses in 2021 seemed to stabilize somewhat again. After 3 years of a positive result, the result in 2021 was €596 negative.

#### ICF Diaconate 2021

Income	2021
Collections	€ 1.931
Via bank	€ 17.538
Via GIVT	€ 7.312
<b>Total income</b>	<b>€ 26.781</b>
<b>Expenditures</b>	
Diaconale lasten (via bank)	€ 26.636
Diaconale lasten (uit collecte)	€ 620
Overige kosten (bankkosten)	€ 121
<b>Total cost</b>	<b>€ 27.377</b>
<b>Result</b>	
Deficit	-€ 596

#### ICF Rotterdam 2021 Summary of realization, including church plant House of Light

Income	2021	2020
Income from members and visitors	€ 126,999	€ 130.486
Income from sister churches	€ 11,064	€ 17.302
PKN – Protestant Church Netherlands incl Society of Welfare	€ 19,950	€ 14.520
Income from other external sources	€ 33,142	€ 6.023
<b>Total income</b>	<b>€ 191,155</b>	<b>€ 168.331</b>
<b>Expenditures</b>		
General organisation cost	€ 26,431	€ 21.832
Personnel cost	€ 121,944	€ 102.544
Rental payments for church hall and church activities	€ 25,915	€ 16.460
Activities	€ 20,947	€ 22.180
PR / communication	€ 666	€ 345
<b>Total cost</b>	<b>€ 195,904</b>	<b>€ 163.362</b>
<b>Result</b>		
Result (positive or negative)	-€ 4.748	€ 4.969
Mutation earmarked reserve for House of Light	- € 1.500	€ 4.500
<b>Mutation general reserve</b>	<b>- € 3.248</b>	<b>€ 469</b>

#### Explanatory notes on Income

Two collections are taken during the service, for the church and the diaconate. This is done not only in cash but also through the GIVT app. Through the bank account, income is received from both members and friends of the ICF. The contribution from members shows a decrease of € 3,687

compared to 2020 while the budget increased; the 'self-financing' of the congregation decreased from 78% to 67%.

Contributions have been received from various other churches and external funds, partly earmarked for projects such Youth&Family and the church plant House of Light. A normative contribution was also received from the deputation Emeritikas for the pension fund for our pastor. The pastor himself also contributes in part to the pension costs.

### Explanation of cost items

A specification of all expenses (costs) is available from the bookkeeper (Nico van Bokkem). Costs are booked based on invoices, declarations and agreements. Organizational costs mainly relate to the mandatory contribution to the CGK, based on the number of members of ICF. (The more members, the higher the contribution). In 2021, € 69.90 was paid per member to CGK.

The personnel costs concern salaries for pastor Coen Legemaate, church workers Claude and Corina Mushikangondo, allowances for volunteers and since fall 2020 the costs for youth pastoral workers. Since part of the staffing is focused on House of Light, part of the salary costs are allocated to House of Light, church plant in Tarwewijk. These costs are partly covered by raised funds. They are discussed in more detail below. Housing includes the use of 'de Swaef', a school building of Wartburg College and the rent of the Bethel church for activities that do not take place on Sundays.

Activities are costs for Sunday services, children's, youth and family work, education and pastoring, evangelism and ministries. The latter category includes the Kurdish Ministry, where costs are incurred for the work of church member and evangelist Faraidoun Fouad.

The income statement is based on fixed cost items and cannot be read as a summary of costs per activity. This is because there are ICF activities that are "hidden" in cost items such as salary costs and room rental, such as the Alpha course and catechism classes. There are also ICF activities that do not cost money, such as the home groups and the choir: choir members finance their own expenses with contributions. For an overview of all ICF's activities, please refer to the substantive annual report.

### Income statement and explanation House of Light

ICF started a church plant together with the Protestant Church Netherlands (PKN) and the Protestant Congregation Rotterdam-Zuid in 2018. It builds on the social diaconal work of House of Hope Tarwewijk; for more information, please refer to ICF's narrative annual report and the House of Light progress report. ICF is the parent church that is financially responsible. The expenses for House of Light consist largely of the commitment of ICF staff (pastor and church worker, approximately 16 hours per week). These expenses are included in the income statement presented above. The table below gives a more detailed overview of expenses by ICF Mother Church to House of Light, as well as the funds raised for the benefit of House of Light and the own contribution from ICF.

#### Church plant Tarwewijk - House of Light

Income	2021	2020
General resources ICF including reserve	€ 11.500	€ 10.706
PKN national	€ 7.800	€ 6.520
PKN Rotterdam	€ 4.000	€ 4.000
Stichting House of Hope	€ 4.175	€ 4.471
Other funds	€ 2.500	€ 2.500
Agaton Ergon	€ 3.000	
Mustardseed Foundation	€ 2.500	
Maatschappij van Welstand / Society of Welfare	€ 4.000	€ 4.000
<b>Total income</b>	<b>€ 39.475</b>	<b>€ 32.197</b>

<b>Expenditures</b>		
General organisation cost	€ 1.650	€ 25
Personnel cost: hours of pastor and churchworkers attributed to House of Light	€ 33.557	€ 29.166
Rental fee	€ 900	€ 650
Activities	€ 2.230	€ 2.236
PR / communication	€ 200	€ 120
<b>Total cost</b>	<b>€ 38.537</b>	<b>€ 32.197</b>
<b>Result</b>	<b>€ 938</b>	<b>€ 0</b>

<b>Balance sheet per 31 december 2021</b>					
<b>Activa</b>	<b>2021</b>	<b>2020</b>	<b>Passiva</b>	<b>2021</b>	<b>2020</b>
Bank account	€ 4.189	€ 15.749	Earmarked reserve House of Light	€ 21.000	€ 22.500
Capital account	€ 153.353	€ 126.972	Reserve Oude kerk	€ 47.803	€ 47.803
To be received		€ 7.904	General reserve	€ 66.651	€ 69.899
			Outstanding payments	€ 11.653	€ 10.423
			Release (waiver) of cost payable previous years	€ 2.220	-
			Other allocations	€ 8.215	-
<b>Totaal</b>	<b>€ 157.542</b>	<b>€ 150.625</b>	<b>Totaal</b>	<b>€ 157.542</b>	<b>€ 150.625</b>

### Shortfall requires attention

As mentioned above, on the income statement in 2021, ICF has a coverage shortfall of €4,748, more than the budgeted coverage shortfall of €1,101. This is not necessarily problematic, but shows us that it is important to have openness within the congregation about ICF's costs and revenues. This was also discussed at the last financial discussion with the congregation members. There will be a greater focus on communicating the total cost of ICF and interim figures on the contributions of congregation members will be shared, in order to encourage more participation. In 2020, the coverage surplus was €4,969.

### Notes to the balance sheet

The balance sheet as of December 31, 2021 shows the assets and liabilities of the ICF. Also included is the balance sheet as of December 31, 2020. The reserves are divided into 'general' and funds received from the 'old church' (the former, dissolved part of the CGK Rotterdam-Charlois). The items to be paid amount to € 11,653 in total. This consists of bills and declarations that will be paid in 2022 but whose costs belong to 2021.

The outstanding payable cost of previous years include a correction of € 2,220 for costs that were expected but ultimately did not have to be paid. This adjustment covered several years; the total is therefore added to the general reserve. With this, the item 'other items to be paid' has also become current again. Other allocations concern received contributions reserved for "ChristenDom?" an evangelism initiative that will establish its own foundation.

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