

St Mary of the Angels

Performance Report

For the year ended 31 March 2017

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	8-13
Independent Auditor's Report	14-15

St Mary of the Angels Parish

Entity Information

For the year ended 31 March 2017

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 09/03/2017. 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 2017, priests/religious are listed below:

1. Fr Barry Scannell, SM – Parish Priest
2. Fr Kevin Conroy, SM
3. Fr Joe Savesi, SM
4. Fr John Allardyce, 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 Presbytery has some areas rented out to generate income. There is a residential flat below the Parish Presbytery which is tenanted. The community room and hall are 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 2017

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 2017, 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: 6.45am – 7.30am

Mass: 7.30am, 12.05pm & 5.15pm

Reconciliation:

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

Friday

Exposition: 7am – 7.30am & 11am – 12pm

Mass: 7.30am, 12.05pm & 5.15pm

Reconciliation:

11am-12pm, 12.30pm – 1pm & 4.30pm – 5pm

Saturday

Mass: 11am

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

Sunday

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

Until the church was re-established and blessed on Wednesday 5 April 2017, the priests of St Mary of the Angels Parish celebrated weddings, baptisms and funerals in other places or churches but these are not recorded in the SMOA register. Below are the baptism, confirmation and funeral rites held in the Presbytery Hall and recorded in the parish register:

	2017	2016
Baptism	10	14
Confirmation	-	2
Funeral	2	-

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. Below are the number of people visited weekly:

	2017	2016
Communion for the Sick and Housebound		
In Rest Homes	10	7
In Private Homes	16	21

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

	2017	2016
Planned Giving Appeal		
To support the day to day running of the Parish	211	220
To support the Seismic Strengthening of the Church	344	259

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

	2017	2016
Census of Mass Goers		
Average number per week	415	430

St Mary of the Angels Parish

Statement of Financial Performance For the year ended 31 March 2017

	Note	2017 \$	2016 \$
Revenue			
Fees, subscriptions and other revenue from members	1	220,460	205,141
Donations, fundraising and other similar revenue	1	78,328	88,585
Revenue from providing goods and services	1	21,760	23,880
Interest, dividends and other investment revenue	1	935	5,477
Other revenue	1	14,505	13,648
Total Revenue		335,988	336,731
Expenses			
Employee related costs	2	87,122	86,234
Cost related to providing goods and services	2	245,033	248,814
Donations paid out	2	4,595	9,496
Other expenses	2	10,448	10,335
Total Expenses		347,198	354,879
Deficit before Revenue and Expenses for Capital Expenditure		(11,210)	(18,148)
Revenue for Capital Expenditure			
Fees, subscriptions and other revenue from members	3	1,090,952	873,078
Donations, fundraising and other similar revenue	3	3,273,015	1,836,494
Revenue from providing goods and services	3	31,685	1,587
Interest, dividends and other investment revenue	3	14,868	49,004
Total Revenue		4,410,520	2,760,163
Expenses for Capital Expenditure			
Other expenses	3	(85,407)	(85,407)
Total Expenses		(85,407)	(85,407)
Surplus for the year		4,313,903	2,656,608

The accompanying notes on pages 6 to 13 form part of these financial statements

St Mary of the Angels Parish

Statement of Financial Position As at 31 March 2017

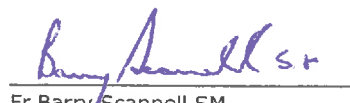
	Note	2017 \$	2016 \$
Assets			
Current Assets			
Bank accounts and cash	4	167,279	647,286
Investments	4	25,536	1,534,019
Other current assets	4	671,108	155,596
Total Current Assets		863,923	2,336,901
Non-Current Assets			
Property, plant and equipment	5	26,075,480	20,179,079
Total Non-Current Assets		26,075,480	20,179,079
Total Assets		26,939,403	22,515,980
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	530,007	420,695
Other current liabilities	4	208	-
Total Current Liabilities		530,215	420,695
Non-Current Liability			
Loans	4	500,000	500,000
Total Non- Current Liability		500,000	500,000
Total Liabilities		1,030,215	920,695
Net Assets		25,909,188	21,595,285
Represented by:			
Equity			
General Reserves		26,045,442	20,152,816
Capital Expenditure Reserve	6	(136,254)	1,442,469
Total Equity		25,909,188	21,595,285

The accompanying notes on pages 6 to 13 form part of these financial statements

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



John Kennedy-Good
Chairman Finance Committee
Date: 22/08/2017



Fr Barry Scannell SM
Parish Priest
Date: 22/08/2017

St Mary of the Angels Parish

Statement of Cash Flows For the year ended 31 March 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Cash was received from:			
Fees, subscription and other revenue from members		220,460	265,510
Donations, fundraising and other similar revenue		78,328	21,976
Revenue from providing goods and services		22,580	25,291
Donations for capital expenditure		3,910,520	2,760,163
Interest on deposits		14,890	3,670
Other revenue		14,712	13,648
Cash was applied to:			
Payments to suppliers and employees		(263,577)	(98,434)
Specified donations paid		(4,595)	(9,496)
Net cash flows from operating activities		<u>3,993,318</u>	<u>2,982,328</u>
Cash flows from investing activities			
Cash was applied to:			
Investment in term deposits		1,508,484	(183,972)
Purchase in property, plant and equipment		(5,981,809)	(2,853,834)
Net cash flows used in investing activities		<u>(4,473,325)</u>	<u>(3,037,806)</u>
Cash flows from financing activities			
Cash was received from:			
ADW loan		-	500,000
Net cash flows from financing activities		<u>-</u>	<u>500,000</u>
Net increase in cash		(480,007)	444,522
Opening cash		647,286	202,764
Closing cash	4	<u>167,279</u>	<u>647,286</u>
This is represented by:			
Bank accounts and cash	4	167,279	647,286

The accompanying notes on pages 6 to 13 form part of these financial statements

St Mary of the Angels Parish

Statement of Accounting Policies For the year ended 31 March 2017

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 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 wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

(c) Recognition of income

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 including Seismic Strengthening of Church and Presbytery Renovation
- 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. As land, buildings and church organ had not been previously recognised in the financial statements until the year ended 31 March 2016 and their historical cost is not available, the rateable value as at 1 April 2012 has been treated as the deemed cost for land and building. 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 2017

(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 years

(f) Work in Progress

The Church has been closed for seismic strengthening and all costs related to the project are capitalised and will not be depreciated until the work is finished.

(g) 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.

(h) 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.

(i) 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.

(j) 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.

(k) Comparatives

The 2016 comparative figures in these financial statements have in some instances been reclassified to reconcile with current year presentation.

(l) 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 Financial Statements For the year ended 31 March 2017

Note 1. Analysis of Revenue

Revenue Item		2017	2016
		\$	\$
Fees, subscriptions and other revenue from members	Unspecified donations:		
	Planned giving-envelopes	76,000	65,708
	Planned giving-automatic payments	144,460	139,433
	Total Unspecified donations	220,460	205,141
Donations, fundraising and other similar revenue	Unspecified donations:		
	Cash collection during masses	53,413	60,369
	Other donations	1,600	-
	Total Unspecified donations	55,013	60,369
	Specified donations:		
	Subsidy Brigidine Sisters	18,720	18,720
	Christmas offering	2,170	3,697
	Holy places	192	628
	Easter offering	231	3,042
	Peter's pence	482	428
	Ministry vocations	427	338
	Pontifical Mission Society-mission Sunday	459	511
	Bishop's appeal	115	300
	Maori pastoral care	519	552
	Total Specified donations	23,315	28,216
	Total	78,328	88,585
Revenue Item		2017	2016
		\$	\$
Revenue from providing goods or services	Rental of flat	14,200	15,600
	Hire of the hall	7,560	7,540
	Parking	-	740
	Total	21,760	23,880
Revenue Item		2017	2016
		\$	\$
Interest, dividends and other investment revenue	Parish Fund Deposits	935	5,477
	Total	935	5,477
Revenue Item		2017	2016
		\$	\$
Other revenue	The Angelus newsletter sponsorships	-	2,820
	Adult education fees	-	1,195
	Sale of books, publications, etc.	1,536	1,212
	Claim from insurance	11,609	-
	Baptism	100	-
	Other revenue of music department	1,260	8,421
	Total	14,505	13,648

St Mary of the Angels Parish

Notes to the Financial Statements (continued)
For the year ended 31 March 2017

Note 2. Analysis of Expenses

Expense Item		2017	2016
		\$	\$
Employee related costs	Salaries, wages and stipend	87,122	86,234
	Total	87,122	86,234

Expense Item		2017	2017
		\$	\$
Cost related to providing goods or services	Support for the clergy	87,418	84,963
	Support for the ADW	35,514	34,516
	Insurance	38,606	35,896
	Rates	22,122	19,614
	Bread, wine, candles and other altar costs	7,258	4,205
	Vehicle running costs	4,537	5,612
	Stationery, printing and other office costs	11,037	8,613
	Light, heat and gas	4,404	4,535
	Telephone, internet and website	4,051	4,501
	Repairs and maintenance	15,162	32,126
	Music, pastoral and RCIA costs	4,695	13,449
	Write off of car	9,314	-
	Items for resale	915	784
	Total	245,033	248,814

Expense Item		2017	2016
Donations Paid Out	Society of Mary – Christmas offering	2,170	3,697
	Society of Mary – Easter offering	231	3,042
	ADW Bishops appeal	115	300
	ADW Holy places appeal	192	628
	ADW Maori pastoral care appeal	519	552
	ADW Ministry of vocations appeal	427	338
	ADW Peter's Pence appeal	482	428
	Pontifical Mission Society appeal	459	511
	Total	4,595	9,496

Expense Item		2017	2016
		\$	\$
Other Expenses	Audit fee	4,500	4,000
	Depreciation computer and office equipment	-	557
	Depreciation furniture and fittings	481	578
	Depreciation Motor Vehicles	5,467	5,200
	Total Other Expenses	10,448	10,335

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 presbytery and the seismic strengthening of the church. Total revenue this financial year is \$4,410,520 (2016: \$2,760,163).

Revenue Item		2017	2016
		\$	\$
Fees, subscriptions and other Revenue from members	Donations from parishioners	1,090,952	873,078
	Total	1,090,952	873,078

St Mary of the Angels Parish

Notes to the Financial Statements (continued) For the year ended 31 March 2017

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

Revenue Item		2017	2016
		\$	\$
Donations, fundraising and other similar revenue	Donations from the general public	1,613,015	480,706
	Lottery Grants Board	235,000	1,200,000
	Friends of SMOA Charitable Trust grant	25,000	155,788
	Society of Mary	1,000,000	-
	Wellington City Council	400,000	-
Total		3,273,015	1,836,494
Revenue Item		2017	2016
		\$	\$
Revenue from providing goods and services	Proceeds from sale of scrap copper	23,729	1,587
	Proceeds from sale of cookbook	7,956	-
	Total	31,685	1,587
Revenue Item		2017	2017
		\$	\$
Interest, dividends and other investment revenue	Interest on deposits	14,868	49,004
	Total	14,868	49,004
Expense Item		2017	2017
		\$	\$
Other expenses	Depreciation - Building	54,000	54,000
	Depreciation - Church organ	29,580	29,580
	Depreciation - Water cylinder	1,827	1,827
	Total	85,407	85,407

Note 4. Analysis of Assets and Liabilities

Asset Item		2017	2016
		\$	\$
Bank accounts and cash	Petty cash	100	100
	BNZ account - Parish	11,386	22,500
	BNZ account - Seismic strengthening	155,793	624,686
	Total	167,279	647,286
Asset Item		2017	2017
		\$	\$
Investments	Parish term deposits	9,375	9,019
	Seismic strengthening term deposits	-	1,500,000
	Presbytery redevelopment deposits	16,161	25,000
	Total term deposits	25,536	1,534,019

Deposits held with the Catholic Development Fund (a department of ADW) amount to \$25,536 (2016: \$134,019) and BNZ deposit term deposits amount to nil (2016: 1,400,000). The interest rates for Term Investments as at 31 March 2017 is 2.10% (2016: 2.60% to 3.50%).

Asset Item		2017	2016
		\$	\$
Other Current Assets	Accounts receivable	500,000	820
	Accrued interest receivable	42	13,997
	GST receivable	171,066	140,779
	Total	671,108	155,596

St Mary of the Angels Parish

Notes to the Financial Statements (continued) For the year ended 31 March 2017

Note 4. Analysis of Assets and Liabilities (continued)

Liability Item		2017	2016
		\$	\$
Creditors and accrued expenses	Parish creditors	18,269	19,381
	Seismic strengthening creditors	507,738	397,314
	Auditor's fee	4,000	4,000
	Total	530,007	420,695

Liability Item		2017	2017
		\$	\$
Other current liability	Rent received in advance	208	-
	Total	208	-

Liability Item		2017	2017
		\$	\$
Loans	ADW	500,000	500,000
	Total	500,000	500,000

SMOA has a zero interest bearing loan from ADW payable on 19 June 2018.

Note 5. Analysis of Property Plant and Equipment

The Church was closed for seismic strengthening in July 2013. The expected costs to strengthen the Church are \$9.35 million and the Church building has been impaired by that amount.

2017 Asset Class	Cost	Accumulated Depreciation and Impairment	Net Book Value	Depreciation
	\$	\$	\$	\$
Land	10,100,000	-	10,100,000	-
Building	14,750,000	9,643,375	5,106,625	54,000
Church seismic strengthening	9,502,854	-	9,502,854	-
Water cylinder	9,135	5,481	3,654	1,827
Church organ	1,479,000	147,900	1,331,100	29,580
Computer and office equipment	3,834	3,834	-	-
Furniture and fittings	5,765	3,655	2,110	481
Motor vehicles	48,688	19,551	29,137	5,467
Total for FY 2017	35,899,276	9,823,796	26,075,480	91,355

2016 Asset Class	Cost	Accumulated Depreciation and Impairment	Net Book Value	Depreciation
	\$	\$	\$	\$
Land	10,100,000	-	10,100,000	-
Building	14,750,000	9,589,375	5,160,625	54,000
Church seismic strengthening	3,529,773	-	3,529,773	-
Water cylinder	9,135	3,654	5,481	1,827
Church organ	1,479,000	118,320	1,360,680	29,580
Computer and office equipment	3,834	3,834	-	557
Furniture and fittings	5,765	3,174	2,591	578
Motor vehicles	49,397	29,468	19,929	5,200
Total for FY 2016	29,926,904	9,747,825	20,179,079	91,742

St Mary of the Angels Parish

Notes to the Financial Statements (continued) For the year ended 31 March 2017

Note 6. Reconciliation of Capital Expenditure Reserves

	Note	2017 \$	2016 \$
Total revenue for capital expenditure	3	4,410,520	2,760,163
Less Capital Expenditure:			
Church seismic strengthening		5,973,082	2,853,834
Presbytery upgrade		16,161	15,190
Total capital expenditure for the year		5,989,243	2,869,024
Net movement in capital expenditure reserve		(1,578,723)	(108,861)
Opening balance		1,442,469	1,551,330
Closing balance		(136,254)	1,442,469

Represented by:	Note	2017 \$	2016 \$
Seismic Strengthening of the Church			
BNZ cheque account	4	155,793	624,686
BNZ term deposits	4	-	1,500,000
Grant receivable		500,000	-
Outstanding creditors		(507,739)	(397,314)
Accrued interest		-	12,190
Loan payable to ADW		(500,000)	(500,000)
Monies in parish account/GST refund receivable		199,531	177,907
Total Seismic Strengthening of the Church		(152,415)	1,417,469
Seismic Strengthening of the Presbytery			
Presbytery redevelopment deposits with CDF	4	16,161	25,000
Total Capital Expenditure Reserve		(136,254)	1,442,469

Note 7. 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	2017	2016	2017	2016
		Value	Value	Amount Outstanding	Amount Outstanding
		\$	\$	\$	\$
ADW	Levies	35,514	34,516	9,892	10,596
ADW	Insurance premiums	38,606	35,896	3,308	3,070
ADW	Special collections remitted	1,735	2,246	5	245
CDF	Interest received on deposits	935	5,477	42	1,807
CDF	Cash and term deposit with CDF	25,536	134,019	25,536	134,019
	Total Transactions	102,326	212,154	38,783	149,737

The Friends of St Mary of the Angels Charitable Trust established for the benefit of religious, charitable and education purposes of the parish of SMOA has given grants to SMOA stated in Note 3.

St Mary of the Angels Parish

Notes to the Financial Statements (continued) For the year ended 31 March 2017

Note 8. Significant Grants and Donations with Conditions which have not been Recorded as a Liability

Description	Approved Amount	Yet to be Received	Nature of the Conditions
New Zealand Lottery Grants Board - Lottery Significant Projects Fund	\$1,000,000	\$500,000	The grant must be used for the seismic strengthening of the SMOA church. First payment of \$500,000 was received on 27 July 2015 and the balance of \$500,000 was received on 12 May 2017. A final report is due to the New Zealand Lottery Grants Board in July 2017.
Wellington City Council Built Heritage Fund	\$100,000	\$100,000	The grant was approved on 7 December 2016 and must be used to reinstate the cork floor and Maxwell Fernie organ in the SMOA church. The grant was received on 02 June 2017.

Note 9. Significant Grants and Donations Commitments as at end of year

	2017	2016
	\$	\$
Wellington City Council Built Heritage Fund	100,000	400,000
Others	-	1,600,000
Total Commitments	100,000	2,000,000

Note 10. Capital Commitments

SMOA signed a contract on 2 May 2016 with LT McGuinness Ltd for the seismic strengthening of SMOA Church for the first stage of the construction. A variation contract is then drawn on 03 February 2017 for the second stage of the project. Total capital commitments as at 31 March 2017 is \$736,239 (2016: 4,668,668).

	2017	2016
	\$	\$
Stage 1 contract price	3,324,299	3,324,299
Stage 2 contract price	3,369,699	3,369,699
Variations and price adjustment	2,244,673	-
Total contract price	8,938,671	6,693,998
Less value of work executed to date	8,202,432	2,025,330
Balance	736,239	4,668,668

Note 11. Subsequent Events

There have been no events since 31 March 2017 that require any adjustment to these financial statements (2016: Nil).

Note 12. 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 Presbytery. 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 2017, this amount was \$259,000 (2016: \$277,500).

INDEPENDENT AUDITOR'S REPORT

To the Parish Pastoral Council of St Mary of the Angels Parish

We have audited:

- the financial statements of St Mary of the Angels Parish (the entity) which comprise the Statement of Financial Position as at 31 March 2017 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 the entity that comprises the Statement of Service Performance, and which includes outcomes.

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 the entity 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 the entity complies with Tier 3 Not for Profit Financial Reporting in New Zealand; and fairly reflects the performance and outcomes for the year ended 31 March 2017.

Basis for Qualified Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity 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.

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.

Other than in our capacity as auditor we have no relationship with, or interests in, the Entity.

Responsibilities of Those Charged with Governance for the Financial Statements

Those charged with governance are responsible on behalf of the Entity for the preparation and fair presentation of the financial statements in accordance with Tier 3 Not for Profit Financial Reporting in New Zealand and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance 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 those charged with governance 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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) 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 these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Description_Auditors_responsibilities.aspx.



Kendons Chartered Accountants Limited

Pat Sheehan

Director

22 August 2017