

MAY 2011



# ANNUAL FINANCIAL REPORT 2011

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## FROM THE TREASURER...

Following this report is the Balance Sheet and Profit and Loss account for the year ended 31 March 2011.

Financial year 2010/2011 started with a budgeted deficit of \$12,000. This was made up of a lift in spending as well as \$30,000 of additional income through tithing. To finance this operating deficit it was necessary to draw down from the Baptist Savings account a number of times throughout the year as well as appeal to the congregation for additional giving as part of a financial drive. As a result of the financial drive we received some large donations, which allowed us to continue operating as per the budgeted expenses. Towards the backend of the year we also scaled back the expenses in every department, along with making the decision in December not to re-employ a full time Youth Pastor to further reduce expenses. This resulted in Tony taking on responsibilities for the youth group in addition to his roles as

Northgate senior pastor (and the role of Silverdale Sea Hawks only professional rugby player). This has been a significant investment of Tony's time to allow the Church to reduce expenses. In February 2011 Chrissy Watson was employed as a Youth Assistant one day a week to assist Tony with the additional workload associated with the youth community.

Excluding the Baptist Tabernacle funds of \$89,000, which were returned in April 2010, and also the monies received for Easter camp 2011 that will be transferred to BYM Easter Camp in April (\$8,000), we ended the year with a \$15,000 surplus for the year. This was the result of reducing expenses along with some generous and unbudgeted gifts.

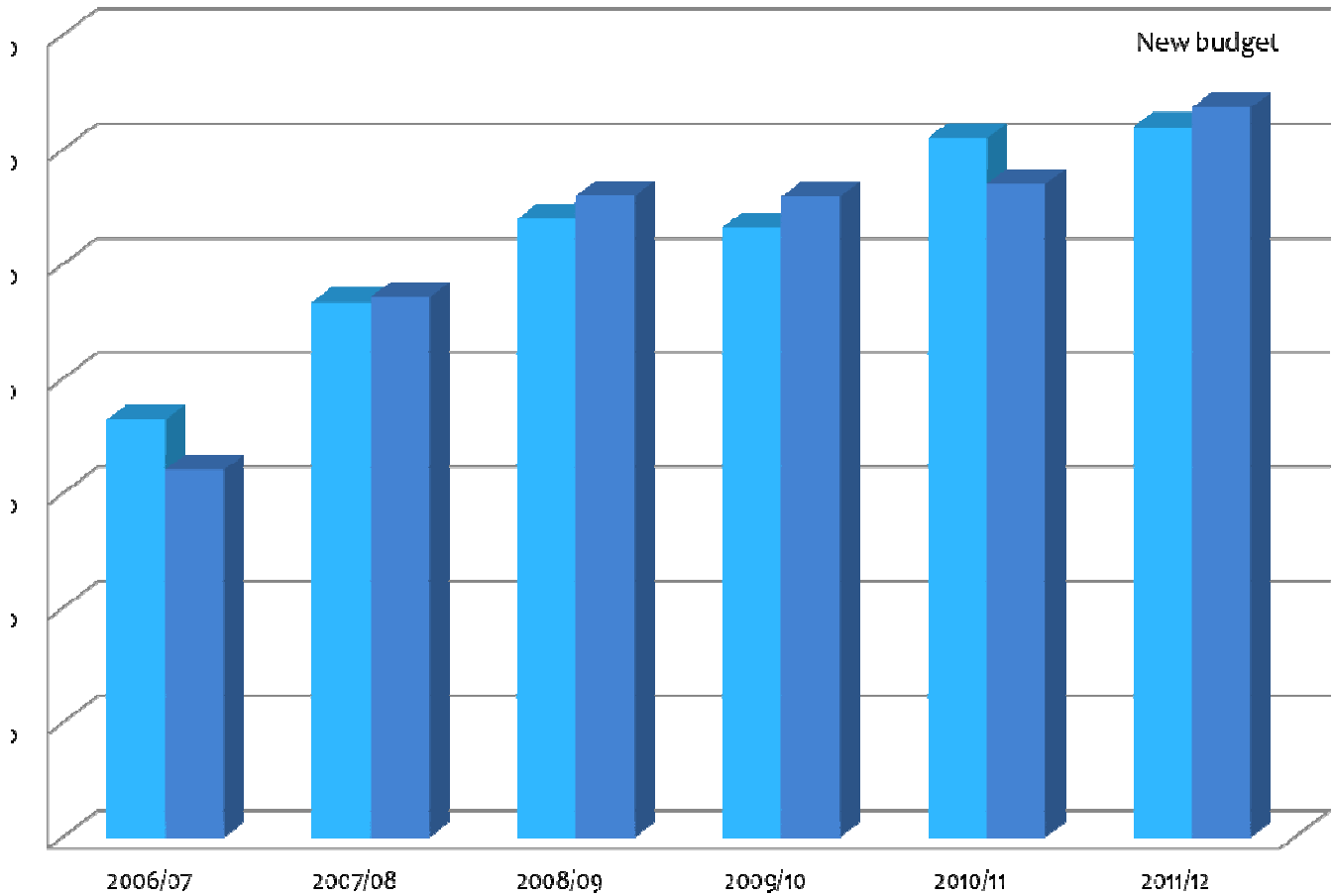
Giving for the year was represented by AP tithe Income of \$222,719, up 12% on 2009/2010 AP Income. AM tithes were effectively the same as last year (with 1%)

## Outlook for next year

Going into a new financial year we are excited to have a new Children's and Community Pastor coming on board three days a week, to put more focus on where we are wanting to head as a Church and to grow the Church. With \$36,000 allocated for the salary, this represents the most significant increase to spending for the year. The budget also includes provision for a part time youth past from February 2012.

For the 2011/2012 year we are planning a \$8,500 deficit for the year, the main increase in expenditure planned is in the aforementioned new position we have created for the Children's/Community Pastor, along with the Sabbatical leave provision for Tony. We have budgeted an increase in giving, particularly in the morning tithes as we plan for the Church to grow in numbers this year along with an increase in tithing.

## Income vs Expenditure



### Conclusion

We do have a commitment as a Church to try and meet the Income budgeted, so we can grow as a Church and expand. If each family increased their AP or morning tithe by an extra \$10 a week we would cover the budget growth planned for this year. Increases in spending

to bring on the Children's/Community pastor should ultimately grow the Church from a congregational perspective, which would in turn grow the Church from a financial perspective, therefore eventually covering the costs of employing an extra person. Whilst the budget is overall fairly conservative it does offer scope for growing

the Church in the community, as well as catering for the needs of more in the congregation.

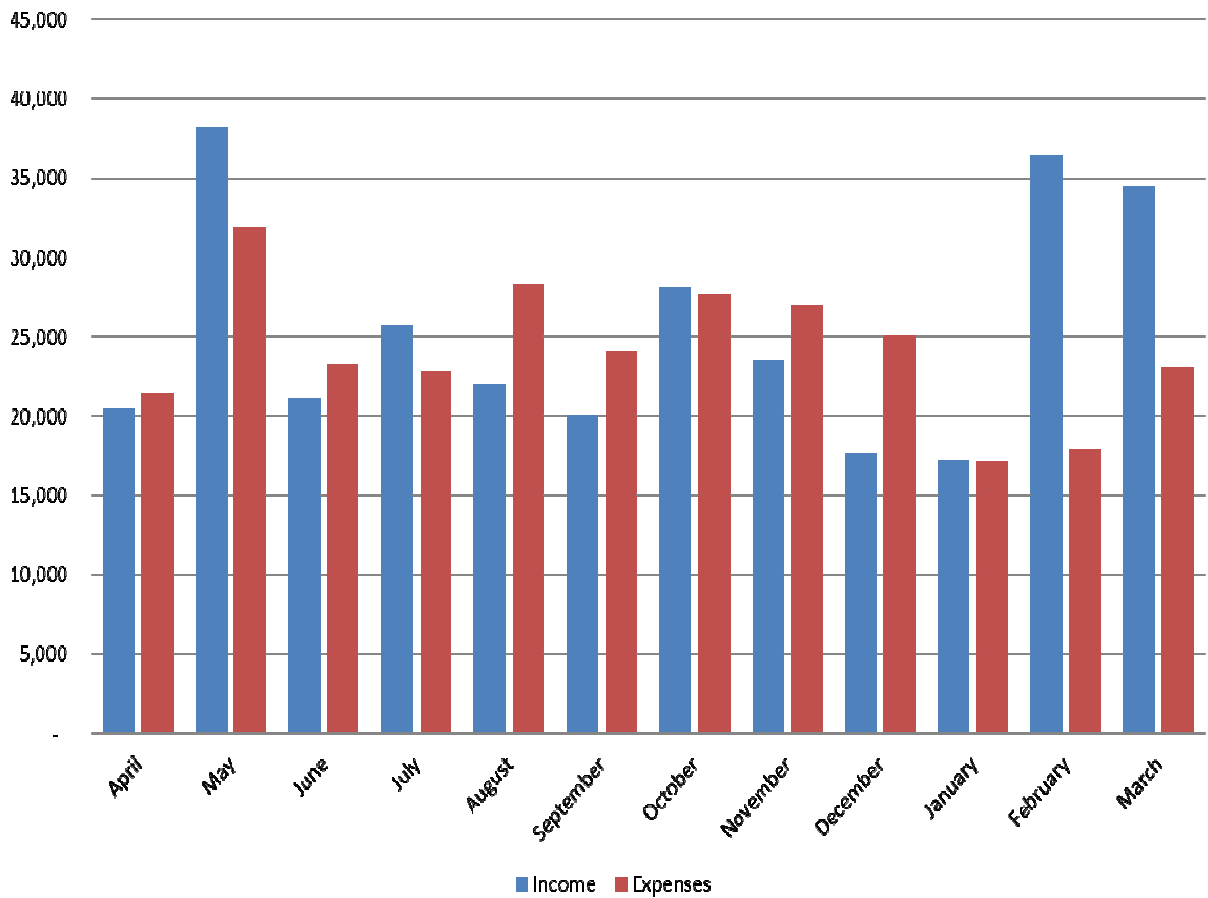
Yours faithfully,  
Natalie Nees

The end result was that we were ahead on income—but part way through last year we had to pull the expenses in.

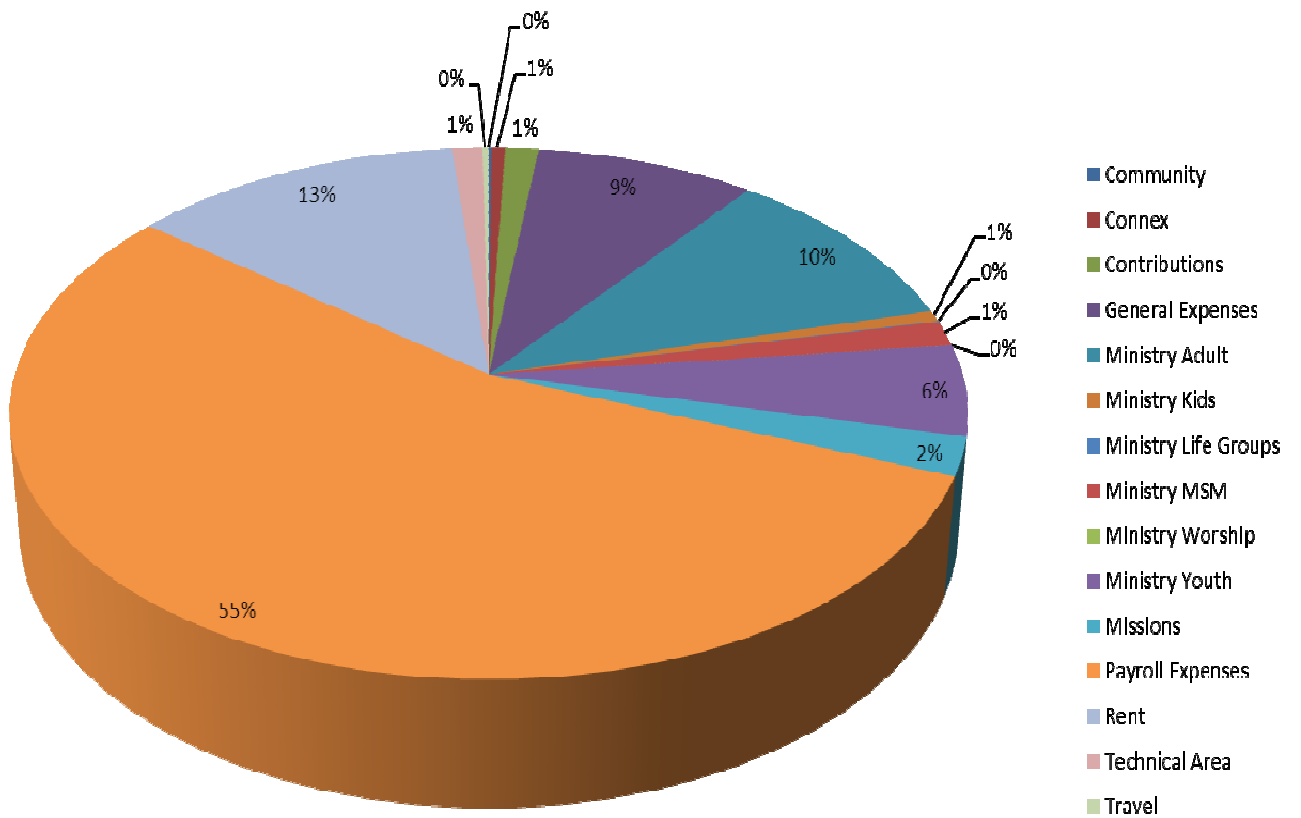
The expenses averaged over 12 months were \$24,000.

The income averaged over 12 months was \$25,400

### Monthly Income and Expenses for 2010/2011



### Expenses FY2010/2011



Apr '10 - Mar 11

**Ordinary Income/Expense**

**Income**

Bond refund for rental house	1,200.00
Camps	19,751.63
Community Courses	5,040.83
General Income	185,981.49
Sale of Books	552.63
Speaking Engagements	130.43
Vision Night	2,098.66
Youth Events and Dinners	1,507.39

<b>Total Income</b>	216,263.06
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**Expense**

Community	300.00
Connex	1,513.47
Contributions	3,690.00
General Expenses	24,343.38
Ministry Adult	29,793.49
Ministry Kids	1,949.51
Ministry Life Groups	126.64
Ministry MSM	4,319.09
Ministry Worship	18.66
Ministry Youth	15,758.72
Missions	6,675.43
Payroll Expenses	155,648.09
Rent	36,727.19
Technical Area	3,343.94
Travel	689.27

<b>Total Expense</b>	284,896.88
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<b>Net Ordinary Income</b>	-68,633.82
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**Other Income/Expense**

**Other Income**

Interest Income	1,592.86
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<b>Total Other Income</b>	1,592.86
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<b>Net Other Income</b>	1,592.86
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<b>Net Income</b>	<b>-67,040.96</b>
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	<u>Mar 31, 11</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Chequing/Savings</b>	
<b>Bank Accounts</b>	
Baptist Savings and Development	3,482.07
BNZ - AP Income Account	-530.68
BNZ - Deposits On-Call Account	0.39
BNZ - General Account	47,187.89
BNZ Bank - Fundraising account	1,216.35
BNZ Land Development	38,230.38
Soulart	<u>1,071.19</u>
<b>Total Bank Accounts</b>	<u>90,657.59</u>
<b>Total Chequing/Savings</b>	90,657.59
<b>Accounts Receivable</b>	
<b>Accounts Receivable</b>	<u>4,319.09</u>
<b>Total Accounts Receivable</b>	<u>4,319.09</u>
<b>Total Current Assets</b>	94,976.68
<b>Other Assets</b>	
Kingsway Trust Land a/c	250.00
Tax Refundable	<u>289.25</u>
<b>Total Other Assets</b>	<u>539.25</u>
<b>TOTAL ASSETS</b>	<u><b>95,515.93</b></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable	<u>1,800.00</u>
<b>Total Accounts Payable</b>	1,800.00
<b>Other Current Liabilities</b>	
<b>AGM</b>	
Donations	515.00
Expenses	-890.62
AGM - Other	<u>375.62</u>
<b>Total AGM</b>	0.00
Tax Payable	<u>-15,131.25</u>
<b>Total Other Current Liabilities</b>	<u>-15,131.25</u>
<b>Total Current Liabilities</b>	<u>-13,331.25</u>
<b>Total Liabilities</b>	-13,331.25
<b>Equity</b>	
Opening Bal Equity	77,564.34
Retained Earnings	98,323.80
Net Income	<u>-67,040.96</u>
<b>Total Equity</b>	<u>108,847.18</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>95,515.93</b></u>

# THE NEW BUDGET 2011/12

Th is is an awesome place to be...

The last few years have not been easy, but Northgate givers have continued to be generous, and faithful. These figures of where we've come are amazing!

The past 6 years our numbers have more than doubled. But the income has increased from \$70,000 to over \$300,000 and this is in the midst of the worst recession our generation has ever known. Although our operating costs have increased our main increases over the years have been in ministry development.

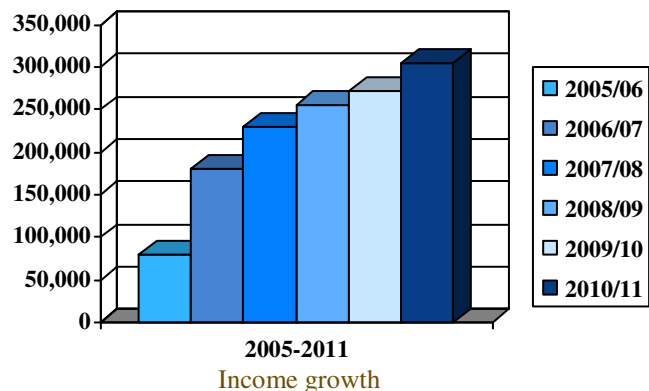
In past years our income average increased by 12% per annum. This new budget has a spending increase of around 9%.

Not because we don't think the 12% is achievable—but because we believe this budget will serve our immediate growth needs as it is. Anything that comes in over and above this will be set aside as savings.

Updates on how we are doing with our finances can be found in our weekly newsletters. Our monthly target is \$26,500 up \$1000 on last years averaged monthly income.

Blessings

Krys



UPDATE...

Gymnasium development. We hope to have more information about this later in term 2. A meeting will be held to present the rugby club's proposal to the church.

Addendum...

The elders would like to advise members of an additional \$5000 gifted to NG outside of the budgeted income. The elders have decided to invest this into a Church Structure Health Check through 'Zeteo'

## THE BREAKDOWN...

	2011/12 Budget	2010/11 actual
<b>Income</b>	<b>304,898</b>	<b>304,898</b>
<b>Operating Expenditure</b>	97,400	89,988
<b>Ministry / Development Exp.</b>	220,600	199,604
<b>Total Expenditure</b>	<b>318,000</b>	<b>289,592</b>
<b>Surplus / Deficit</b>	<b>-13,102</b>	<b>15,306</b>

### Main increases to these ministry areas...

Children's & Families	+\$5000
Youth and Young adults	+\$2500
Pastoral care (connex)	+\$2500

### New to the budget...

Sabbatical leave savings of \$4800 per annum – (noted as general expenses)

Historically our income has grown by an average of 12%  
 $\$304,898$  (last years income) + 12% =  $\$345,454$

This years projected expenses =  $\$318,000$   
Possible surplus (if we grow by 12%) =  $\$27,454$

What does 12% increase in giving look like to you?