



THE FRIENDS OF ST MARY OF THE ANGELS CHARITABLE TRUST

**2015-2016 Annual Report
& Financial Review**

**Annual General Meeting
1.30pm, Sunday 30th October 2016**

The Friends of St Mary of the Angels Charitable Trust

2015/2016 Annual Report and Financial Review

2015/2016 Board of Trustees

Parish Priest:

Fr Barry Scannell s.m.

Archbishop's Representative:

New appointee awaited.

Parish Priest's Appointees:

James Young (Vice Chairman); Gay O'Sullivan (joined 2015)

St Mary of the Angels Finance Committee Appointees:

Geoffrey Ellis (Chairman); Stephen Lucy (Treasurer); John Moynihan

Trust Executive:

Chairman, Vice-Chairman, Treasurer, Parish Priest

The Year to date

I began my report for 2015 remarking that had been another extraordinary year for the Friends of St Mary of the Angels Trust with the Trust carrying on its work very much in the background while the real work of strengthening and preserving the church proceeded. The past year has been even more remarkable.

After years of planning had been brought to sharp focus by the earthquakes of July 2013, the massive undertaking of strengthening the church commenced on St Patrick's Day 2015. Now just a year and a half later the major foundation and structural work has been done and – almost unbelievably – the completion of the project is in sight.

This truly amazing progress has been made possible by the extensive planning, design and preparation already long underway by the Project Team, architects and engineers, even before the 2013 earthquakes, and by the huge energy, vision and commitment of Brian McGuinness and the L.T.McGuinness workforce under the tireless direction of Fr Barry Scannell, and the ever watchful eye of our Holy Mother Mary.

The plan for the work at the outset identified 2 major stages, and whether they could both be accomplished depended on the raising of the necessary funds within a relatively short period. Stage 1 addressed the key structural weaknesses and included extensive foundation works, ground anchors, floor slab and shear walls, costed at nearly \$3 million. Stage 2 included the replacement of columns and portal arches exactly copying the original design; steel cross-bracing above the ceiling and around the parapet tying the structural elements together; re-roofing; strengthening the towers; and making good of heritage features; costed at a further \$6.5 million.

Most of that work has now been done, and where complications and challenges have been encountered they have been dealt with. Fr Barry has prepared a presentation for the parish community which details what has been accomplished, detailing the vast scope of the work – the hundreds of tons of concrete and steel that now envelop and support the church – to make it one of the most robust and enduring buildings in the city.

And the wonderful – almost miraculous – result is that very little of that enormous amount of material and work is even visible. The most obvious features are the new shear walls which are truly massive but so skilfully designed and placed as to be unobtrusive in the body of the church while yet comforting by the reassurance of their solidity.

Now the end of the project is in sight there remains a final challenge for the Trust and the parish community of St Mary of the Angels to raise the balance of the funds required to complete the work fully.

At the end of September 2016 the total amount raised or committed to the project is \$8.7 million. That amount will very nearly – but not quite - see all of the structural work completed as originally budgeted. But we will not be able to re-enter the church as a place of worship and beauty until essential finishing work is achieved, on top of the basic works already in hand.

This finishing work includes remedying drainage issues in the Crypt and Choir Room; repair and re-installation of 14 stained glass windows in seismic frames; re-instating vestment and storage cupboards in the Sacristy; re-instating the Maxwell Fernie Organ; re-instating the gardens and lawns.

The cost of completion of the whole of the work is a further \$1.3 million. That is now the challenge before us if we are – as can realistically be hoped – to re-enter our beautiful church once again open in safety and splendour, at Easter 2017.

The Trust's Finances

The Annual Accounts and Statement of Financial Performance with the Auditor's Report for the financial year ended 31 March 2016 will have been sent out to Trust Members prior to the AGM. They will speak for themselves.

The majority of donations for seismic strengthening are made direct to the Parish and do not pass through the accounts of the Friends' Trust. Even so, the Trust has been able to make a further direct grant to the Parish of \$155,788 specifically for seismic strengthening in the past financial year.

I again acknowledge the dedicated work of our Parish Accountant, Jeanette Temelo, and the skilled oversight of our Treasurer Stephen Lucy for the careful management of the Trust's finances and records through the year, including the not insignificant task of presenting accounts to Auditors.

Changes in accounting protocols for charities have required extra work by Jeanette and Stephen, including the preparation and filing of Annual Returns to the Charities Commission, for which I am very grateful to them both.

Conclusion

Last year I said that, once underway, it was inconceivable that the strengthening work will not be completed as planned. Now the end of the work is in sight there is a commitment by the Project Governance Team, and the McGuinness workforce, to see it finished. Not only the basic strengthening, but the final touches of refurbishment that will restore to us the church that we have long known and loved.

That will require a concerted effort from all of us, each doing what we can to ensure the project is brought to a speedy and glorious conclusion.

I record yet again my thanks, and my admiration, for Fr Barry Scannell for his continuing and seemingly tireless efforts on behalf of the Parish, the people and the community of St Mary of the Angels. It is fitting that just a few weeks ago the Angelus featured the life and work of Fr Stanislaus Mahony s.m. While it is right that we honour Fr Stanislaus for the original building of the church, I hope that future generations will acknowledge the work of Fr Barry to preserve it.

I thank my fellow Trustees for their work and support through the year.

And I thank all the Members of the Trust, and all who have contributed so generously to the work of the Trust for your continuing support and your dedication to St Mary of the Angels.

At the risk of testing that dedication I exhort you all to support us in the final push to completion.

A handwritten signature in black ink, appearing to be 'Geoffrey Ellis', with a long horizontal line extending to the right.

Geoffrey Ellis

Chairman

Friends of St Mary of the Angels Charitable Trust

Friends of Saint Mary of the Angels Charitable Trust
Statement of Financial Performance
For the year ended 31 March 2016

	Note	This Year	Prior Year
Revenue		\$	\$
Fees, subscriptions and other revenue from members	1	8,468	184,710
Interest, dividends and other investment revenue	1	7,628	11,421
Total Revenue		<u>16,096</u>	<u>196,131</u>
Expenses			
Grants and donations made	2	155,788	182,000
Other expenses	2	1,381	1,451
Total Expenses		<u>157,169</u>	<u>183,451</u>
(Deficit)/Surplus for the year		<u>(141,073)</u>	<u>12,680</u>

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



Friends of Saint Mary of the Angels Charitable Trust
Statement of Financial Position
As at 31 March 2016

Assets	Note	This Year	Prior Year
Current Assets		\$	\$
Bank accounts and cash	3	5,390	15,251
Current investments	3	98,000	228,728
Other current assets	3	2,903	3,387
Total Current Assets		106,293	247,366
 Non-Current Assets			
Investments	3	15,500	15,500
Total Non-Current Assets		15,500	15,500
 Total Assets		121,793	262,866
 Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	40	40
Total Current Liabilities		40	40
 Net Assets		121,753	262,826
 Accumulated Funds			
General fund	5	39,805	29,521
Seismic strengthening fund	5	1,100	155,788
Reserve fund	5	80,848	77,517
Total Accumulated Funds		121,753	262,826

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

For and on behalf of the Trustees:

Chairperson:


 Geoff Ellis

Date: 19/09/2016



Friends of Saint Mary of the Angels Charitable Trust
Statement of Cash Flows
For the year ended 31 March 2016

	Note	This Year \$	Prior Year \$
Cash flows from operating activities			
Cash received from:			
Fees, subscriptions and other revenue from members		8,468	184,710
Interest, dividends and other investment receipts		8,112	10,902
Cash was applied to:			
Donations paid to SMOA parish		(155,788)	(182,000)
Payments to suppliers		(1,381)	(1,451)
Net cash flow (used in)/from operating activities	6	(140,589)	12,161
 Cash flows from investing and financing activities			
Cash received from:			
Receipt from the sale of investments		130,728	-
Cash was applied to:			
Payments to purchase investment		-	(8,728)
Net cash flows from/(used in) investing activities		130,728	(8,728)
 Net (decrease)/increase in cash		(9,861)	3,433
Opening cash		15,251	11,818
Closing cash	3	5,390	15,251
 This is represented by:			
Bank accounts and cash	3	5,390	15,251

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



**Friends of Saint Mary of the Angels Charitable Trust
Statement of Accounting Policies
For the year ended 31 March 2016**

Basis of Preparation

The Trust has elected to prepare its financial statements using Tier 3 PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of less than \$2million. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

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.

Specific Accounting Policies

1) Goods and 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 and is exempt from income tax.

3) Bank Accounts

Bank accounts in the Statement of Cash Flows comprise bank balances with BNZ.

4) Securities and Guarantees

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

5) 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 Saint Mary of the Angels. The balance of this Fund has been disclosed in the Equity section of the Statement of Financial Position.

6) 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 Saint Mary of the Angels. The Reserve Fund provides interest which the Trustees can decide to either contribute to projects within the Parish or retain within the Reserve Fund. 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 this Fund has been disclosed in the Equity section of the Statement of Financial Position.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those in the previous year. The basis for preparation has changed to Tier 3 PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the External Reporting Board.



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Friends of Saint Mary of the Angels Charitable Trust
Notes to the Financial Statements
For the year ended 31 March 2016

Note 1. Analysis of Revenue

Revenue Item		This Year	Prior Year
		\$	\$
Fees, subscriptions and other revenue from members	For church seismic strengthening	1,100	177,980
	For general purpose	7,368	6,730
Total		8,468	184,710

Revenue Item		This Year	Prior Year
		\$	\$
Interests, dividends and other investment revenue	Interest – general fund	4,297	8,316
	Interest – reserve fund	3,331	3,105
Total		7,628	11,421

Note 2. Analysis of Expenses

Expense Item		This Year	Prior Year
		\$	\$
Grants and donations made	For church seismic strengthening	155,788	182,000
	Total	155,788	182,000

Expense Item		This Year	Prior Year
		\$	\$
Other expenses	Audit fees	1,265	1,265
	Bank charges	25	40
	General expenses	91	146
	Total	1,381	1,451

Note 3. Analysis of Assets

Asset Item		This Year	Prior Year
		\$	\$
Bank accounts and cash	BNZ cheque account (general fund)	5,152	11,551
	BNZ cheque account (reserve fund)	238	3,700
	Total	5,390	15,251

Asset Item		This Year	Prior Year
		\$	\$
Current investments	BNZ term investments – general fund	20,000	155,788
	BNZ term investments – reserve fund	78,000	72,940
	Total	98,000	228,728



Friends of Saint Mary of the Angels Charitable Trust
Notes to the Financial Statements (continued)
For the year ended 31 March 2016

Asset Item		This Year	Prior Year
		\$	\$
Other current assets	Accrued interest: current investments	2,857	3,344
	Accrued interest: non-current investments	46	43
	Total	2,903	3,387

Asset Item		This Year	Prior Year
		\$	\$
Non-current investments	Fletcher building notes @7.15%	10,500	10,500
	Fletcher building notes @ 5.8%	5,000	5,000
	Total	15,500	15,500

The \$.15% notes will mature on 15 March 2018 and the 5.8% notes will mature on 15 March 2020.

Note 4. Analysis of Liabilities

Liability Item		This Year	Prior Year
		\$	\$
Creditors and accrued expenses	Bank audit confirmation fee	40	40
	Total	40	40

Note 5. Analysis of Accumulated Funds

This Year	General fund	Church seismic fund	Reserve fund	Total
	\$	\$	\$	\$
Opening balance	29,521	155,788	77,517	262,826
Current year earnings	10,284	(154,688)	3,331	(141,073)
Closing balance	39,805	1,100	80,848	121,753

Prior Year	General fund	Church seismic fund	Reserve fund	Total
	\$	\$	\$	\$
Opening balance	173,829	1,905	74,412	250,146
Current year earnings	13,595	(4,020)	3,105	12,680
Fund transfer (from)/to	(157,903)	157,903	-	-
Closing balance	29,521	155,788	77,517	262,826



Friends of Saint Mary of the Angels Charitable Trust
Notes to the Financial Statements (continued)
For the year ended 31 March 2016

Note 6. Reconciliation of net surplus/(deficit) with operating cash flows

	This Year	Prior Year
	\$	\$
Net (deficit)/surplus for the year	(141,073)	12,680
Movement in working capital:		
Movement in accrued interest	484	(519)
Net cash flow (used in)/from operating activities	<u>(140,589)</u>	<u>12,161</u>

Note 7. Significant grants and donations with conditions which have not been recorded as liability

There are no significant grants and donations with conditions which have not been recorded as liability as at 31 March 2016 (2015: NIL).

Note 8. Related parties

There are no outstanding loans to related parties and no other related party transactions or balances as at 31 March 2016 (2015: NIL).

Note 9. Subsequent events

There have been no events since 31 March 2016 that require any adjustment to these financial statements (2015: Nil).

Note 10. Contingent liabilities

At balance date there are no known contingent liabilities (2015: Nil). The Trust has not granted any securities in respect of liabilities payable by any other party whatsoever.



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INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Friends of Saint Mary of the Angels Charitable Trust

We have audited:

- the financial statements of Friends of Saint Mary of the Angels Charitable Trust which comprise the Statement of Financial Position as at 31 March 2016 and the Statement of Financial Performance and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information; and
- the non-financial performance information of Friends of Saint Mary of the Angels Charitable Trust that comprises the statement of service performance, and which includes outcomes.

The Committee's Responsibilities

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with Tier 3 Not For Profit Financial Reporting in New Zealand and for such internal control as the Committee determines 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 disclosures 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 the Friends of Saint Mary of the Angels Charitable Trust.

Basis of Qualified Opinion

In common with other organisations of a similar nature, control over cash income from donations and fundraising activities 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.

Qualified Opinion in respect of the financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 2016 and its financial performance for the year then ended in accordance with Tier 3 Not For Profit Financial Reporting in New Zealand.

Opinion

The non-financial performance of Friends of Saint Mary of the Angels Charitable Trust complies with Tier3 Not For Profit Financial Reporting in New Zealand; and fairly reflects the performance and outcomes for the year ended 31 March 2016.



Kendons Audit Partnership
Lower Hutt

19th September 2016

THE FRIENDS OF ST MARY OF THE ANGELS CHARITABLE TRUST

**Annual General Meeting
Sunday 30th October 2016
1.30pm**

Held in St Mary of the Angels Parish Hall
17 Boulcott Street, Wellington

AGENDA

Opening prayer

Apologies

Introduction of Trustees

Confirmation of Minutes of AGM 6 September 2015

Matters Arising

Chairman's Annual Report

Trust Annual Accounts

Adoption of Annual Report and Accounts

Appointment of Auditor/Remuneration

General Business

After the formal business of the AGM there will be an update on the progress of the Seismic Strengthening project.

To be followed by light refreshments.

THE FRIENDS OF ST MARY OF THE ANGELS CHARITABLE TRUST

Minutes of the 2015 Annual General Meeting Held at the Parish Hall on 6 September 2015; 1.30pm

Present: Members of the Trust Board - Geoffrey Ellis (Chair), Father Barry Scannell, Stephen Lucy. Sister Frances Gibbs, Father Carl Telford, and many loyal members and supporters of the Trust (of whom a list of attendance is held.)

Apologies: Apologies were received from Trust Board members Gay O'Sullivan, James Young, and John Moynihan, and from others (also noted on the list of attendance).

Opening prayer

Father Barry opened the meeting with a prayer.

Father Barry acknowledged the contribution of Jim Coyle to the Parish over the years.

Confirmation of the 2014/15 AGM minutes

The meeting resolved that the Minutes of the previous AGM held on 31 August 2014 should be taken as read and be confirmed (John Kennedy-Good/Greg Coyle).

Matters arising

There were no matters arising.

Chairman's Report

The Chairman referred to his comments in the Annual Report. He noted that it has been two years since the church closed. Plenty has happened and been accomplished over that time with strengthening work of the church well underway and fundraising significantly progressed. He also particularly acknowledged the input of Brian McGuinness and the McGuinness family.

The Chairman noted that it is not the Trust's responsibility to carry out the strengthening work. However, the Trust and a number of the Trustees have been working to support Father Barry in the fundraising activities.

Financially, it has been a big year for the Trust with a high level of donations – largely for the seismic strengthening of the church. This had enabled the Trust to make grants to the Parish of nearly \$200,000.

Father Barry noted that work is well progressed with the seismic strengthening. Ground beams are nearly all in place, 47 ground anchors have been put in place and the shear walls at the rear are nearly complete.

It was pleasing to have Gay O'Sullivan join the Board of Trustees this year. Gay and Mike O'Sullivan have taken a keen interest in St Mary of the Angels over the years.

Cardinal John Dew has yet to appoint a replacement for Henry Ward as his representative on the Board of Trustees. Fr Barry will follow-up previous requests for a replacement.

Annual accounts

Michael Dunn raised a query on the seismic strengthening reserve. It was noted that the Trustees had made a decision prior to year end to use most of the Trust's funds for the seismic strengthening work. The increase in the seismic strengthening reserve had resulted from that decision and the funds would be paid over to the Parish as investments matured. *Continued...*

The adoption of the Annual Report and Accounts was moved by Michael Dunn and seconded by Frances Spaarnay. The motion was carried.

Appointment of auditors

The Trust's Rules requiring that the AGM should appoint and fix the remuneration for the Auditor for the following year. It was noted that Kendons had provided a good service over the past few years and that their audit fee was very reasonable (just over \$1,000).

The meeting resolved that the auditor for the 2015/16 year be Kendons Audit Partnership at a figure to be approved at the discretion of the Trust Board (John Kennedy-Good/Susan Thompson).

General Business

John Kennedy-Good proposed a vote of thanks to Geoffrey Ellis and Father Barry. This was carried by acclamation.

The Chairman also spoke in acknowledgement of Father Barry's leadership of the parish and the seismic strengthening project ("cometh the hour, cometh the man"). This was also carried by acclamation.

Father Barry noted:

- The important work undertaken by Brian McGuinness.
- Nancy Ward, who had used her expertise to prepare a comprehensive application for funds from the New Zealand Lotteries Grants Board. \$1.7 million had been received and a further application had recently been submitted.
- Kendons had been supportive in auditing the accounts of both the Trust and the Parish.
- Approximately \$6 million had been raised/committed of the \$9.5 million required.
- Next few months are very important as a decision needs to be made about continuing with Stage 2 of the work (funds are required in order to make this decision).
- Stage 1 is expected to finish in February/March 2016.
- Stage 2 is due start shortly before Stage 1 is completed.
- Likely to be able to be back in the Church by Easter 2017 if Stage 2 can progress.
- It would be a disaster if we are not able to proceed. Big effort to close down construction work and then have to re-start it.
- There is a Project Governance Group providing oversight.
- Father thanked all members of the Trust, both those present and those not able to be here, for their help so far.

Closing prayer

Father Barry closed the meeting with a prayer.