

Report to the Council of Elders

United Church of God, an International Association

March 1, 2002

TABLE OF CONTENTS

Germany: An Overview 1
Attendance Statistics 2
Attendance by Age Groups 3
National Council Selection 4
National Council Members 5
Income 1997-2001 6
Good News Circulation 7
Good News Circulation by Country 8
Subscriber Development Program 9
Literature 10
Advertising Samples 11
Annual Report 1997 12
Annual Report 1998 13
Annual Report 1999 14
Annual Report 2000 16

GERMANY: AN OVERVIEW

Historical Background: As Western Europe's richest and most populous nation, Germany is a key member of the continent's economic, political, and defense organizations. Following the second of two devastating World Wars in the first half of the 20th century, the country was occupied by the victorious Allied powers. In 1949 the Cold War resulted in the formation of the two German states: the western Federal Republic of Germany (FRG) and the eastern German Democratic Republic (GDR). The democratic FRG embedded itself in key Western economic and security organizations and embraced Western values of personal freedom. The decline of the USSR and the end of the Cold War allowed for German unification in 1990. Since then Germany has expended considerable funds to bring eastern productivity and wages up to western standards. In January 2002, Germany and 11 other EU countries culminated the European Currency Union with the introduction of a common currency, the euro.

Land Area: 134,910 sq. mi./349,520 sq. km. (5.3% less than the U.S. state of Montana)

Population: 83,029,536 (July 2001 est.)

Population growth rate: 0.27% (2001 est.)

Birth rate: 9.16 births per 1,000 population (2001 est.)

Death rate: 10.42 births per 1,000 population (2001 est.)

Ethnic composition: German 91.5%, Turkish 2.4%, other 6.1%

Religious affiliation: Protestant (Lutheran) 38%, Roman Catholic 34%, Muslim 1.7%, unaffiliated or other 26.3%

Despite the seemingly high percentage of Germans who belong to one or the other of the two major Christian denominations represented in the country, Germany is in reality a secular country. Theologians Romano Guardini and Karl Rahner describe the country in the following terms: "Germany is a Gentile nation with a Christian past and presently with Christian remnants. Germany, like the rest of the Occident, has become missionary territory." According to the magazine *Stern*, "for most Germans the ten biblical imperatives [i.e. commandments] have lost their meaning as a moral guide for behavior. Industrialization one and half centuries ago and the restructuring of society into a capitalist order also meant that its work and performance orientation took on the role of providing purpose and a values mold. Passing God's judgment and a reward in the afterlife no longer counted, but rather earnings and compensation on the earth... Is God dead? For most, just as much as the Neanderthal man" (December 18, 2001).

In addition to the Germans, there are approximately 13 million native German speakers in Austria and Switzerland, and 1 to 2 million people living in border regions neighboring Germany who also speak German fluently.

UCG-GERMANY ATTENDANCE STATISTICS



Attendance for areas with monthly services:

Berlin 10 Bielefeld 10 Hamburg 10 Zurich 15

Attendance for areas with services every three weeks:

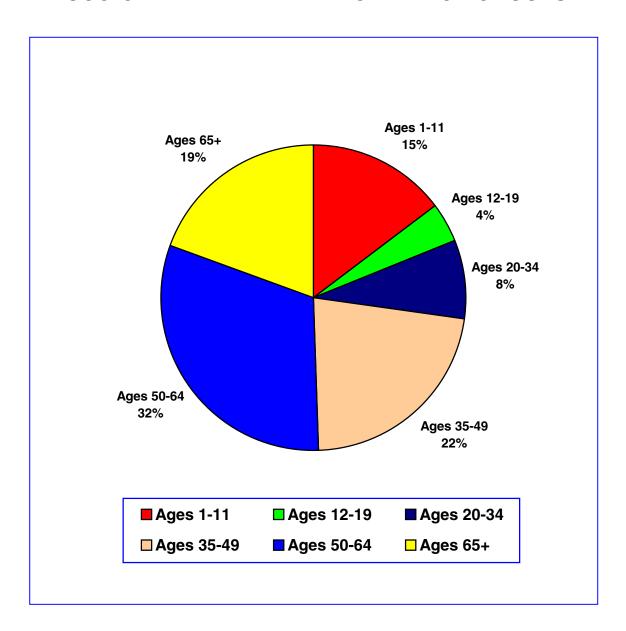
Munich 15 Stuttgart 15

Attendance for areas with biweekly services::

Darmstadt 25 Dormagen 45

(Germany is 5.3% smaller than the U.S. state of Montana and has with its 80 million inhabitants approximately 80 times more people than the state of Montana.)

UCG-GERMANY ATTENDANCE BY AGE GROUPS



The chart represents total attendance possible at the eight locations where UCG-Germany conducts Sabbath services.

51% of those attending are over the age of 50, and 73% are over the age of 35. Only 12% of total attendance are in the age group 12-34 years of age.

UCG-GERMANY NATIONAL COUNCIL SELECTION

"Because of the ecclesiastical nature of some decisions, appropriate ministerial involvement and oversight should be provided for in the structure of each National Council" (UCGaIA "Rules of Association", Rule 3-100).

"The Ministerial Assembly appoints the members of the Board of Directors according to a nomination procedure approved by the Board of Directors. The nomination procedure and subsequent resolutions by the Board of Directors to amend the procedure must be approved by a 2/3 majority of the Ministerial Assembly and by a simple majority of the Member Assembly" (UCG-Germany Bylaws, § 7, section 3).

"The chairman must be and remain a recognized, ordained elder residing in the area of jurisdiction of the Vereinte Kirche Gottes in order to be able to occupy his office as chairman" (UCG-Germany Bylaws, § 7, section 2).

"The Ministerial Assembly can initiate an early nomination of the Board of Directors by a 3/4 majority resolution" (UCG-Germany Bylaws, § 8, section 8).

By a plurality of votes, the Member Assembly selects among its eligi-**MEMBER ASSEMBLY** ble members 14 candidates for the National Council. From those 14 candi-14 FINAL dates, the Ministerial **CANDIDATES** Assembly selects the 7 MINISTERIAL members of the Nation-**ASSEMBLY** FOR COUNCIL al Council. The National Council **NATIONAL COUNCIL** selects its chairman and serves a 3 year term.

UCG-GERMANY COUNCIL MEMBERS



Alfred Nachtsheim, board member since 1996



Hermann Göhring, board member since 1998 (with wife Herta)



Ernst Herzogenrath, board member since 1997 (with wife Gisela)



Rolf Marx, board member since 1999 (with wife Monika)

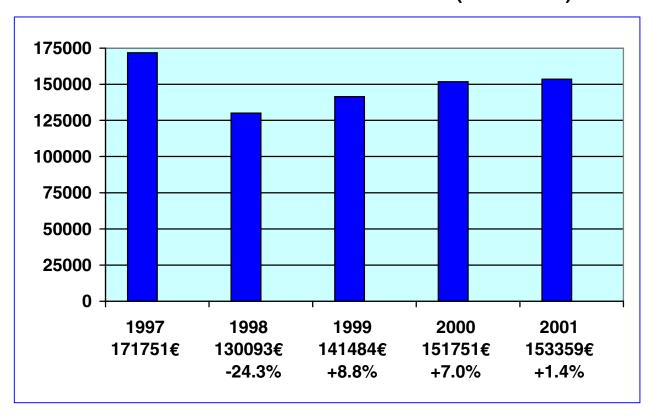


Alfred Riehle, board member since 1996 (with wife Renate)

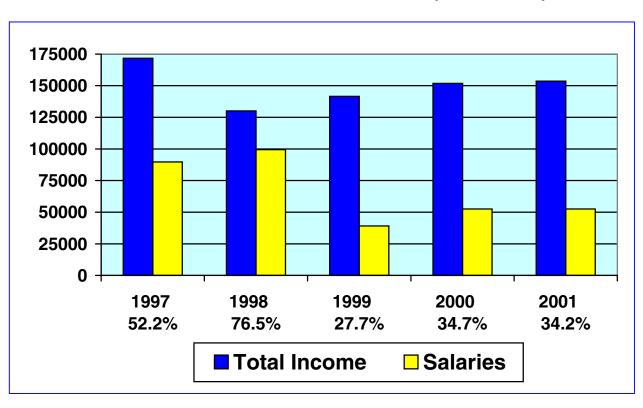


Kurt Schmitz, board member since 1996 (with wife Ursula and daughters Daniela and Simone)

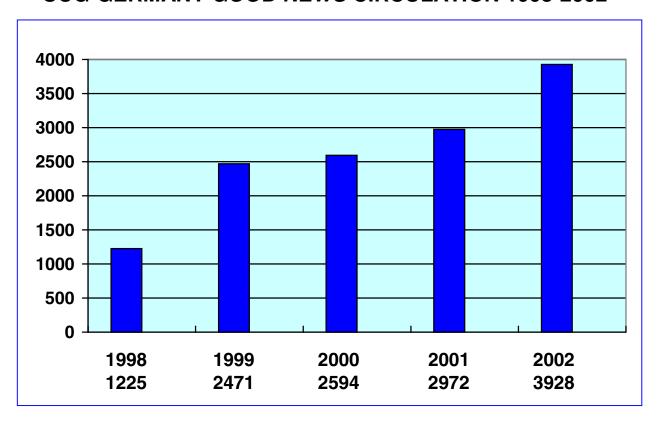
UCG GERMANY INCOME 1997 – 2001 (IN EUROS)



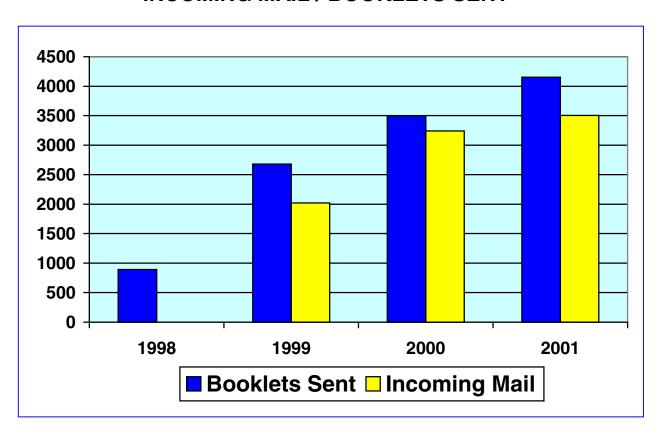
UCG-GERMANY SALARY EXPENSE RELATIVE TO INCOME 1997-2001 (IN EUROS)



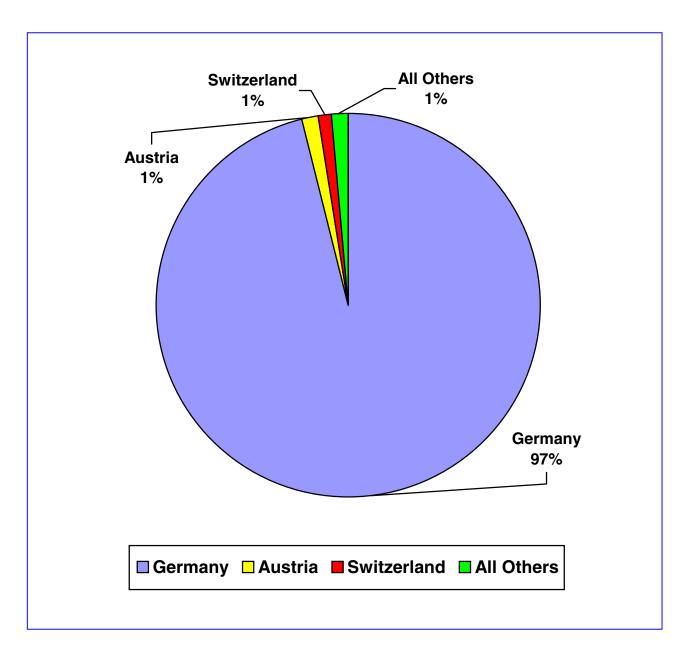
UCG-GERMANY GOOD NEWS CIRCULATION 1998-2002



INCOMING MAIL / BOOKLETS SENT

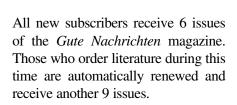


UCG-GERMANY GOOD NEWS CIRCULATION BY COUNTRY (JANUARY 2002)



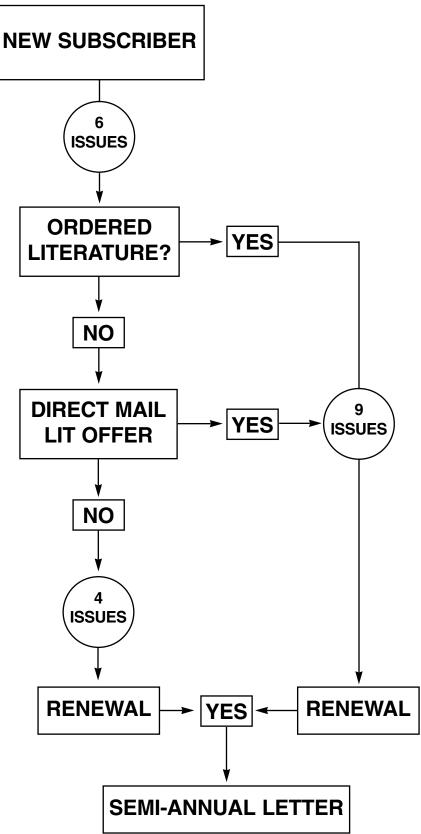
UCG-Germany does not promote circulation outside the German-language area of Europe. Gift subscription requests are honored only for countries where German is spoken as a major first language: Austria, Germany and Switzerland. Normal subscription requests from other countries are fulfilled, but subscribers in those countries are not renewed after their subscription has expired. UCG-Germany uses a "one-renewal" renewal system as part of its overall direct mail (subscriber development) program.

UCG-GERMANY'S SUBSCRIBER DEVELOPMENT PROGRAM



Those subscribers who did not order literature receive a direct mail lit offer. If they respond, they are renewed and receive another 9 issues. Those who do not respond receive 4 more issues before being renewed. The response rate for the literature offer is 14.6%.

Those who do not respond to the direct mail lit offer and who do not order any literature on their own receive 10 issues prior to being renewed. 12.9% of them renew their subscription. Those who do respond to the lit offer or who order literature on their own receive 15 issues before being renewed. 49.3% of them renew their subscription. All readers who renew receive the semi-annual letter and 42.3% of them order the literature offered in the semi-annual letter.



UCG-GERMANY LITERATURE

UCG-Germany currently has the following booklets in print:

- 1. God's Holy Day Plan -- Hope For All Mankind
- 2. How to Understand the Bible
- 3. *Is the Bible True?*
- 4. Making Life Work
- 5. Sunset to Sunset -- God's Sabbath Rest
- 6. The Gospel of the Kingdom
- 7. The Road to Eternal Life
- 8. The Ten Commandments
- 9. What is Your Destiny?
- 10. What Happens After Death?
- 11. You Can Have Living Faith
- 12. You Can Understand Bible Prophecy

Lessons 2-4 and 6 of the Bible Correspondence Course have been printed. During 2002 all other lessons will be printed, as well as the booklets *Heaven And Hell: What Does the Bible Really Teach?* and *The Church Jesus Built*.

UCG-GERMANY ADVERTISING

CODE	DESCRIPTION	COST€	REPLIES	CPR€	LIT	%LIT
B101	"glass"; Sindelfinger Newspaper; 18.3.1998	1334	43	31.02	11	25.6%
B102	"glass"; Wiesbaden Tagblatt Land; 18.3.1998	1227	45	27.27	12	26.7%
B105	"glass"; distribution in mailboxes by members	555	62	8.95	5	8.1%
B201	"year 2000"; Bietigheimer Zeitung; 19.3.1998	1260	39	32.31	11	28.2%
B202	"year 2000"; Main-Spitze-Rüsselsheim; 18.3.1998	1227	35	35.06	10	28.6%
B203	"year 2000"; Müncher Merkur; 18.3.1998	2475	72	34.38	14	19.4%
B204	"year 2000"; General-Anzeiger Bonn; 9.12.1998	1117	40	27.93	5	12.5%
B205	"year 2000"; distribution in mailboxes by members	1331	134	9.93	35	26.3%
IR01	"Im Ruhestand"; July-September 1999	625	31	20.16	10	33.3%
KR01	"Kraut & Rüben"; October-December 2001	1392	57	24.42	12	23.1%
PR01	"Prisma"; 30.04.1999; Region North Rhine	2551	61	41.82	12	28.6%
RD01	"Reader's Digest"; January 1998	34052	2006	16.98	587	29.3%
RD02	"Reader's Digest"; November 1999	4389	85	51.64	31	42.5%
RR01	"reform rundschau"; October 1999	958	148	6.47	48	36.9%
RR02	"reform rundschau"; July-December 2000	4567	504	9.06	142	34.5%
RR03	"reform rundschau"; February-April 2001	2915	271	10.76	69	32.7%
SK01	"Schrot & Korn"; small space ad; 09/1998	100	51	1.96	9	25.7%
SK02	"Schrot & Korn"; March-May 1999, motif "glass"	1975	512	3.86	89	25.9%
SK03	"Schrot & Korn"; January-June 2000, motif "glass"	5647	1001	5.64	165	22.6%
SK04	"Schrot & Korn"; reply card, March 2000	2372	580	4.09	104	18.0%
SK05	"Schrot & Korn"; motif "death", reply card; 11/2001	9217	1892	4.87	201	11.2%

[&]quot;All agree to participate in a process for the further development of methods that allow for effectively spreading and teaching the truth of the Bible, *allowing for consideration of the cultural context* of the countries in which they are located" (UCGaIA "Rules of Association", Rule 4-100).

UCG-GERMANY ADVERTISING SAMPLES

Half full?



Life often seems like this glass, right? Our news media show us on a daily basis the negative things happening in our world. Fortunately there's the free magazine **GUTE NACHRICHTEN** providing insight and a better understanding from a different but not unknown focal point. Enrich your life! Discover via the free magazine **GUTE NACHRICHTEN** just how positive your future can be!

Guaranteed free of charge!

Gute Nachrichten, P.O. Box 30 15 09, D-53195 Bonn; **Fax**: 0228/9 45 46 37; **Telephone**: 0228/9 45 46 36; **E-Mail**: gutenachrichten@compuserve.com

Half empty?

to 2001 in several different magazine ads. The cost-per-response was reasonable, but on occasion there were complaints that the ad was somewhat misleading, since it was not clear that a church organization sponsored the ad.

This ad (left, actual size) was used from 1998



Was that it?

Guaranteed free of charge!

Gute Nachrichten Keyword "RR" P.O. Box 30 15 09 D-53195 Bonn Fax: (0228) 9 45 46 37

Phone: (0228) 9 45 46 36 info@gutenachrichten.org

One day you will die. Do you know why you are alive?

We'll tell you why.

Why is life such a struggle? Being born, looking for happiness and love, suffering, fighting battles, winning some and losing others — if all goes well, for 70 or 80 years, and then "that's all she wrote"?

Does life have a purpose? That is the question that has challenged man for thousands of years. In the *free* magazine **GUTE NACHRICHTEN** we offer you answers for today *and tomorrow*. Answers that you likely have never heard before — not in Sunday school or via human philosophy. Discover through the free magazine **GUTE NACHRICHTEN** how your future can be more positive than you ever could have imagined!

Our garantee: Your subscription is free of charge and without obligation. You won't become a member of an organization, and you may cancel at any time.

This ad (above, actual size) was designed as a result of a UCG-Germany Board of Directors resolution in April 2001 to test a more challenging advertising text. The ad was first used in November 2001 in the magazine *Schrot & Korn*, resulting in 1892 responses to date.

Summary of Activity 1996

In the summer of 1995 the United Church of God, *an International Association* offered to provide financial support for the United Church of God in the German-language region. The support was intended to last until the United Church of God-Germany could be registered legally and thereby become capable of supporting its own activities either partially or totally from local contributions.

The legal incorporation of the United Church of God-Germany as a religious association on August 13, 1996 by the county court of Siegburg provided the basis for the transferal of responsibility for operating expenses to the church in Germany.

Activity during 1997

In 1997 biweekly Sabbath services were conducted in the congregations of Darmstadt, Dormagen and Stuttgart, and monthly Sabbath services were conducted in the congregations of Bielefeld, Hamburg, Munich and in Switzerland. For the biblical Holy Days (Passover, Feast of Unleavened Bread, Pentecost, Trumpets and Atonement) services were conducted in various local congregations. The Feast of Tabernacles and the Last Great Day were again observed in Winterberg (Sauerland).

The sermon tape program was continued, providing two sermon tapes monthly for all members. Beginning in January the member publication *Intern* was printed as a bound publication, enabling the utilization of a lower "booklet" postage rate. In January the first issue of the new magazine *Gute Nachrichten* was published as the main vehicle for the church's public proclamation efforts. By the end of the year there were 200 subscribers. Members distributed the rest of each print run (2000 copies per issue). In 1997 four booklets were printed: *Sunset to Sunset – God's Sabbath Rest, What is Your Destiny?*, *The Road to Eternal Life* and *The Gospel of the Kingdom*. The church reserved an Internet domain name and an e-mail address for its public proclamation.

Beginning in January 1997 the church assumed the salary expense for Winfried Fritz. His salary had been paid by the United Church of God, *an International Association* until the end of 1996. In June 1997 the church assumed the salary expense for Paul Kieffer. His salary had been paid by the United Church of God, *an International Association* until the end of May 1997. The church hired two part-time employees: Hans Brackhahn and Marlis Brackhahn.

The United Church of God-Germany paid all other expenses incurred locally during 1997. The assumption of Paul Kieffer's salary expense marked the end of subsidy payments from the United Church of God, *an International Association*.

Summary of Activity 1997

With the assumption of the salary expense for its two full-time ministers the United Church of God-Germany operated from June 1997 without any financial subsidy from the United Church of God, *an International Association* in the United States. The *Gute Nachrichten* magazine was introduced as the main vehicle for public proclamation.

Activity during 1998

In 1998 biweekly Sabbath services were conducted in the congregations of Darmstadt, Dormagen and Stuttgart, and monthly Sabbath services were conducted in the congregations of Bielefeld, Hamburg, Munich and in Switzerland. For the biblical Holy Days (Passover, Feast of Unleavened Bread, Pentecost, Trumpets and Atonement) services were conducted in various local congregations. The Feast of Tabernacles and the Last Great Day were again observed in Winterberg (Sauerland).

The sermon tape program was continued, providing two sermon tapes monthly for all members. The monthly publication for members, *Intern*, was published twelve times. The *Gute Nachrichten* magazine was published bimonthly. Two new booklets were printed in 1998: *God's Holy Day Plan – Hope For All Mankind* and *What Happens After Death?*.

A full page ad with a return answer card was placed in the January issue of *Reader's Digest* in the state of North Rhine-Westphalia. In March, advertising brochures with the motifs "glass" and "year 2000" were distributed as newspaper inserts in the following newspapers: *Sindelfinger Zeitung*, *Wiesbaden Tagblatt Land*, *Bietigheimer Zeitung*, *Main-Spitze-Rüsselsheim* and *Münchner Merkur*. In December an advertising brochure with the motif "year 2000" was distributed as a newspaper insert in the *General-Anzeiger* in Bonn. A small space ad was tested in September in the magazine *Schrot und Korn*. The ads brought a total of 2000 requests for the *Gute Nachrichten* magazine. The best cost-per-response was achieved with the small space ad in *Schrot & Korn*: 0.72€. At the end of 1998 there were 2390 subscribers of the *Gute Nachrichten* magazine.

At the end of April there were changes in the Board of Directors. Chairman Winfried Fritz and board members Kurt Gutmann and Hans Schön resigned from the board and left the church to join the former UCG President's new organization. Winfried Fritz's employment terminated at the end of April. Paul Kieffer replaced him as Chairman. Hermann Göhring and Wilfried Hellmig were selected as new board members. Alfred Nachtsheim took over the responsibility of treasurer as an unpaid volunteer.

Summary of Activity 1998

The activities of the church in the areas of pastoral care and public proclamation were continued. Stability was restored by the end of 1998 after three members of the Board of Directors (including the Chairman and another elder of the church) resigned to join another church organization.

Activity during 1999

In 1999 biweekly Sabbath services were conducted in the congregations of Darmstadt, Dormagen and Stuttgart, and monthly Sabbath services were conducted in the congregations of Bielefeld, Hamburg, Munich and in Switzerland. For the Biblical Holy Days (Passover, Feast of Unleavened Bread, Pentecost, Trumpets and Atonement) services were conducted in various local congregations. The Feast of Tabernacles and the Last Great Day were observed for the first time at the new Feast site in Schluchsee (Black Forest).

The sermon tape program was continued, providing two sermon tapes monthly for all members. The monthly publication for members, *Intern*, was published twelve times. The *Gute Nachrichten* magazine was published bimonthly. In 1999 two new booklets were printed: *How to Understand the Bible* and *The Ten Commandments*.

From March through May an ad was published in the magazine *Schrot & Korn*. At the end of April an ad was placed in the magazine *Prisma*. From July through September an ad ran in the magazine *Aktiv im Ruhestand*. In October an ad appeared in the magazine *Reform Rundschau*, and in November an ad was placed in the magazine *Reader's Digest*. The motif "glass" was used for all these ads. In May the advertising brochure with the motif "year 2000" was reprinted and made available to members for distribution in mailboxes. This advertising brought 900 requests for the magazine *Gute Nachrichten*. The best cost-per-response was achieved with the ad in *Schrot & Korn*: 3.86€. At the end of 1998 there were 3108 subscribers of the *Gute Nachrichten* magazine.

In April a regular direct mail program for subscribers was introduced. Subscribers who had received six issues of the "Gute Nachrichten" magazine without ordering any literature were sent a letter with a reply card offering five booklets. During 1999 a total of 1890 readers received this offer. 310 ordered booklets (16.4%). In November a renewal program was introduced for readers who had received ten issues of the *Gute Nachrichten* magazine and who had not ordered any literature. 729 readers were renewed, and 123 responded positively (16.9%).

In 1999 booklets were ordered in the following quantities: Sunset to Sunset – God's Sabbath Rest (137), What is Your Destiny? (403), God's Holy Day Plan – Hope For All Mankind (32), What Happens After Death? (348), The Gospel of the Kingdom (289), How to Understand the Bible (317) and The Road to Eternal Life (344).

UCG-Germany Annual Report 1999

In 1999 salary expense was reduced by over 50% in comparison to 1998. This reduction prevented the otherwise foreseeable shortfall that would have resulted if the relatively high salary expense for two full-time ministers in the years 1997-1998 had been maintained.

In the summer of 1999 UCG-Germany provided support for the new group in the Netherlands associated with the United Church of God, *an International Association*. During the second half of the year monthly Bible studies in the Netherlands were introduced, being conducted by the Chairman of UCG-Germany's Board of Directors.

Summary of Activity 1999

The activities of the church in the areas of pastoral care and public proclamation were continued. A regular direct mail program for subscribers of the *Gute Nachrichten* magazine was introduced. UCG-Germany provided support for the registration of a new organization in the Netherlands affiliated with the United Church of God, *an International Association*.

Activity during 2000

In 2000 biweekly Sabbath services were conducted in the congregations of Darmstadt, Dormagen and Stuttgart, and monthly Sabbath services were conducted in the congregations of Bielefeld, Hamburg, Munich and in Switzerland. For the Biblical Holy Days (Passover, Feast of Unleavened Bread, Pentecost, Trumpets and Atonement) services were conducted in various local congregations. The Feast of Tabernacles and the Last Great Day were again observed in Schluchsee (Black Forest).

The sermon tape program was continued, providing two sermon tapes monthly for all members. The monthly publication for members, *Intern*, was published twelve times. The *Gute Nachrichten* magazine was published bimonthly. In 2000 two new booklets were printed: *Is the Bible True?* and *You Can Understand Bible Prophecy*.

From January through June an ad was published in the magazine *Schrot & Korn*, and in March 200,000 reply cards were distributed with the ad. From July through December an ad ran in the magazine *Reform Rundschau*. The motif "glass" was used for these ads. In May the advertising brochure with the motif "glass" was reprinted and made available to members for distribution in mailboxes. Advertising brought 1703 requests for the *Gute Nachrichten* magazine. The best cost-per-response was achieved with the ad in *Schrot & Korn*: 4.13€. At the end of 2000 there were 2998 subscribers of the *Gute Nachrichten* magazine.

The regular direct mail program for subscribers of the *Gute Nachrichten* magazine was continued and expanded. The renewal program was expanded to include those who had ordered literature during their first six issues of the *Gute Nachrichten* magazine and whose subscription renewal had therefore been deferred an extra year. During 2000 a total of 426 of these readers received their renewal offer, and 232 responded positively (54.5%). In December a semi-annual letter was introduced for all readers who had renewed their subscriptions. 474 readers received the first semi-annual letter offering the new booklet *You Can Understand Bible Prophecy*, and 223 ordered the booklet (47.0%).

In 2000 booklets were ordered in the following quantities: Sunset to Sunset – God's Sabbath Rest (336), What is Your Destiny? (516), God's Holy Day Plan – Hope For All Mankind (94), What Happens After Death? (295), The Gospel of the Kingdom (216), How to Understand the Bible (270),

UCG-Germany Annual Report 2000

The Road to Eternal Life (469), Is the Bible True? (113) and You Can Understand Bible Prophecy (223).

In March Jesmina Allaoua, an Ambassador College graduate, was hired to work part-time in the editorial area.

In the Netherlands the attendance at Sabbath services of the United Church of God Holland doubled during the year. Biweekly services were introduced during the year.