

# Annual Report and Financial Review

## The Friends of Saint Mary of the Angels Charitable Trust

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2011/12 Annual Report and Financial Review

### **2011/12 Board of Trustees:**

#### ***Parish Priest:***

Fr. Barry Scannell sm;

#### ***Archbishop's Representative:***

Henry Ward;

#### ***Parish Priest's Appointees:***

Jon Loader , James Young (Acting Vice-Chairman);

#### ***St. Mary of the Angels Finance Committee Appointees:***

Stephen Lucy (Treasurer), Stephanie McGreevy, John Moynihan (Acting Chairman)

#### ***The Trust Executive:***

Acting Chairman, Acting Vice Chairman, Treasurer, Parish Priest

#### ***Project Grants:***

During the year we paid \$22,684 to the Parish. This amount comprised \$20k being the second instalment of our grant to the Parish Presbytery Upgrade (total grant \$50k) plus net proceeds from the 2010 'Carols with the Angels' that were dedicated to the project - \$1181. We also made a final payment of \$1503 for work on the church's electrical control system for light and heating (bringing the total grant for that project to \$4920).

Net proceeds from the 2011 'Carols with the Angels' (\$1380) have been 'tagged' for future work on the Parish building.

### **The Trust's Finances:**

Donations totalled \$14,996 (down from \$20,513 last year). No bequests were received during the period. Interest received totalled \$8474 (down from \$9503 last year).

Expenses (excluding grants) were \$3389 (up from \$2359 last year - excluding website costs). The increase was mainly due to design 1 printing costs (some of which occur irregularly - e.g. for envelopes / letterhead). This year outside costs were also incurred producing the Trust's annual report. Parish staff usually carry out such work but were unavailable due to illness.

During the period total outgoings (i.e. grants plus expenses) exceeded income by \$1223. We invested \$100K for two years in a 1st mortgage - (\$50k from General Funds / \$50k from the Reserve Fund). This provides a secured and more attractive interest rate than is available through normal bank investments.

Funds surplus to immediate requirements, that at balance date were held in current accounts, have since been invested in bank term investments.

**Reserve Fund:**

The Reserve Fund continues to grow and now stands at \$54,242. The trustees are committed to growing this fund. At present interest earned is being retained in the fund.

**Membership and Promotion:**

We had two "mail-outs" to members during the year inviting attendance at "Carols with the Angels" and also the usual AGM invite (which included a special Mass and a social gathering after the meeting)

Continuing collaboration between the Choir and the Trust ensured that 'Carols with the Angels' was again a wonderfully successful occasion. We are grateful to Ian Johnstone who has become our regular host for the evening, generously donating his time and talents.

During the year we ran one advertisement in the 'Marist Messenger' and this attracted a number of donations. Information about the Trust and how to make bequests can be found on notice boards in the church.

While there are some things the trustees can do to raise the Trust's profile it really is our existing supporters who can most effectively encourage friends and other family members to become donor members.

**Changes in Personnel:**

Following last year's AGM Jon Loader stepped down as Chair (completing a second term) and I agreed to again fill the position on a temporary basis. Thanks to Jon for his dedication to the Trust over so many years and for his continuing service as a trustee.

More recently Stephanie McGreevy has resigned as a trustee. Her lasting legacy is the name 'Carols with the Angels' - the title first suggested by Stephanie for our annual Christmas event. Thanks Stephanie for all you have contributed. Her replacement is Geoff Ellis - welcome aboard Geoff.

During the year our Parish Manager, Penny Holden, suffered serious health issues that eventually forced her to resign her position. Penny's work for the Trust was considerable and went well beyond her job specification. She was ever willing and generous with her time. As a token of our appreciation the Trust made a small presentation to Penny at a farewell function arranged by the Parish.

**Conclusion:**

For the Trust 2011/12 was a relatively quiet year. However, with earthquake strengthening proposals for the church now close to being finalised and a need to complete strengthening and refurbishment of our other Parish building, there is no lack of targets for future fund raising initiatives.

On behalf of the Trust, I offer sincere thanks to all who have financially supported our work during the past year. Without your generosity it would be impossible for the Parish to maintain such a wonderful sacred space in the centre of Wellington.

In conclusion I would like to personally acknowledge and say thanks to the other trustees and Trust members who have provided support and encouragement during the year.

**John Moynihan**

*Acting Chair*

*Friends of St Mary of the Angels Charitable Trust*

# Annual Report and Financial Review 2011/2012

1

## **STATEMENT OF ACCOUNTING POLICIES**

The Financial Statements presented here are for the entity "Friends of Saint Mary of the Angels Charitable Trust" (the Trust).

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

(a)

### **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the previous year.

(b)

### **Differential Reporting**

The Trust is a qualifying entity in that it qualifies for Differential Reporting as it is not publicly accountable and there is no separation between the owners and the governing body. All Differential Reporting exemptions have been applied.

(c)

### **Goods & Services Tax**

The Trust is not registered for GST purposes. All items in the financial statements are stated at cost to the Trust.

2.

## **INCOME TAX**

The Trust has charitable status for income tax purposes.

3.

## **CONTINGENT LIABILITIES**

At balance date there are no known contingent liabilities (2011 :\$0). The Trust has not granted any securities in respect of liabilities payable by any other party whatsoever.

4.

## **SECURITIES AND GUARANTEES**

There was no overdraft as at balance date nor was any facility arranged.

5.

## RESERVE FUND

The Reserve Fund is an investment fund set up to provide on-going funding for the restoration and maintenance of the interior and exterior of the Church of St Mary of the Angels. The Reserve Fund will provide interest which the Trustees can decide to either spend on or contribute to projects within the Parish. Apart from extraordinary circumstances (as outlined in the Constitution), the Reserve Fund remains intact and only the interest can be used by the Trustees.

The balance of the Reserve Fund has been disclosed in the Equity section of the Statement of Financial Position.

### 6.

## CHURCH SEISMIC STRENGTHENING FUND

The Church Seismic Strengthening Fund has been established to record the contributions made towards the seismic strengthening of the Parish Building and the Church of St Mary of the Angels.

The balance of this Fund has been disclosed in the Equity section of the Statement of Financial Position.

### 7.

## ADJUSTMENT TO PRIOR YEAR FINANCIAL STATEMENTS

There has been a correction of an omission relating to the Reserve Fund in the prior year's financial statements. The \$5,000 bequest to the Reserve Fund was inadvertently not included in the Equity section of the Statement of Financial Position.

In addition, the Trustees have decided to separately disclose the contributions made towards the seismic strengthening of the Parish Building and the Church of St Mary of the Angels in the Equity section of the Statement of Financial Position. As such, they have decided that it is appropriate to include an adjustment in the comparative figures to recognise the \$250 received in that financial year.

There has been no impact on the total amount of Equity.

The impact of these changes on the prior year figures is as follows:

Statement of Financial Position	New accounting transactions	Previous accounting transactions
<b>Accumulated Funds</b>		
Opening balance	172,809	172,809
Current Year Earnings	(1,170)	(1,170)
Church Seismic Strengthening Fund	(250)	-
Reserve Fund	(27,461)	(12,461)
Closing Balance	<b>143,928</b>	<b>159,178</b>
<b>Church Seismic Strengthening Fund</b>		

Opening balance	-	-
Donations and Interest received	250	-
Closing Balance	<b>250</b>	-
<b>Reserve Fund</b>		
Opening balance	16,992	16,992
Donations and Interest received	27,461	12,461
Closing Balance	<b>44,453</b>	<b>29,453</b>
<b>Total Equity</b>	<b>188,631</b>	<b>188,631</b>

# Annual Report and Financial Review 2011/2012

## Statement of Financial Performance

For the Year Ended 31 March 2012

Last year		This year
\$	<b>Bequests</b>	\$
15,000	Reserve Fund	-
	<b>Donations</b>	
1,612	Carol with the Angels	1,623
250	Church Seismic Strengthening	405
8,380	General	5,847
11,100	Reserve Fund	7,454
783	Restoration & Maintenance	1,290
	<b>Interest</b>	
8,142	Interest received	5,952
1,361	Interest - Reserve Fund	2,522
<b>\$46,628</b>	<b>Total Income</b>	<b>\$25,093</b>
	<b>Expenses</b>	
	<b>Grants</b>	
30,000	Grant for Parish Building Upgrade	20,000
3,417	Grant for Heaters and Lights	1,503
7,319	Grant for Kitchen Upgrade	-
1,938	Grant for Parish Building Upgrade from Carols with the Angels	1,181
	<b>Other costs</b>	
477	Advertising	261
840	Audit Fees	950
-	Bank Charges	80
432	Costs of Carols with the Angels	243
491	Commission on funds invested	225
282	General Expenses	800
269	Printing & Stationery	1,073
2,333	Website	-
<b>\$47,798</b>	<b>Total Expenses</b>	<b>\$26,316</b>
<b>(\$1,170)</b>	<b>Net Surplus / (Loss)</b>	<b>(\$1,223)</b>

# Annual Report and Financial Review 2011/12

## Statement of Financial Position

as at 31 March 2012

<b>Last year</b>		<b>This year</b>
\$	<b>Current Assets</b>	\$
9,361	BNZ Cheque Account	61,518
352	RN7 02 Account (Reserve Fund)	4,242
3,996	Catholic Development Fund	5,751
114,130	GYW Investment	-
43,974	GYW Investment (Reserve Fund)	-
10,500	Fletcher Building notes 7.5% 15 Mar 2012	-
1,318	Accrued Interest	437
<b>183,631</b>	<b>Total Current Assets</b>	<b>71,948</b>
	<b>Non-current Assets</b>	
	First Mortgage Investment	50,000
	First Mortgage Investment (Reserve Fund)	50,000
	Fletcher Building notes 7.15% 15 Mar 2018	10,500
5,000	Fletcher Building notes 8.5% 15 Mar 2015	5,000
5,000	<b>Total Non-current Assets</b>	<b>115,500</b>
<b>188,631</b>	<b>Total Assets</b>	<b>187,448</b>
	<b>Current Liabilities</b>	
	Accounts Payable	40
<b>188,631</b>	<b>NET ASSETS</b>	<b>187,408</b>
	<b>Accumulated Funds</b>	
172,809	Opening Balance	143,928
(1,170)	Current Year Earnings	(1,223)
(250)	Church Seismic Strengthening Fund	(405)
(27,461)	Reserve Fund	(9,976)
<b>143,928</b>	<b>Closing Balance</b>	<b>132,324</b>
	<b>Church Seismic Strengthening Fund (Note 6)</b>	
-	Opening Balance	250
250	Donations & Interest Earned	405



<b>250</b>	Closing Balance	<b>655</b>
	<b>Reserve Fund (Note 5 &amp; 7)</b>	
16,992	Opening Balance	44,453
27,461	I;-Bequest, Donations & Interest Earned	9,976
<b>44,453</b>	Closing Balance	<b>54,429</b>
<b>188,631</b>	<b>Total Funds</b>	<b>187,408</b>

For and on behalf of the Trustees:



Chairperson

These Financial Statements are to 'be read in conjunction with the accompanying notes..

# Annual Report and Financial Review 2011/2012

## Audit Report

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To the Readers of the Financial Statements of  
Friends of St Mary of the Angels Charitable Trust

We have audited the financial statements of Friends of St Mary of the Angels Charitable Trust which comprise the Statement of Financial Position as at 31 March 2012, and the Statement of Financial Performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Trustees' Responsibilities

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in Friends of St Mary of the Angels Charitable Trust.

### Qualified Opinion

In common with other organisations of a similar nature, control over certain cash income prior to being recorded is limited, and there are no practical audit procedures to determine the effects of this limited

control. There is no system of control over such cash income on which we could rely for the purpose of our audit and there are no satisfactory audit procedures that we could adopt to confirm independently that all cash income was properly recorded.

In this respect alone we have not obtained all the information and explanations that we have required. In our opinion, except for adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning cash income, the financial statements present fairly, in all material respects the financial position of Friends of St Mary of the Angels Charitable Trust as at 31 March 2012 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.



Kendons Audit Partnership

Chartered Accountants

Lower Hutt

3 July 2012