

Saint Mary of the Angels Charitable Trust

Performance Report

For the year ended 31 March 2023

Contents

| | Page |
|------------------------------------|-------|
| Non-Financial Information: | |
| Entity Information | 1 |
| Statement of Service Performance | 2 |
| Financial Information: | |
| Statement of Financial Performance | 3 |
| Statement of Financial Position | 4 |
| Statement of Cash Flows | 5 |
| Statement of Accounting Policies | 6-7 |
| Notes to the Performance Report | 8-9 |
| Independent Auditor's Report | 10-11 |

Saint Mary of the Angels Charitable Trust
Entity Information
For the year ended 31 March 2023

Legal Name of Entity: Saint Mary of the Angels Charitable Trust
Type of Entity and Legal Basis: Charitable Trust
Registration Number: CC21962

Entity's Purpose or Mission:

The establishment of Saint Mary of the Angels Charitable Trust ("the Trust"), as defined in the constitution, is for "the benefit of religious, charitable and educational purposes of the Parish of Saint Mary of the Angels ("SMOA"), at 17 Boulcott Street, Wellington, New Zealand and in particular, but without limitation to:

- a) the ongoing maintenance, upkeep and preservation of the Church of SMOA,
- b) the preservation and upkeep of the SMOA Church's archives and any historical exhibition,
- c) the maintenance of the presbytery/parish centre, grounds and environs.

Entity Structure:

The Trust is an independent body with its own constitution and is separate from the Parish of Saint Mary of the Angels although its primary reason for existence is as detailed above. Whenever the SMOA Parish Priest in consultation with professionals and SMOA Finance Committee decide that major work is necessary, they work together with the Trust, through the SMOA Parish Priest, when finance is required. The Trust is not necessarily the lead fund raiser or the only provider of funds because the SMOA Parish Finance Committee as is necessary, will also on occasions approach donors and organisations for funding part or all of such work. The Trustees when deciding on any funds raised by the Trust must always consider the financial viability of the Trust at all times.

For the year ended 31 March 2023, the trustees are listed below:

1. Colin Robert Keating, Chairperson
2. Fr Kevin Mowbray, SM, Trustee/Parish Priest
3. Stephen Lucy, Trustee
4. James Young, Trustee
5. Gay O'Sullivan, Trustee
6. Alan Kelly, Trustee (resigned 26 May 2022)
7. Paul Madigan, Trustee

As at 31 March 2023, the Trust has ninety (92) members, (2022: 92).

Main methods used to raise funds:

The trust raises funds through donations, bequests and interest on investments.

Main Sources of the Entity's Cash and Resources:

The main source of cash and resources of the Trust is donations from its members and bequests. The unused funds are invested in fixed term deposits to earn interest.

Entity's reliance on volunteers and donated goods:

The Trust is thankful to volunteers and supporters whom it relies upon in order to achieve the Trust's mission.

**Saint Mary of the Angels Charitable Trust
Statement of Service Performance
For the year ended 31 March 2023**

Description of the Entity's Outcomes:

To assist in achieving its purpose and mission, the Trust will:

- a) solicit donations and gifts (including testamentary gifts),
- b) accept the control and custody of any assets which assist the Trust in achieving its objectives,
- c) upgrade and restore the Church of SMOA and where appropriate and necessary to renew, replace any part or parts and to add to or modify in accordance with best trade practices to a state where it is in good order and condition,
- d) operate a capital fund (the "Reserve Fund") from which the income may be applied to meet the ongoing costs of maintaining and preserving the restored historic church and in maintaining the presbytery/parish centre, grounds and environs surrounding the church,
- e) promote and assist in the maintenance and preservation of the special character of the church and its environs.

Description and Quantification of the Entity's Outputs:

| | This Year | Prior Year |
|------------------|-----------|------------|
| Number of Donors | 5 | 6 |

Saint Mary of the Angels Charitable Trust
Statement of Financial Performance
For the year ended 31 March 2023

| | Note | This Year | Prior Year |
|--|------|-----------------------|-------------------------|
| Revenue | | \$ | \$ |
| Donations and other revenue | 1 | 3,220 | 3,804 |
| Bequest, fundraising and other similar revenue | 1 | 1,112,940 | - |
| Interest, dividends and other investment revenue | 1 | 18,784 | 3,123 |
| Total Revenue | | <u>1,134,944</u> | <u>6,927</u> |
| Expenses | | | |
| Other expenses | 2 | 2,875 | 4,761 |
| Donation to SMOA Parish for the Parish Centre refurbishment | | - | 200,000 |
| Forgiveness of loan to SMOA Parish for the Parish Centre refurbishment | | 300,000 | 100,000 |
| Total Expenses | | <u>302,875</u> | <u>304,761</u> |
| Surplus for the year | | <u>832,069</u> | <u>(297,834)</u> |

This performance report is to be read in conjunction with the accompanying notes.

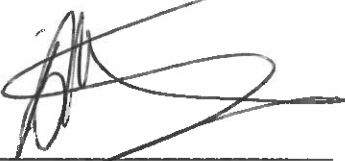
Saint Mary of the Angels Charitable Trust
Statement of Financial Position
As at 31 March 2023

| Assets | Note | This Year | Prior Year |
|----------------------------------|-------------|------------------|-------------------|
| Current Assets | | \$ | \$ |
| Bank accounts and cash | 3 | 1,893 | 62,351 |
| Current investments | 3 | 1,189,000 | 10,500 |
| Other current assets | 3 | 3,562 | 300,035 |
| Total Current Assets | | 1,194,455 | 372,886 |
| Non-Current Assets | | | |
| Investments | 3 | 15,500 | 5,000 |
| Total Non-Current Assets | | 15,500 | 5,000 |
| Total Assets | | 1,209,955 | 377,886 |
| Liabilities | | | |
| Current Liabilities | | | |
| Creditors and accrued expenses | 4 | 2,875 | 2,875 |
| Total Current Liabilities | | 2,875 | 2,875 |
| Net Assets | | 1,207,080 | 375,011 |
| Accumulated Funds | | | |
| General fund | 5 | 1,185,220 | 353,913 |
| Reserve fund | 5 | 21,860 | 21,098 |
| Total Accumulated Funds | | 1,207,080 | 375,011 |

This performance report is to be read in conjunction with the accompanying notes.

For and on behalf of the Trustees:

Chairperson:



Colin Robert Keating

Date: 30/06/2023

Saint Mary of the Angels Charitable Trust
Statement of Cash Flows
For the year ended 31 March 2023

| | Not e | This Year | Prior Year |
|---|------------------|--------------------|-------------------|
| Cash flows from operating activities | | \$ | \$ |
| Cash received from: | | | |
| Donations and other revenue | | 3,220 | 3,804 |
| Bequests, fundraising and other similar revenue | | 1,112,940 | |
| Interest, dividends and other investment receipts | | 15,257 | 3,373 |
| Cash was applied to: | | | |
| Donation to SMOA Parish | | - | (200,000) |
| Payments to suppliers | | (2,875) | (1,926) |
| Net cash flow (used in)/from operating activities | | 1,128,542 | (194,749) |
| Cash flows from investing and financing activities | | | |
| Cash received from: | | | |
| Redemption of investments | | - | 550,000 |
| Cash was applied to: | | | |
| Purchase of investments | | (1,189,000) | - |
| Loan to SMOA Parish for the Parish Centre refurbishment | | - | (300,000) |
| Net cash flows from/(used in) investing activities | | (1,189,000) | 250,000 |
| Net (decrease)/increase in cash | | (60,458) | 55,251 |
| Opening cash | | 62,351 | 7,100 |
| Closing cash | 3 | 1,893 | 62,351 |
| This is represented by: | | | |
| Bank accounts and cash | 3 | 1,893 | 62,351 |

This performance report is to be read in conjunction with the accompanying notes.

Saint Mary of the Angels Charitable Trust
Statement of Accounting Policies
For the year ended 31 March 2023

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 \$2 million. 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

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

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) 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.

6) Recognition of Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust 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:

Donations

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

Saint Mary of the Angels Charitable Trust
Statement of Accounting Policies
For the year ended 31 March 2023

Specific Accounting Policies (continued)

6) Recognition of Revenue (continued)

Interest

Revenue from investments 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 of the financial asset.

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.

Saint Mary of the Angels Charitable Trust
Notes to the Performance Report
For the year ended 31 March 2023

Note 1. Analysis of Revenue

| Revenue Item | | This Year \$ | Prior Year \$ |
|-----------------------------|---|------------------|------------------|
| Donations and other revenue | Donations for general purpose | 3,220 | 3,420 |
| | Fund Raising – Carols with the Angels | 344 | 384 |
| | Bequests | 1,112,596 | - |
| | Total | 1,116,160 | 3,804 |
| Revenue Item | | | |
| | Interests, dividends and other investment revenue | 18,022 | 2,434 |
| | Interest – reserve fund | 762 | 689 |
| Total | 18,784 | 3,123 | |

Note 2. Analysis of Expenses

| Expense Item | | | |
|----------------|------------------|--------------|--------------|
| Other expenses | Audit fees | 2,875 | 4,370 |
| | Bank charges | - | (40) |
| | General expenses | - | 431 |
| | Total | 2,875 | 4,761 |

Note 3. Analysis of Assets

| Asset Item | | | |
|------------------------|---|----------------|---------------|
| Bank accounts and cash | BNZ cheque account (general fund) | 1,055 | 56,949 |
| | BNZ cheque account (reserve fund) | 838 | 5,402 |
| | Total | 1,893 | 62,351 |
| Asset Item | | | |
| | Current investments | 1,189,000 | - |
| | Fletcher Building notes @5.0% | - | 10,500 |
| Total | 1,189,000 | 10,500 | |
| Asset Item | | | |
| | Other Current Assets | 3,523 | 26 |
| | Accrued interest: non-current investments | 39 | 9 |
| | Loan to SMOA Parish | - | 300,000 |
| Total | 3,562 | 300,035 | |
| Asset Item | | | |
| | Non-current investments | 10,500 | - |
| | Fletcher Building notes @ 3.9% | 5,000 | 5,000 |
| Total | 15,500 | 5,000 | |

The 6.5% notes will mature on 15 March 2028 and the 3.9% notes will mature on 15 March 2025.

The loan to SMOA Parish of \$300,000 granted on 27/10/2021 for the Parish Centre refurbishment was interest-free and was repayable on demand and from a date of 12 months from the date the loan was advanced. The loan was forgiven on 16 February 2023.

Note 4. Analysis of Liabilities

| Liability Item | | This Year \$ | Prior Year \$ |
|--------------------------------|-------------------|-----------------|------------------|
| Creditors and accrued expenses | Audit fee accrual | 2,875 | 2,875 |
| | Total | 2,875 | 2,875 |

Saint Mary of the Angels Charitable Trust
Notes to the Performance Report (continued)
For the year ended 31 March 2023

Note 5. Analysis of Accumulated Funds

| This Year | General fund | Reserve fund | Total |
|-----------------------|--------------|--------------|-----------|
| | \$ | \$ | \$ |
| Opening balance | 353,913 | 21,098 | 375,011 |
| Current year earnings | 831,307 | 762 | 832,069 |
| Closing balance | 1,185,220 | 21,860 | 1,207,080 |
| | | | |
| Prior Year | General fund | Reserve fund | Total |
| | \$ | \$ | \$ |
| Opening balance | 652,469 | 20,376 | 672,845 |
| Current year earnings | (298,556) | 722 | (297,834) |
| Closing balance | 353,913 | 21,098 | 375,011 |

Note 6. 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 a liability as at 31 March 2023 (2022: Nil).

Note 7. Related parties

Related party transactions during the year are as follows:

| Related Party Relationship | Description of transaction | 2023 | 2022 |
|------------------------------|--|---------|---------|
| St Mary of the Angels Parish | Forgiveness of loan to SMOA Parish for Parish Centre Refurbishment | 300,000 | 100,000 |

The Trust has a related party relationship with St Mary of the Angels ("SMOA") as the former was established for the benefit of the religious, charitable and educational purposes of the SMOA Parish. The Board of Trustees of the Trust comprises of: The Archbishop or his nominee, the SMOA Parish Priest, 3 people appointed by the Finance Committee of SMOA, and 2 people appointed by the SMOA Parish Priest. In this financial year, the Trust forgave a \$300,000 non-interest bearing loan to SMOA Parish as bridge financing towards the cost of the remediation of the parish centre. (2022: \$100,000).

There were no related party receivables or payables as at year-end (2022: \$300,000 loan to the SMOA Parish).

Note 8. Subsequent events

There were no subsequent events occurring to balance date which require adjustment to or disclosure in the financial statements. (2022: Nil).

Note 9. Contingent liabilities

At balance date there are no known contingent liabilities (2022: Nil). The Trust has not granted any securities in respect of liabilities payable by any other party whatsoever.

Note 10. Commitments

At balance date there were no known operating capital commitments (2022: Nil)

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Saint Mary of the Angels Charitable Trust

Opinion

We have audited the accompanying performance report of Saint Mary of the Angels Charitable Trust on pages 1 to 9, 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 2023, the statement of financial position as at 31 March 2023, the statement of accounting policies and other explanatory information.

In our opinion:

- 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 performance report on pages 1 to 9 presents fairly, in all material respects:
 - the entity information for the year ended 31 March 2023;
 - the service performance for the year then ended; and
 - the financial position of Saint Mary of the Angels Charitable Trust as at 31 March 2023, 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).

Basis for Opinion

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 New Zealand Auditing Standard (NZ AS1) 'The Audit of Service Performance Information (NZ)'. 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 Saint Mary of the Angels Charitable Trust in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) 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 in our capacity as auditor we have no relationship with, or interests in, Saint Mary of the Angels Charitable Trust.

Restriction on Responsibility

This report is made solely to the Trustees, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Trustees' Responsibility for the Performance Report

The Trustees are responsible on behalf of the entity 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 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 in New Zealand by the New Zealand Accounting Standards Board, and
- (c) for such internal control as the Trustees determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the entity for assessing the entity'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 Trustees either intend to liquidate the entity 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 ISAs and NZ AS1 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 this performance report.

As part of an audit in accordance with ISAs (NZ) and NZ AS1, 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 the entity'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 Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 the entity 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 Trustees 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.



Kendons Chartered Accountants Limited

Alastair Lloyd

Lower Hutt

30 June 2023