

St Mary of the Angels

Performance Report

For the year ended 31 March 2020

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St Mary of the Angels Parish

Entity Information

For the year ended 31 March 2020

Legal Name of Entity:	St Mary of the Angels Parish
Type of Entity and Legal Basis:	Charitable Organisation
Registration Number:	CC53139

Reporting Entity

The Reporting Entity is St Mary of the Angels Parish ("SMOA"), one of the parishes of the Roman Catholic Archdiocese of Wellington ("ADW"). The ADW is a corporation sole established under the Roman Catholic Bishops' Empowering Act 1997.

SMOA does not have a separate legal personality, as Cardinal John A Dew, as a corporation sole, is the legal owner of all parish assets. However, under Canon Law, SMOA as a parish is a separate juridic person and parish assets are part of parish patrimony, vested in the Cardinal in trust on behalf of the parish. The Cardinal cannot unilaterally appropriate parish assets for another purpose.

Entity's Purpose or Mission

SMOA is about the mission of the Catholic Church. The mission statement says, "We the Catholic People of the Archdiocese of Wellington, challenged to follow Christ, are called to proclaim the Kingdom of God, by Celebrating God in our lives, by sharing our living faith and by growing in community working for justice and peace."

Entity Structure

SMOA belongs to the Wellington West Pastoral Area, one of the twelve pastoral areas under the Archdiocese of Wellington ("ADW"). SMOA is a registered with the Charities Commission as a charitable entity owned by Cardinal John A Dew, corporation sole effective 06/03/2016. Cardinal John Dew as the Roman Catholic Archbishop of the Archdiocese of Wellington has entered into a contract with the Society of Mary ("SM") for their priests to provide certain services to the SMOA community.

For the year ended 31 March 2020, members of the Pastoral Team are listed below:

1. Fr Kevin Conroy, SM – Parish Priest
2. Fr Kevin Mowbray, SM – Parish Priest from February 2020
3. Fr Joe Savesi, SM
4. Fr Peter McAfee, SM
5. Sister Frances Gibbs, CSB (Pastoral Assistant)

Main Sources of Entity's Cash and Resources

The parish relies on its parishioners' generosity to support its mission to spread the word of God. The Parish Centre has some areas rented out to generate income. There is a residential flat below the Parish Centre which is tenanted. The Parish hall is rented out for meetings.

The parish invests its excess funds with the BNZ and the Catholic Development Fund ("CDF") to earn some interest.

Main Methods Used by the Entity to Raise Funds

A planned giving appeal is in place where parishioners have pre numbered planned giving envelopes which they put on the collection basket when they come to mass. Other parishioners set up an automatic payment to facilitate their regular giving. Other mass goers who have not joined the planned giving scheme put money in the collection basket.

Description of the Entity's Outcomes

The following are what the parish does:

1. Ministry
 - a.) Daily Masses
 - b.) Sacramental Programmes
 - c.) Baptism
 - d.) Reconciliation
 - e.) Wedding
 - f.) Funeral
 - g.) Ministry to the Sick and Housebound
2. Rite to Christian Initiation ("RCIA") Programme

St Mary of the Angels Parish

Statement of Service Performance For the year ended 31 March 2020

Description and Quantification of the Entity's Outputs

St Mary of the Angels Church was closed for seismic strengthening in July 2014. On Easter 16 April 2018, the first mass was held in the church and the return of the four Sunday Masses in the Church. Below is the timetable:

Monday – Thursday

Exposition: 6.30am – 7.20am

Mass: 7.30am, 12.05pm & 5.15pm

Reconciliation:

11.30am-12pm, 12.30pm-1pm & 4.30pm-5pm

Friday

Exposition: 6.30am – 7.20am & 11am – 12pm

Mass: 7.30am, 12.05pm & 5.15pm

Reconciliation:

11am-11.50am, 12.30pm – 1pm & 4.30pm – 5pm

Saturday

Mass: 11am

Reconciliation: 10.30am – 11am & 4pm – 5pm

Sunday

Mass: 7am, 9am, 11am (Choral), 5pm

From 25 March 2020, while the nation is in alert levels 3 and 4, the church building was closed and there were no Masses, liturgies or Sacraments celebrated. The SMOA website (www.smoa.org.nz) had regularly updated information, as well as links to prayer resources and livestreamed Masses. Normal mass schedules resumed Sunday 7 June 2020.

Below are the baptisms, confirmations, wedding and funeral rites held in the Church and recorded in the parish register:

	2020	2019
Baptism	22	25
Confirmation	16	10
Wedding	8	13
Funeral	21	21

Pastoral Care of the Sick

Sister Frances Gibbs (CSB) regularly visits several rest homes to give communion and minister to the sick and the housebound. She also visits people in their private homes to give communion. Each month, the priest also visits the sick and the house bound parishioners to administer the Sacrament of Anointing. Below is the number of people visited weekly:

Communion for the Sick and Housebound	2020	2019
In Rest Homes	6	9
In Private Homes	19	17

The parish relies on the generous donations of its parishioners to continue its work. Below are the number of donors:

Planned Giving Appeal	2020	2019
To support the day to day running of the Parish	210	210
To support the Seismic Strengthening of the Church/On-going Maintenance of the Church	14	69

A count of Sunday Mass goers in November shows a weekly average of:

Census of Mass Goers	2020	2019
Average number per week	718	578

St Mary of the Angels Parish

Statement of Financial Performance For the year ended 31 March 2020

	Note	2020 \$	2019 \$
Revenue			
Fees, subscriptions and other revenue	1	211,929	218,268
Donations, fundraising and other similar revenue	1	156,023	163,684
Revenue from providing goods and services	1	53,016	48,797
Interest, dividends and other investment revenue	1	650	587
Other revenue	1	21,280	16,353
Total Revenue		442,898	447,689
Expenses			
Employee related costs	2	112,273	112,626
Cost related to providing goods and services	2	321,788	296,124
Donations paid out	2	11,653	19,740
Other expenses	2	16,296	15,480
Total Expenses		462,010	443,970
Deficit before Revenue and Expenses for Capital Expenditure		(19,112)	3,719
Revenue for Capital Expenditure			
Fees, subscriptions and other revenue	3	43,990	37,145
Donations, fundraising and other similar revenue	3	28,540	80,543
Interest, dividends and other investment revenue	3	978	-
Total Revenue		73,508	117,688
Expenses for Capital Expenditure			
Other expenses	3	(217,983)	(198,296)
Total Expenses		(217,983)	(198,296)
(Deficit)/Surplus for the year		(163,587)	(76,889)

The accompanying notes on pages 6 to 12 form part of these financial statements

St Mary of the Angels Parish

Statement of Financial Position As at 31 March 2020

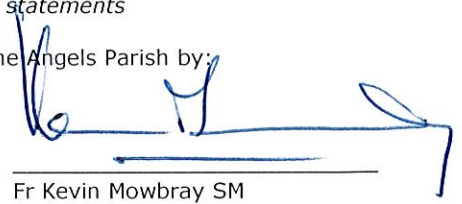
	Note	2020 \$	2019 \$
Assets			
Current Assets			
Bank accounts and cash	4	105,543	112,103
Investments	4	77,814	26,685
Other current assets	4	21,770	5,652
Total Current Assets		205,127	144,440
Non-Current Assets			
Property, plant and equipment	5	26,775,825	26,964,098
Total Non-Current Assets		26,775,825	26,964,098
Total Assets		26,980,952	27,108,538
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	65,905	30,804
Other current liability		5,300	4,400
Total Current Liabilities		71,205	35,204
Non-Current Liability			
Loans	4	-	-
Total Non- Current Liability		-	-
Total Liabilities		71,205	35,204
Net Assets		26,909,747	27,073,334
Equity			
General Reserves		26,909,747	27,073,334
Total Equity	6	26,909,747	27,073,334

Represented by:

The accompanying notes on pages 6 to 12 form part of these financial statements

These financial statements are approved on behalf of the St Mary of the Angels Parish by:


Stephen Lucy
Chairman Finance Committee
Date: 10 July 2020


Fr Kevin Mowbray SM
Parish Priest
Date: 10 July 2020

St Mary of the Angels Parish

Statement of Cash Flows For the year ended 31 March 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Cash was received from:			
Fees, subscription and other revenue from members		211,929	218,268
Donations, fundraising and other similar revenue		156,023	163,684
Revenue from providing goods and services		53,016	48,797
Donations for capital expenditure		71,411	120,642
Interest on deposits		150	601
Other revenue		21,280	16,353
Cash was applied to:			
Payments to suppliers and employees		(438,649)	(378,623)
Specified donations paid		(11,653)	(9,740)
Net cash flows from operating activities		63,507	179,982
Cash flows from investing activities			
Cash was applied to:			
Investment in term deposits		(51,129)	(600)
Purchase in property, plant and equipment		(18,938)	(141,669)
Net cash flows used in investing activities		(70,067)	(142,269)
Cash flows from financing activities			
Cash was applied to:			
ADW loan		-	(100,000)
Net cash flows from financing activities		-	(100,000)
Net (decrease)/increase in cash		(6,560)	(62,287)
Opening cash		112,103	174,390
Closing cash	4	105,543	112,103
This is represented by:			
Bank accounts and cash	4	105,543	112,103

The accompanying notes on pages 6 to 12 form part of these financial statements

St Mary of the Angels Parish

Statement of Accounting Policies For the year ended 31 March 2020

Basis of Preparation

St Mary of the Angels Parish 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 its total annual expenses is 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 figures in the performance report are rounded to the nearest dollar.

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

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of materiality, relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

(a) Goods and Services Tax ("GST")

The Statement of Financial Performance and Statement of Financial Position are stated excluding GST, with the exception of receivables and payables, which include GST. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to the Inland Revenue, is classified as operating cashflows.

(b) Income Tax

SMOA is a registered charity under the Charities Act 2005, and accordingly is exempt from income tax under sections CW41 and CW42 of the Income Tax Act 2007.

(c) Recognition of Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to SMOA and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received. The following specific recognition criteria must be met before revenue is recognised:

Bequests, Donations, Legacies, Appeals

In common with organizations of a similar nature, control over the income from bequests, donations and legacies prior to being received are limited. Therefore this income is only recorded when received.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

Interest on Term Deposits

Revenue from term deposits is recognised when the right to receive payment has been established. Interest revenue is recognised on the effective interest rate basis, taking into account the effective yield on the financial asset.

(d) Property, Plant and Equipment

Property, plant and equipment are allocated to classes, as follows:

- Land and Buildings and Parish Centre Upgrade
- Church Organ
- Computer and Office equipment
- Furniture and Fittings
- Motor Vehicles

The cost model has been applied to the entire class of property, plant and equipment which are stated at cost, less accumulated depreciation and any impairment losses. The land deemed cost was based on the Wellington City Council rateable value as at 1 April 2012. Parish Centre building deemed cost was also based the Wellington City Council rateable value as at 1 April 2012. The Church building deemed cost is restated on 31 March 2019 by adding the total amount spent on the seismic strengthening of the church as at 31 March 2019 to its calculated fair value in July 2013. The insured value of the church organ in 2011 is taken as its deemed cost.

St Mary of the Angels Parish

Statement of Accounting Policies (continued) For the year ended 31 March 2020

(e) Depreciation

Depreciation is calculated on a straight line basis to allocate the cost of assets, less any residual value, over estimated useful lives. The estimated useful lives of depreciable assets are as follows:

• Building	100 years
• Church seismic strengthening	Not depreciated until work is finished
• Water cylinder	5 years
• Church organ	50 years
• Computer and office equipment	3 years
• Furniture and fittings	5 years
• Motor vehicles	5 and 10 years

(f) Employee benefits

SMOA provides for the cost of employees' entitlements to annual leave under the terms of their employment contracts. These amounts are expected to be settled within one year and are therefore recorded in current liabilities.

(g) Provisions

Provisions are recognised when SMOA has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(h) Payables

Trade payables and other accounts payable are recognised when SMOA becomes obliged to make future payments resulting from the purchase of goods and services.

(i) Statement of cash flows

'Cash' refers to amounts held in banks.

'Operating activities' are amounts received for the supply of services by SMOA, and payments made to employees and suppliers necessary to support those services, including finance costs.

'Investing activities' are the acquisition, holding and disposal of property, plant and equipment and investments. 'Investments' include securities not falling within the definition of cash.

(j) 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.

St Mary of the Angels Parish

Notes to the Performance Report For the year ended 31 March 2020

Note 1. Analysis of Revenue

Revenue Item		2020 \$	2019 \$
Fees, subscriptions and other revenue	Unspecified donations:		
	Planned giving-envelopes	60,204	77,345
	Planned giving-automatic payments	151,725	140,923
	Total Unspecified donations	211,929	218,268
Donations, fundraising and other similar revenue	Unspecified donations:		
	Cash collection during masses	88,210	84,168
	Bequest	-	11,000
	Other donations	36,867	38,056
	Total Unspecified donations	125,077	133,224
	Specified donations:		
	Subsidy Brigidine Sisters	18,720	18,720
	Donation for the Choir	572	2,000
	Christmas offering	6,237	6,368
	Holy places	415	187
	Easter offering	885	595
	Peter's pence	1,844	1,410
	Ministry vocations	428	302
	Pontifical Mission Society-Mission Sunday	651	471
	Bishop's appeal	834	-
	Maori pastoral care	360	407
	Total Specified donations	30,946	30,460
	Total	156,023	163,684
Revenue Item		2020 \$	2019 \$
Revenue from providing goods or services	Rental of flat	15,600	15,600
	Hire of the hall	8,341	10,327
	Hire of church for concerts	7,950	4,620
	Parking	21,125	18,250
	Total	53,016	48,797
Revenue Item		2020 \$	2019 \$
Interest, dividends and other investment revenue	Parish Fund Deposits	650	587
	Total	650	587
Revenue Item		2020 \$	2019 \$
Other revenue	The Angelus newsletter sponsorships	3,354	3,384
	Sale of books, publications, etc.	728	1,297
	Baptisms, funerals and weddings	16,050	11,050
	Other revenue of music department	1,148	622
	Total	21,280	16,353

St Mary of the Angels Parish

Notes to the Performance Report (continued) For the year ended 31 March 2020

Note 2. Analysis of Expenses

Expense Item		2020 \$	2019 \$
Employee related costs	Salaries, wages and stipend	112,273	112,626
	Total	112,273	112,626

Expense Item		2020 \$	2019 \$
Cost related to providing goods or services	Support for the clergy	108,902	103,050
	Support for the ADW	44,241	41,864
	Insurance	64,119	45,813
	Rates	25,757	23,704
	Bread, wine, candles and other altar costs	12,408	14,321
	Vehicle running costs	4,746	5,344
	Stationery, printing and other office costs	17,417	22,583
	Light, heat and gas	12,107	10,927
	Telephone, internet and website	4,304	4,625
	Repairs and maintenance	22,022	20,235
	Music, pastoral and RCIA costs	4,740	2,625
	Items for resale	1,025	1,033
	Total	321,788	296,124

Expense Item		2020 \$	2019 \$
Donations Paid Out	Society of Mary – Christmas offering	6,237	6,367
	Society of Mary – Easter offering	885	595
	ADW Bishops appeal	834	-
	ADW Holy places appeal	415	187
	ADW Maori pastoral care appeal	360	407
	ADW Ministry of vocations appeal	428	302
	ADW Peter's Pence appeal	1,844	1,410
	Pontifical Mission Society appeal	650	472
	St John's in the City Presbyterian Church	-	10,000
	Total	11,653	19,740

Expense Item		2020 \$	2019 \$
Other Expenses	Audit fee	4,500	4,100
	Depreciation computer & office equipment	2,812	2,396
	Depreciation furniture and fittings	1,584	1,584
	Depreciation motor vehicles	7,400	7,400
	Total Other Expenses	16,296	15,480

Note 3. Analysis of Revenue and Expenses for Capital Expenditure

The following donations received from parishioners and donors from all over New Zealand and overseas visitors for the upgrade of the parish centre and the maintenance of the church. Total revenue this financial year is \$73,508 (2019: \$117,688).

Revenue Item		2020 \$	2019 \$
Fees, subscriptions and other revenue	Donations from parishioners	43,990	37,145
	Total	43,990	37,145

Revenue Item		2020 \$	2019 \$
Donations, fundraising and other similar revenue	Donations from the general public	15,935	75,123
	Bequests	12,000	-
	Total	27,935	75,123

St Mary of the Angels Parish

Notes to the Performance Report (continued) For the year ended 31 March 2020

Note 3. Analysis of Revenue and Expenses for Capital Expenditure (continued)

Revenue Item		2020	2019
		\$	\$
Revenue from providing goods and services	Refund from Wellington City Council	-	4,265
	Proceeds from sale of cookbook/DVD	605	1,155
Total		605	5,420
Revenue Item		2020	2019
		\$	\$
Interest, dividends and other investment revenue	Building Fund Deposits	978	-
	Total	978	-
Expense Item		2020	2019
		\$	\$
Other expenses	Depreciation - Building	165,835	160,902
	Depreciation - Church organ	29,580	29,580
	Depreciation - Water cylinder	-	1,827
	Total Depreciation	195,415	192,309
	Maintenance Expenses	22,568	5,987
Total		217,983	198,296

Note 4. Analysis of Assets and Liabilities

Asset Item		2020	2019
		\$	\$
Bank accounts and cash	Petty cash	100	100
	BNZ account - Parish	33,977	38,749
	BNZ account - Building upkeep	71,466	73,254
	Total	105,543	112,103
Asset Item		2020	2020
		\$	\$
Investments	Parish term deposits	10,025	9,807
	Parish Centre upgrade deposits	67,789	16,878
	Total term deposits	77,814	26,685

Investments are in the form of term deposits held with the Catholic Development Fund (a department of ADW). The interest rates for deposits as at 31 March 2020 is 1.70%, 1.90% and 2.10% (2019: 1.71% and 2.10%).

Asset Item		2020	2019
		\$	\$
Other Current Assets	Accounts receivable	5,219	2,221
	Accrued interest receivable	529	30
	Prepayments	11,466	-
	GST receivable	4,556	3,401
	Total	21,770	5,652
Liability Item		2020	2019
		\$	\$
Creditors and accrued expenses	Parish creditors	48,498	26,304
	Building account creditors	13,007	-
	Auditor's fee	4,500	4,500
	Total	65,905	30,804
Liability Item		2020	2019
		\$	\$
Other current liability	Revenue received in advance	5,300	4,400
	Total	5,300	4,400

St Mary of the Angels Parish

Notes to the Performance Report (continued) For the year ended 31 March 2020

Note 4. Analysis of Property Plant and Equipment

The Church was closed for seismic strengthening in July 2013 and in 31 March 2019 the strengthening project is finally finished for a total cost of \$12,836,508. The Parish Centre upgrade has started on its planning and design and costs will be capitalised while project is ongoing and will be depreciated once the project is finished

2020 Asset Class	Cost	Accumulated Depreciation	Net Book Value	Depreciation
	\$	\$	\$	\$
Land – Parish Centre	1,900,000	-	1,900,000	-
Land - Church	8,200,000	-	8,200,000	-
Building – Parish Centre	3,350,000	268,000	3,082,000	33,500
Building - Church	12,836,508	513,014	12,323,494	132,335
Building – Parish Centre upgrade	16,856	-	16,856	-
Water cylinder	9,135	9,135	-	-
Church organ	1,479,000	236,640	1,242,360	29,580
Computer and office equipment	9,811	6,287	3,524	2,812
Furniture and fittings	4,747	4,092	655	1,584
Motor vehicles	48,688	41,752	6,936	7,400
Total for FY 2020	27,854,745	1,078,920	26,775,825	207,211

2019 Asset Class	Cost	Accumulated Depreciation and Impairment	Net Book Value	Depreciation
	\$	\$	\$	\$
Land – Parish Centre	1,900,000	-	1,900,000	-
Land - Church	8,200,000	-	8,200,000	-
Building – Parish Centre	3,350,000	234,500	3,115,500	33,500
Building - Church	12,836,508	380,679	12,455,829	127,402
Water cylinder	9,135	9,135	-	1,827
Church organ	1,479,000	207,060	1,271,940	29,580
Computer and office equipment	7,729	3,476	4,253	2,396
Furniture and fittings	4,747	2,508	2,239	1,584
Motor vehicles	48,688	34,351	14,337	7,400
Total for FY 2019	27,835,807	871,709	26,964,098	203,689

Note 5. Accumulated Funds

	2020	2019
	\$	\$
Opening balance	27,073,334	27,150,223
(Deficit)/Surplus for the year	(163,587)	(76,889)
Closing balance	26,909,747	27,073,334

Note 6. Related Parties

In the course of normal operations, SMOA enters into transactions with ADW and CDF, a department of ADW which obtains deposits from parishes. Material related party transactions for the period are detailed below:

Related Party	Description of Transaction	Value 2020	Value 2019	Outstanding Amount 2020	Outstanding Amount 2019
		\$	\$	\$	\$
ADW	Levies	44,241	41,864	13,252	14,074
ADW	Support of Clergy	108,902	103,050	30,148	-
ADW	Insurance premium	64,119	45,813	-	4,822
ADW	Special collections	3,881	2,306	10	2,306
CDF	Interest on deposits	1,628	587	529	30
CDF	Deposits	77,813	26,685	77,813	26,685
	Total	300,584	220,305	121,752	47,917

St Mary of the Angels Parish

Notes to the Performance Report (continued) For the year ended 31 March 2020

Note 7. Significant Grants and Donations with Conditions which have not been Recorded as a Liability

There are no significant grants and donations with conditions which have not been recorded as a liability as at balance date (2019: Nil).

Note 8. Capital Commitments

There are no capital commitments as at 31 March 2020 (2019: Nil).

Note 9. Subsequent Events

In early March 2020, the COVID-19 virus was declared a global pandemic by the World Health Organisation, and on 25 March 2020, the New Zealand Government enforced a nation-wide shutdown of all businesses and schools to control the spread of the virus. No adjustments have been made to these financial statements as the impact of the shutdown has not materially affected the financial results between 25 March 2020 and the close of the financial year on 31 March 2020. However, SMOA Parish financial committee continues to monitor and evaluate the situation on an ongoing basis. (2019: Nil).

Note 10. Contingent Liabilities

In 2010 the Society of Mary made a contribution of \$432,300 towards the costs of refurbishing the top two floors of the Parish Centre. In consideration of this, the Society has the use of part of the refurbished premises for a minimum term of 20 years. In some circumstances, the term of the agreement may elapse in less than 20 years and in those circumstances an amount would be repayable to the Society of Mary. As at 31 March 2020, this amount was \$203,500 (2019: \$222,000).

Independent auditor's report

To the Parish Finance Committee of St Mary of the Angels Parish

Qualified Opinion

We have audited the accompanying performance report of St Mary of the Angels Parish, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 March 2020, the statement of financial position as at 31 March 2020, and the statement of accounting policies and notes to the performance report.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable
- b) the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year then ended
 - the service performance for the year then ended, and
 - the financial position of St Mary of the Angels Parish as at 31 March 2020, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion

St Mary of the Angels Parish's reported income includes cash revenue from donations, and fundraising. In common with similar organisations, control over such cash revenue prior to being recorded is limited and there are no practical audit procedures to determine the effect of this limited control. In this respect alone, we have not obtained all the information and explanations that we have required.

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the performance report' section of our report.

We are independent of St Mary of the Angels Parish in accordance with Professional and Ethical Standard 1 (Revised) 'Code of ethics for assurance practitioners' issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

Parish Finance Committee's responsibilities for the performance report

The Parish Finance Committee are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance
- b) the preparation and fair presentation of the performance report on behalf of St Mary of the Angels Parish which comprises:
 - the entity information
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- c) for such internal control as the Parish Finance Committee determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Parish Finance Committee are responsible on behalf of St Mary of the Angels Parish's for assessing St Mary of the Angels Parish's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Parish Finance Committee either intend to liquidate St Mary of the Angels Parish or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the performance report

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 St Mary of the Angels Parish's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Parish Finance Committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on St Mary of

the Angels Parish's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause St Mary of the Angels Parish to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Parish Finance Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report is made solely to the Parish Finance Committee of St Mary of the Angels Parish. Our audit has been undertaken so that we might state to the Parish Finance Committee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parish Finance Committee, for our audit work, for this report, or for the opinions we have formed.



Kendons Chartered Accountants Limited

Pat Sheehan • Director

Qualified Auditors • Lower Hutt • New Zealand
10 July 2020