

## **INDEX TO 2024 FINANCIAL REPORTS**

### ***Anglican Church in Aotearoa, New Zealand and Polynesia***

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- 2 - Audited Financial Statements for the year ended 31 December 2023
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## **THE REPORT OF THE TREASURER OF THE GENERAL SYNOD / TE HĪNOTA WHĀNUI 2024**

Title B, Canon I, Clause 5.5(h) requires the General Secretary / Treasurer to *“present to the General Synod / te Hīnota Whānui a statement of receipts and expenditure duly audited and a report thereon, and to provide printed copies of such statement and report for the use of the members of Synod.”*

The audited statements of receipts and payments for the 2022 and 2023 calendar years, respectively, are presented separately. These reports follow the Generally Accepted Accounting Practice in New Zealand (NZ GAAP) statutory format of Accounts for Financial Reporting purposes.

It is important to be aware that the two-year cycle budgeted by Synod Statute differs, by necessity of reporting, with the two years audited and presented to the Synod / te Hīnota.

The statements presented include the audited consolidated summary of income and expenditure for Parts A and B, and for those bodies whose budgets and finances are managed through the General Synod Office, together with the Statement of Financial Position of the General Synod / te Hīnota Whānui for 2022 and 2023.

If members have any specific questions about the accounts, it would be helpful to receive these before the Synod/ te Hīnota, so responses can be researched and prepared.

### **INCOME**

#### **Part A**

Part A funding comes primarily from Income derived from The General Church Trust Board. The income usage is prescribed by the General Church Trust Statute (1928) and by Title F, Canon V. The Reports of the General Church Trust Board are provided annually to the Standing Committee of the General Synod / te Hīnota Whānui. There is also income from the St Johns College Trust Board, which funds some educational elements of the budget. Income from interest on reserves and retained earnings makes up the balance of Part A. Part A funds the Archbishops, the meetings of General Synod / te Hīnota Whānui and Standing Committee, many of the Councils, Committees and Commissions of the Church, the Anglican Consultative Council Membership contribution and the General Synod Office. It also contributes to the funding of the Media Office, Anglican Taonga, and Archives provision in Part B.

The General Church Trust Board is required to balance careful and prudent Trusteeship with the need to enable the Church to fulfil its five-fold mission statement. It is fortunate that due to the careful stewardship exercised by the Trust Board, an increase in the level of distribution has been made on a regular basis. We are extremely grateful for the work that they do for this Church. In 2022 and the final of three years additional funding was made available to establish the Ministry Standards Office. Where these funds were not all expended, they have been reserved for MSC use in 2023 and onward.

## **Part B**

Part B represents the contributions from Tikanga and from Episcopal Units, some transfers from Part A where they fit the respective Trusts purposes, and some sundry income. Much of this funding is used to support our national and international ecumenical obligations such as the World Council of Churches, Christian Conference of Asia, Uniting Congregations, Tikanga and Polynesia Ecumenical Memberships and the Anglican Roman Catholic Dialogue. It also funds many of the Common Life activities of the Church such as the Media Office, Anglican Taonga, commitments to the Churches Education Commission, the InterChurch Bioethics Council, Inter-church Tertiary Chaplaincy Council, and the Anglican Legislative Unit.

Both the Standing Committee and the Distribution Advisory Committee would wish to acknowledge with gratitude the amounts contributed from the Episcopal Units and the regular remittance of funds, which is so important for cashflow purposes. Much of the work of the Church is heavily reliant on this funding and we are extremely grateful that several Units have been able to commit to a small increase in their contribution over the next two years. Other Units are encouraged to consider if any increase were possible. As previously noted, there will continue to be pressure on the cashflow in Part B and this may result in the need to make hard decisions about what areas of the Part B mission can be afforded in the future.

### **General Synod Office**

Part of the of the General Synod Office accounting is outsourced to Trust Management but the overall financial oversight and management for the following budgets, as well as Part A and Part B, remains with the General Secretary / Treasurer. These areas include:

- New Publications
- Lectionary
- Clerical Directory
- The Anglican Military Affairs Fund
- The Hooper Estate
- The Youth Putea
- Royal Commission Joint Legal Representation
- Safe Church Development

### **Other Bodies Managed through the General Synod Office**

These bodies, listed below, mostly source their income from the St Johns College Trust Board and primarily for educational purposes, and their accounts are managed through the General Synod Office.

- Te Kotahitanga and Executive Officer, Forum, and
- The Three Tikanga Social Justice Unit
- Disability Ministry Educators
- The Bishops Training Events
- The Centre for Anglican Women's Studies

- The Three Tikanga Youth Commission and Commissioner
- The Ministry Standards Commission and Registrar
- TUIA a daily prayer app

## **Expenditure**

The 'Statement of Financial Performance' for both Parts A and B and those SJCTB funded bodies above, provide a comparison between total budgeted and actual figures, for both receipts and expenditure, for the categories set by the 2022 Finance Statute.

Please note that the Statute authorises the Standing Committee to make adjustments during that time, as and when necessary and appropriate.

In Part A, the following significant differences are noted:

a. *Episcopal and Primateial*

Archbishops Tikanga grants mainly cover administrative support and contribute to the costs of staffing required to support each Archbishop in their role. There was only a partial grant made in 2022 to Tikanga Pasefika due to the vacancy following Archbishop Cama's death, while some of the shared workload was picked up by the other Archbishops acting as Bishop of Polynesia. It should be noted that the Category "Archbishop – Pākeha" was a higher grant than that of the other two Archbishops due to an agreement between the three that Archbishop Richardson's office be the hub for much of the Common Life Episcopal work that is generated. That changed in the second half of 2023 after Archbishop Richardson retired from office of Primate, and a realignment was agreed so that "Archbishop – Māori" was apportioned the greater percentage. Archbishops Expenses in 2022 included support for a one-off redress payment to a survivor of abuse, and some recovery income toward this was received in the 2023 accounts.

b. *Communications Grant, ACC and IAFN/IAWN Grants*

These grants were all to budget, noting some exchange rate fluctuations as they are paid in UK pounds. The 5,000 IAFN/IAWN grant was split equally between these two Networks.

c. *General Synod / te Hīnota Whānui and Standing Committee*

The two-year comparison reflects the two-yearly Synod / te Hīnota. The 2022 Synod / te Hīnota was held in Nelson and was run to budget. The Standing Committee operated well within its overall budgets for both years, as did the Other Groups, though costs of Standing Committee meetings were above those budgeted, offset by an underspend in other areas.

d. *General Synod Administration*

Administration spending was within overall budgets in 2022 and 2023.

e. *3 Tikanga Commissions*

Savings continue to be made where possible, and some provisions were not required in this period, as some bodies continued to meet partially by Zoom, and other bodies provided for were not called to meet in this period.

f. *Reserves*

Careful forward planning is being undertaken in the provision of these reserves for anticipated costs, and some of these reserves have been drawn on in this period, but the overall balances remain very healthy.

g. *Retained Earnings*

On behalf of the whole church DAC on Standing Committee's direction agreed to utilise some 2022 retained earnings to cover costs of a one-off redress payment to a survivor of abuse not otherwise provided for in this Church, and this was partially recovered from contributions the following year.

In Part B, the following significant differences are noted:

Despite the relatively fixed nature of contributions in Part B, acknowledging with thanks those Units who have made some increase in contribution, due to careful management of spending and deferred restructure in the Anglican Taonga, Media and Communications budgets across both years, a lower than budgeted call from the Legislative Unit, and generous donations in both years, it has meant that Part B reports a surplus rather than the deficit budgeted in both 2022 and 2023, when transfers from reserves are taken into account.

A small overspend in some budgets within Ecumenism is due to increased membership costs for WCC and CCA being coded here, for which we annually reserve and which were balanced from those reserves. The Assemblies of both these ecumenical bodies have been held in this period - WCC in 2022 and CCA in 2023 and drew on reserve provisions. The cost of the ARCCANZ dialogue has also increased beyond budget, due to changed membership, and was covered by underspend another ecumenical areas, so an increase is provided in the 2024 Finance Bill.

In both years the Military Affairs expenditures are covered by transfers from the respective reserve held for this purpose.

### **SJCTB Funded Bodies**

All the above noted bodies funded by SJCTB and managed through these accounts operated within their grants and budgets and where there was surplus this was returned in each year to the Trust Board.

### **Future Budget Predictions**

The revised budget for the year 2024 and budgets for 2025 to 2025, are the subject of the Finance Statute to be considered by this Synod / te Hīnota and are set in consultation with GCTB about available distributions.

**Audit**

BDO continues to provide an excellent service and has been the Auditors for these Accounts. The Audits for 2022 and 2023 were unqualified.

**Thanks**

Special thanks to the members of the Distribution Advisory Committee for their practical advice and assistance to me as General Secretary, and to the Standing Committee of the General Synod / te Hīnota Whānui. I particularly acknowledge the Chair of the DAC, Sir Herewini (Selwyn) Parata, for his careful advice and response to questions.

A handwritten signature in black ink, appearing to read 'Michael Hughes', written in a cursive style.

*Michael Hughes (Rev'd Canon)*  
General Secretary and Treasurer





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**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND  
POLYNESIA**

**General Purpose Financial Report**

**For the Year Ended 31 December 2023**

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**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND  
POLYNESIA**

**Contents of General Purpose Financial Report**

**For the Year Ended 31 December 2023**

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**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND  
POLYNESIA**

**Directory  
For the Year Ended 31 December 2023**

Committee Members	Michael Hughes (Secretary) Andrew Tamihere Andrew Burgess Etienne Wain Jenny Chalmers Wanjiru Muriuki Fe'iloakitau Tevi Selwyn Parata Michael Wallace Sione Ululakepa Amelia Narawa Clare Barrie Colleen Kaye Donald Tamihere John Whitehead Mere Wallace Ngira Simmonds Philip Richardson Steve Elers Vishika Gohil David Tapene Philippa Harrison Serena Williams
Registered Office	200 St Johns Rd Meadowbank Auckland
Charities Commission Registration number	CC26426
Independent Auditor	BDO Auckland 4 Graham Street Auckland
Accountants	Trust Investments Management Limited Level 4, 123 Carlton Gore Road Newmarket Auckland

## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Statement of Service Performance For the Year Ended 31 December 2023

#### Our Mission and Purpose

The Anglican Church in Aotearoa, New Zealand and Polynesia encompasses the area described by its title and is a charitable trust based in New Zealand with the charitable purposes;

- (i) To proclaim the good news of the Kingdom;
- (ii) To teach, baptise and nurture the new believers;
- (iii) To respond to human needs by loving service;
- (iv) To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation;
- (v) To strive to safeguard the integrity of creation and sustain and renew the life of the earth.

#### Our Structure

General Synod Te Hinota Whānui (GSTHW) meets every second year, with representatives of each of the 7 Dioceses in New Zealand, the 5 Amorangi in Aotearoa, and the Diocese of Polynesia. Between meetings the entity is represented by the General Synod Standing Committee (GSSC) made up of 21 members representing the three houses of Bishops/ Clergy/ Laity, and the three Tikanga of Maori/ Pakeha/ Polynesia.

There are three Archbishops, a General Secretary (Exec Officer), and various Commissions/ Councils/ Boards/ and Committees.

#### Outcomes

- the good news of the Kingdom is proclaimed;
- new believers are taught, baptised and nurtured;
- human needs are responded to by loving service;
- unjust structures of society are transformed, violence of every kind is challenged and peace and reconciliation is pursued;
- the integrity of creation is safeguarded, and the life of the earth is sustained and renewed.

#### Key Measurable Outputs

1 A biennial GSTHW is held and governance provided in between by Standing Committee. General Synod Te Hinota Whānui was last held in October 2022 in Nelson. In 2023 General Synod Standing Committee (GSSC) met in March, June and November (2022: General Synod Standing Committee met in March, July, and October).

2 Administrative and Support services provided to three-tikanga ministry (2022: 3). In addition to GSSC, support was delivered to 4 Commissions, 6 Councils or Committees and 7 Small Working Groups (2022: 4 Commissions, 6 Councils or Committees and 6 Small Working Groups).

3 Church leadership resourced and supported. The Primacy (shared by three Archbishops with one retired in June 2023) and the House of Bishops (15) were supported for their ongoing work and for 2 meetings/conferences (2022: in line with 2023).

4 International and ecumenical relationships maintained. Relationships, contributions and communications were maintained with World Council of Churches (WCC), Conference of Churches of Asia (CCA), Pacific Conference of Churches (PCC), Anglican Consultative Council (ACC), National Dialogue for Christian Unity (NDCU), and various international and national networks and ecumenical dialogues (2022: in line with 2023).

5 Communications provided to Church and Society. The Anglican Taonga regular news website, Taonga Online, is maintained (2022: in line with 2023).

#### Key Judgement

Management has made judgements in relation to which outcomes and outputs best reflect the achievement of the performance for the Trust's vision.

The performance measures are designed to inform:

- our commitment to support the implementation of General Synod objectives

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Comprehensive Revenue and Expenses  
For the Year Ended 31 December 2023**

	Notes	2023 \$	2022 \$
<b>Revenue</b>			
<u>Revenue from exchange transactions</u>			
Investment Income	2	206,453	82,484
Tikanga Contributions		312,040	309,799
Other income		9,100	23,498
<u>Revenue from non-exchange transactions</u>			
General Church Trust Board		1,200,000	1,422,000
St Johns College Trust Board		747,580	691,559
Other Grants and Donations		88,945	394,070
<b>Total Revenue</b>		<b>2,564,118</b>	<b>2,923,410</b>
<b>Expenses</b>			
Salaries & Wages and Other People related expenses		531,463	592,349
Operating Expenses		1,739,117	1,793,367
<b>Total Expenses</b>		<b>2,270,580</b>	<b>2,385,716</b>
<b>Total Operating Surplus for the Year</b>		<b>293,538</b>	<b>537,694</b>
<b>Non Distributable Income</b>			
Revaluation of investments at fair value through surplus or deficit	5	21,683	(43,817)
<b>Total Net Surplus for the Year</b>		<b>315,221</b>	<b>493,877</b>
<b>Other Comprehensive Revenue and Expenses</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expenses for the Year</b>		<b>315,221</b>	<b>493,877</b>

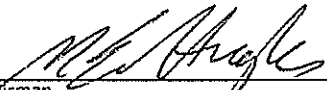
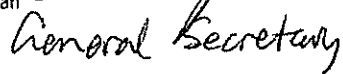
These financial statements should be read in conjunction with the notes to the financial statements.

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Financial Position  
As at 31 December 2023**

	Notes	2023 \$	2022 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	3	3,902,565	3,414,706
Trade and Other Receivables		57,884	66,285
<b>Total Current Assets</b>		<b>3,960,449</b>	<b>3,480,991</b>
<b>Non Current Assets</b>			
Investments	5	469,503	447,820
Property, Plant & Equipment	6	52,250	60,188
<b>Total Non Current Assets</b>		<b>521,753</b>	<b>508,008</b>
<b>Total Assets</b>		<b>4,482,202</b>	<b>3,988,999</b>
<b>Current Liabilities</b>			
Trade and Other Payables		883,685	709,439
Employee Entitlements		29,857	26,121
<b>Total Current Liabilities</b>		<b>913,542</b>	<b>735,560</b>
<b>Equity</b>			
Trust Capital		1,494,762	1,209,819
Reserves		2,073,898	2,043,620
<b>Total Equity</b>		<b>3,568,660</b>	<b>3,253,439</b>
<b>Total Funds Employed</b>		<b>4,482,202</b>	<b>3,988,999</b>

For and on behalf of the Board who authorised this general purpose financial report for issue on

  
 Chairman \_\_\_\_\_ Date 25/03/24  
  
 General Secretary

These financial statements should be read in conjunction with the notes to the financial statements.

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Changes in Net Assets  
For the Year Ended 31 December 2023**

	Trust Capital \$	Special Reserves \$	Total Equity \$
<b>Equity at 1 January 2022</b>	<b>1,041,012</b>	<b>1,718,550</b>	<b>2,759,562</b>
Net Surplus for the Year	493,877	-	493,877
Transfers between reserves	(325,070)	325,070	-
<b>Equity at 31 December 2022</b>	<b>1,209,819</b>	<b>2,043,620</b>	<b>3,253,439</b>
<b>Equity at 1 January 2023</b>	<b>1,209,819</b>	<b>2,043,620</b>	<b>3,253,439</b>
Net Surplus for the Year	315,221	-	315,221
Transfers between reserves	(30,278)	30,278	-
<b>Equity at 31 December 2023</b>	<b>1,494,762</b>	<b>2,073,898</b>	<b>3,568,660</b>

These financial statements should be read in conjunction with the notes to the financial statements.

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Cash Flow Statement  
For the Year Ended 31 December 2023**

	2023	2022
	\$	\$
<b>Cash Flows From Operating Activities:</b>		
<i>Cash was provided from:</i>		
Receipts from Donations and Grants	2,247,093	2,485,864
Receipts from Tikanga Contributions	312,040	309,799
Interest Received	205,318	81,174
Receipts from Other Income	9,100	23,498
Net GST Received	-	760
	<b>2,773,551</b>	<b>2,901,095</b>
<i>Cash was disbursed to:</i>		
Payments to Suppliers and Employees	(2,276,470)	(2,261,425)
Net GST Paid	(9,222)	-
<b>Net Cash Flows from Operating Activities</b>	<b>487,859</b>	<b>639,670</b>
<b>Cash Flows From Investing Activities:</b>		
<i>Cash was provided from:</i>		
Proceeds from sale of Property, Plant & Equipment	-	20,000
<i>Cash was applied to:</i>		
Purchase of Property, Plant & Equipment	-	(72,623)
<b>Net Cash used in Investing Activities</b>	<b>-</b>	<b>(52,623)</b>
Net Increase in Cash and Cash Equivalents	487,859	587,047
Add Cash and Cash Equivalents at the beginning of the financial year	3,414,706	2,827,659
<b>Cash and Cash Equivalents at the end of the financial year</b>	<b>3,902,565</b>	<b>3,414,706</b>
Represented by		
Cash at bank	3,902,565	3,414,706
	<b>3,902,565</b>	<b>3,414,706</b>

These financial statements should be read in conjunction with the notes to the financial statements.



## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Notes to the Financial Statements For the Year Ended 31 December 2023

#### 1 Statement of Accounting Policies

##### Reporting Entity

The financial statements are in respect of the Anglican Church in Aotearoa, New Zealand and Polynesia (the Entity).

This general purpose financial report has been approved and was authorised for issue on page 5

##### Statement of Compliance

These financial statements have been prepared in accordance with Generally Accepted Accounting Practices in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards for not-for-profit entities with reduced disclosure concessions (PBE Standards RDR), and other applicable reporting standards as appropriate that have been authorised for use by the External Reporting Board.

The Entity has elected to report in accordance with PBE Standards RDR on the basis that it does not have public accountability and it is not defined as large. The Entity has taken advantage of a number of applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

##### Functional and Presentational Currency

These financial statements are presented in New Zealand dollars (\$), which is the Entity's functional currency.

##### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Entity, with the exception that investments are stated at market value.

##### Goods and Services Tax

All items in the Statement of Financial Position are stated exclusive of GST, with the exception of trade receivables and trade payables, which include GST. All items in the Statement of Comprehensive Revenue and Expenses are stated exclusive of GST.

##### Income Taxation

The Anglican Church in Aotearoa, New Zealand and Polynesia is exempt from Income Tax. The Entity is registered with the Department of Internal Affairs (DIA) Charities (Registration Number CC26426).

##### Use of Estimates and Judgements

The preparation of the financial statements in conformity with PBE Standards RDR requires management to make a judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

The significant estimates and judgements made in applying accounting policies and that affect amounts recognised in the financial statements are the following:

- Valuation of investments - see note 5
- Key Measurable Outputs - see Statement of Service Performance

## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Notes to the Financial Statements For the Year Ended 31 December 2023

#### 2 Revenue

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

##### Non-Exchange Revenue

Non-exchange transactions are those where the Entity receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

Giving & Donations are classified as revenue from non-exchange transactions and are recognised as income when they are received unless there is an obligation to return the funds if conditions are not met. If there is such an obligation, the amounts are initially recorded as received in advance, and recognised as revenue when conditions are satisfied.

Grant revenue is classified as revenue from non-exchange transactions and includes grants given by charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled use or return condition is recognised as a liability and released to revenue as the conditions are fulfilled. If there are no conditions attached to the Grant, it is recognised when the money is received.

##### Revenue from exchange transactions

Investment Income

	2023 \$	2022 \$
Recognised in revenue		
<i>Distribution income on financial assets at fair value through surplus or deficit</i>		
Distribution income on managed funds	13,625	8,253
<i>Interest income from financial assets at amortised cost</i>		
Interest on term deposits and bank balance	192,828	74,231
	206,453	82,484

Investment income comprises interest income on financial assets at amortised cost and distribution income from financial assets at fair value. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Income from distributions is recognised when the Entity's right to receive payment is established, and the amount can be reliably measured.

Tikanga Contributions

Tikanga contributions are annual membership fees charged to certain Dioceses each year. They are charged annually and recognised in the year to which they relate.

#### 3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are classified as financial assets at amortised cost. They are initially recorded at fair value and subsequently recorded at amortised cost.

	2023 \$	2022 \$
Bank Deposits	629,565	614,706
Call Deposits	3,273,000	2,800,000
Cash and Cash Equivalents	3,902,565	3,414,706

<i>Per annual interest rate range</i>	2023	2022
Call Deposits	4.75%-5.5%	0.75%-4.25%

## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Notes to the Financial Statements For the Year Ended 31 December 2023

#### 4 Trade and Other Receivables

Trade and Other Receivables are stated at their estimated realisable value. They are classified as financial assets at amortised cost, and are initially recorded at fair value and subsequently recorded at amortised cost.

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). This allowance is calculated based on lifetime ECL.

Short-term receivables are written off when there is no reasonable expectation of recovery.

As at 31 December 2023 there were no impairment allowances (2022:nil)

#### 5 Investments

The Entity's investments are classified as financial assets at fair value through surplus or deficit because they do not meet the requirements to be classified as financial assets held at amortised cost or financial assets at fair value through other comprehensive revenue and expense. The transaction costs are recognised in surplus or deficit.

Fair value is determined based on the quoted prices of the underlying investments at balance date.

Changes in the fair value of investments are recognised in surplus or deficit.

	2023 \$	2022 \$
Managed Funds		
The total net gain on financial assets at fair value through surplus or deficit for the year is shown below:		
Distribution income (note 2)	13,625	8,253
Revaluation of investments at fair value through surplus or deficit	21,683	(43,817)
<b>Total net gain/(loss) on financial assets at fair value through surplus or deficit</b>	<b>35,308</b>	<b>(35,564)</b>
	2023 \$	2022 \$
<b>Investments in Managed Funds</b>	<b>469,503</b>	<b>447,820</b>

## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Notes to the Financial Statements For the Year Ended 31 December 2023

#### 6 Property, Plant and Equipment

All plant and equipment are initially recorded at cost and subsequently recorded at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Where an asset is acquired in a non-exchange transition for nil or nominal consideration the asset is initially measured at its fair value. Any gain or loss on disposal of an item of plant and equipment is recognised in the operating surplus or deficit for the year.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the entity. All other repairs and maintenance costs are expensed as incurred.

At each balance date the carrying amounts of plant and equipment are assessed to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount in surplus or deficit. The Entity has reviewed plant and equipment for impairment and found no case of any significant impairment of their value.

Depreciation is provided for in surplus or deficit on a straight line basis on plant and equipment. Depreciation rates allocate the assets' cost or valuation less estimated residual value, over its estimated useful life.

Major depreciation periods are:

Computers	3 years
Vehicles	7.4 years

2023	Computers	Vehicles	Work In Progress	Total
	\$	\$	\$	\$
<b>Cost</b>				
Opening 1/1/2023	26,126	58,803	8,000	92,929
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Closing 31/12/2023</b>	<b>26,126</b>	<b>58,803</b>	<b>8,000</b>	<b>92,929</b>
<b>Depreciation</b>				
Balance at 1/1/2023	26,126	6,615	-	32,741
Depreciation for the year	-	7,938	-	7,938
Disposals	-	-	-	-
<b>Closing 31/12/2023</b>	<b>26,126</b>	<b>14,553</b>	<b>-</b>	<b>40,679</b>
<b>Net Book Value</b>				
Closing 31/12/2023	-	44,250	8,000	52,250
Closing 31/12/2022	-	52,188	8,000	60,188

#### 7 Related Parties

Key Management Personnel comprise twenty-three Committee Members (2022: 25). Remuneration and benefits paid during the year amounted \$108,095 (2022: \$100,697).

There were no other material transactions involving related parties during the financial year (2022: nil).

#### 8 Contingent Liabilities

There were no contingent liabilities at 31 December 2023 (2022: NIL).

#### 9 Commitments

There were no capital commitments at 31 December 2023 (2022: NIL).

#### 10 Subsequent Events

There have been no material post balance sheet events which require disclosure or adjustment to these Financial Statements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE GENERAL SYNOD/TE HĪNOTA WHĀNUI OF THE ANGLICAN CHURCH IN AOTEAROA, NEW  
ZEALAND AND POLYNESIA**

## Opinion

We have audited the general purpose financial report of Anglican Church in Aotearoa, New Zealand, and Polynesia (the "entity"), which comprises the financial statements on pages 4 to 11, and the statement of service performance on page 3. The complete set of financial statements comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expenses, statement of changes in net assets, and cashflow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the entity as at 31 December 2023, and its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 31 December 2023, in accordance with the entity's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

## Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the statement of service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 *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 General Purpose Financial Report section of our report. We are independent of the entity 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, the entity.

## Responsibilities of the General Synod/te Hīnota Whānui for the General Purpose Financial Report

The General Synod/te Hīnota Whānui is responsible on behalf of the entity for:

- (a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report those charged with governance are responsible 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 General Purpose Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the statement of service performance 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) and NZ AS 1 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

This description forms part of our auditor's report.

#### **Who we Report to**

This report is made solely to the entity's General Synod/te Hīnota Whānui, as a body. Our audit work has been undertaken so that we might state those matters which 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 entity and the entity's General Synod/te Hīnota Whānui, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Auckland*

BDO Auckland  
Auckland  
New Zealand  
26 March 2024

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**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND  
POLYNESIA**

**General Purpose Financial Report**

**For the Year Ended 31 December 2022**

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**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND  
POLYNESIA**

**Contents of General Purpose Financial Report**

**For the Year Ended 31 December 2022**

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**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND  
POLYNESIA**

**Directory**

**For the Year Ended 31 December 2022**

Committee Members	Michael Hughes (Secretary) Andrew Tamihere Andrew Burgess Bolivia Smith Catherine McVey Ema Weepu Ellienne Wain Jenny Chalmers Wanjiru Muriuki Fe'iloakitau Tevi LeaTuao Tupai-Lavea Selwyn Parata Michael Wallace Sione Uluilakepa Isaac Beach Amelia Narawa Anne Candy Clare Barrie Colleen Kaye Donald Tamihere John Whitehead Mere Wallace Ngira Simmonds Sepiuta Hala'api'api Philip Richardson
Registered Office	200 St Johns Rd Meadowbank Auckland
Charities Commission Registration number	CC26426
Independent Auditor	BDO Auckland 4 Graham Street Auckland
Accountants	Trust Investments Management Limited Level 4, 123 Carlton Gore Road Newmarket Auckland

## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Statement of Service Performance For the Year Ended 31 December 2022

#### Our Mission and Purpose

The Anglican Church in Aotearoa, New Zealand and Polynesia encompasses the area described by its title and is a charitable trust based in New Zealand with the charitable purposes;

- (i) To proclaim the good news of the Kingdom;
- (ii) To teach, baptise and nurture the new believers;
- (iii) To respond to human needs by loving service;
- (iv) To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation;
- (v) To strive to safeguard the integrity of creation and sustain and renew the life of the earth.

#### Our Structure

General Synod Te Hinota Whānui (GSTHW) meets every second year, with representatives of each of the 7 Dioceses in New Zealand, the 5 Amorangi in Aotearoa, and the Diocese of Polynesia.

Between meetings the entity is represented by the General Synod Standing Committee (GSSC) made up of 21 members representing the three houses of Bishops/ Clergy/ Laity, and the three Tikanga of Maori/ Pakeha/ Polynesia.

There are three Archbishops, a General Secretary (Exec Officer), and various Commissions/ Councils/ Boards/ and Committees.

#### Outcomes

- the good news of the Kingdom is proclaimed;
- new believers are taught, baptised and nurtured;
- human needs are responded to by loving service;
- unjust structures of society are transformed, violence of every kind is challenged and peace and reconciliation is pursued;
- the integrity of creation is safeguarded, and the life of the earth is sustained and renewed.

#### Key Measurable Outputs

1 A biennial GSTHW is held and governance provided in between by Standing Committee.

General Synod Te Hinota Whānui was last held in October 2022 in Nelson. In 2022 General Synod Standing Committee (GSSC) met in March, July and October (2021: General Synod Standing Committee met in February, June, and October).

2 Administrative and Support services provided to three-tikanga ministry (2021: 3).

In addition to GSSC, support was delivered to 4 Commissions, 6 Councils or Committees and 6 Small Working Groups (2021: 4 Commissions, 6 Councils or Committees and 9 Small Working Groups).

3 Church leadership resourced and supported.

The Primacy (shared by three Archbishops) and the House of Bishops (15) were supported for their ongoing work and for 2 meetings/conferences (2021: in line with 2022).

4 International and ecumenical relationships maintained.

Relationships, contributions and communications were maintained with World Council of Churches (WCC), Conference of Churches of Asia (CCA), Pacific Conference of Churches (PCC), Anglican Consultative Council (ACC), National Dialogue for Christian Unity (NDCU), and various international and national networks and ecumenical dialogues (2021: in line with 2022).

5 Communications provided to Church and Society.

The Anglican Toanga regular news website, Taonga Online, is maintained (2021: in line with 2022).

#### Key Judgement

Management has made judgements in relation to which outcomes and outputs best reflect the achievement of the performance for the Trust's vision.

The performance measures are designed to inform:

- our commitment to support the implementation of General Synod objectives

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Comprehensive Revenue and Expenses  
For the Year Ended 31 December 2022**

	Notes	2022 \$	2021 \$
<b>Revenue</b>			
<u>Revenue from exchange transactions</u>			
Investment Income	3	82,484	21,008
Tikanga Contributions		309,799	304,829
Other income		23,498	73,673
<u>Revenue from non-exchange transactions</u>			
General Church Trust Board		1,422,000	1,250,000
St Johns College Trust Board		691,559	422,387
Other Grants and Donations		394,070	355,052
<b>Total Revenue</b>		<b>2,923,410</b>	<b>2,426,949</b>
<b>Expenses</b>			
Salaries & Wages and Other People related expenses		592,349	557,876
Operating Expenses		1,793,367	1,685,648
<b>Total Expenses</b>		<b>2,385,716</b>	<b>2,243,524</b>
<b>Total Operating Surplus for the Year</b>		<b>537,694</b>	<b>183,425</b>
<b>Non Distributable Income</b>			
Revaluation of investments at fair value through surplus or deficit	6	(43,817)	(37,912)
<b>Total Net Surplus for the Year</b>		<b>493,877</b>	<b>145,513</b>
<b>Other Comprehensive Revenue and Expenses</b>		-	-
<b>Total Comprehensive Revenue and Expenses for the Year</b>		<b>493,877</b>	<b>145,513</b>

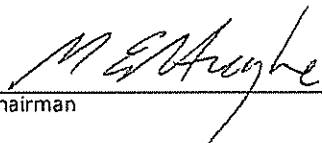
These financial statements should be read in conjunction with the notes to the financial statements.

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Financial Position  
As at 31 December 2022**

	Notes	2022 \$	2021 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	4	3,414,706	2,827,659
Trade and Other Receivables		66,285	149,498
<b>Total Current Assets</b>		<b>3,480,991</b>	<b>2,977,157</b>
<b>Non Current Assets</b>			
Investments	6	447,820	491,637
Property, Plant & Equipment	7	60,188	13,655
<b>Total Non Current Assets</b>		<b>508,008</b>	<b>505,292</b>
<b>Total Assets</b>		<b>3,988,999</b>	<b>3,482,449</b>
<b>Current Liabilities</b>			
Trade and Other Payables		709,439	485,994
Revenue Received in Advance		-	208,900
Employee Entitlements		26,121	27,993
<b>Total Current Liabilities</b>		<b>735,560</b>	<b>722,887</b>
<b>Equity</b>			
Trust Capital		1,209,819	1,041,012
Reserves		2,043,620	1,718,550
<b>Total Equity</b>		<b>3,253,439</b>	<b>2,759,562</b>
<b>Total Funds Employed</b>		<b>3,988,999</b>	<b>3,482,449</b>

For and on behalf of the Board who authorised this general purpose financial report for issue on


22/06/23  
 \_\_\_\_\_  
 Chairman Date

These financial statements should be read in conjunction with the notes to the financial statements.

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Changes in Net Assets  
For the Year Ended 31 December 2022**

	Trust Capital \$	Special Reserves \$	Total Equity \$
<b>Equity at 1 January 2021</b>	<b>1,011,405</b>	<b>1,602,644</b>	<b>2,614,049</b>
Net Surplus for the Year	145,513	-	145,513
Transfers between reserves	(115,906)	115,906	-
<b>Equity at 31 December 2021</b>	<b>1,041,012</b>	<b>1,718,550</b>	<b>2,759,562</b>
<b>Equity at 1 January 2022</b>	<b>1,041,012</b>	<b>1,718,550</b>	<b>2,759,562</b>
Net Surplus for the Year	493,877	-	493,877
Transfers between reserves	(325,070)	325,070	-
<b>Equity at 31 December 2022</b>	<b>1,209,819</b>	<b>2,043,620</b>	<b>3,253,439</b>

These financial statements should be read in conjunction with the notes to the financial statements.

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Cash Flow Statement**

For the Year Ended 31 December 2022

	2022	2021
	\$	\$
<b>Cash Flows From Operating Activities:</b>		
<i>Cash was provided from:</i>		
Receipts from Donations and Grants	2,485,864	2,210,275
Receipts from Tikanga Contributions	309,799	304,829
Interest Received	81,174	19,635
Receipts from Other Income	23,498	73,673
Net GST Received	760	21,356
	<b>2,901,095</b>	<b>2,629,768</b>
<i>Cash was disbursed to:</i>		
Payments to Suppliers and Employees	(2,261,425)	(2,260,642)
<b>Net Cash Flows from Operating Activities</b>	<b>639,670</b>	<b>369,126</b>
<b>Cash Flows From Investing Activities:</b>		
<i>Cash was provided from:</i>		
Proceeds from sale of Property, Plant & Equipment	20,000	-
<i>Cash was applied to:</i>		
Purchase of Property, Plant & Equipment	(72,623)	(3,000)
<b>Net Cash used in Investing Activities</b>	<b>(52,623)</b>	<b>(3,000)</b>
Net Increase in Cash and Cash Equivalents	587,047	366,126
Add Cash and Cash Equivalents at the beginning of the financial year	2,827,659	2,461,533
<b>Cash and Cash Equivalents at the end of the financial year</b>	<b>3,414,706</b>	<b>2,827,659</b>
Represented by		
Cash at bank	3,414,706	2,827,659
	3,414,706	2,827,659

These financial statements should be read in conjunction with the notes to the financial statements.

## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 1 Statement of Accounting Policies

##### Reporting Entity

The financial statements are in respect of the Anglican Church in Aotearoa, New Zealand and Polynesia (the Entity).

This general purpose financial report has been approved and was authorised for issue on the date on page 5.

##### Statement of Compliance

These financial statements have been prepared in accordance with Generally Accepted Accounting Practices in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards for not-for-profit entities with reduced disclosure concessions (PBE Standards RDR), and other applicable reporting standards as appropriate that have been authorised for use by the External Reporting Board.

The Entity has elected to report in accordance with PBE Standards RDR on the basis that it does not have public accountability and it is not defined as large. The Entity has taken advantage of a number of applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

This is the Entity's first set of financial statements presented in accordance with PBE Standards RDR. More information on the Entity's adoption of these standards is provided in Note 2.

##### Functional and Presentational Currency

These financial statements are presented in New Zealand dollars (\$), which is the Entity's functional currency.

##### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Entity, with the exception that investments are stated at market value.

##### Goods and Services Tax

All items in the Statement of Financial Position are stated exclusive of GST, with the exception of trade receivables and trade payables, which include GST. All items in the Statement of Comprehensive Revenue and Expenses are stated exclusive of GST.

##### Income Taxation

The Anglican Church in Aotearoa, New Zealand and Polynesia is exempt from Income Tax. The Entity is registered with the Department of Internal Affairs (DIA) Charities (Registration Number CC26426).

##### Use of Estimates and Judgements

The preparation of the financial statements in conformity with PBE Standards RDR requires management to make a judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

The significant estimates and judgements made in applying accounting policies and that affect amounts recognised in the financial statements are the following:

- Valuation of investments - see note 5
- Key Measurable Outputs - see Statement of Service Performance

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**2 Adoption of PBE Standards RDR**

The general purpose financial report has been prepared in accordance with PBE Standards RDR. This is the Entity's first general purpose financial report under PBE Standards RDR. The Entity has elected to present comparatives for the year ended 31 December 2021 in accordance with PBE Standards RDR.

The performance report of the Entity until 31 December 2021 had been prepared in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not for Profit) (PBE SFR-A (NFP)). PBE SFR-A (NFP) differs in certain respects from PBE Standards RDR.

The only impact of the adoption of PBE Standards RDR is changing the treatment of the Entity's investments from Cost to Revaluation Model. There were no other significant accounting policy changes from the previous performance report. The recognition and measurement of the remaining balances and transactions of the Entity are similar under both frameworks. There has been no other impact on the Entity's overall financial position or financial performance due to the adoption of PBE Standards RDR. The Entity is required to present revenue as either revenue from exchange transactions or revenue from non-exchange transactions. This additional classification requirement did not result in any measurement differences on transition.

Reconciliation of Total Net Assets/Equity at date of transition to PBE Standards RDR

	Trust Capital	Special Reserves	Total Equity
1 January 2021 (previous GAAP)	936,349	1,602,644	2,538,993
Revaluation of investments at fair value through surplus or deficit under PBE Standards RDR	75,056	-	75,056
1 January 2021 (PBE Standards RDR)	1,011,405	1,602,644	2,614,049

Reconciliation of Total Net Assets/Equity at date of most recent performance report in accordance with previous GAAP

	Trust Capital	Special Reserves	Total Equity
31 December 2021 (previous GAAP)	1,003,868	1,718,550	2,722,418
Revaluation of investments at fair value through surplus or deficit under PBE Standards RDR	37,144	-	37,144
31 December 2021 (PBE Standards RDR)	1,041,012	1,718,550	2,759,562



## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 3 Revenue

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

##### Non-Exchange Revenue

Non-exchange transactions are those where the Entity receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

Giving & Donations are classified as revenue from non-exchange transactions and are recognised as income when they are received unless there is an obligation to return the funds if conditions are not met. If there is such an obligation, the amounts are initially recorded as received in advance, and recognised as revenue when conditions are satisfied.

Grant revenue is classified as revenue from non-exchange transactions and includes grants given by charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled use or return condition is recognised as a liability and released to revenue as the conditions are fulfilled. If there are no conditions attached to the Grant, it is recognised when the money is received.

##### Revenue from exchange transactions

##### Investment Income

	2022 \$	2021 \$
<i>Recognised in revenue</i>		
<i>Distribution Income on financial assets at fair value through surplus or deficit</i>		
Distribution income on managed funds	8,253	8,534
<i>Interest income from financial assets at amortised cost</i>		
Interest on term deposits and bank balance	74,231	12,474
	82,484	21,008

Investment income comprises interest income on financial assets at amortised cost and distribution income from financial assets at fair value. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Income from distributions is recognised when the Entity's right to receive payment is established, and the amount can be reliably measured.

##### Tikanga Contributions

Tikanga contributions are annual membership fees charged to certain Dioceses each year. They are charged annually and recognised in the year to which they relate.

#### 4 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are classified as financial assets at amortised cost. They are initially recorded at fair value and subsequently recorded at amortised cost.

	2022 \$	2021 \$
Bank Deposits	614,706	427,659
Call Deposits	2,800,000	2,400,000
Cash and Cash Equivalents	3,414,706	2,827,659

<i>Per annual interest rate range</i>	2022	2021
Call Deposits	0.75%-4.25%	0.25%-0.75%

**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**5 Trade and Other Receivables**

Trade and Other Receivables are stated at their estimated realisable value. They are classified as financial assets at amortised cost, and are initially recorded at fair value and subsequently recorded at amortised cost.

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). This allowance is calculated based on lifetime ECL.

Short-term receivables are written off when there is no reasonable expectation of recovery.

As at 31 December 2022 and 2021 there were no impairment allowances.

**6 Investments**

The Entity's investments are classified as financial assets at fair value through surplus or deficit because they do not meet the requirements to be classified as financial assets held at amortised cost or financial assets at fair value through other comprehensive revenue and expense. The transaction costs are recognised in surplus or deficit.

Fair value is determined based on the quoted prices of the underlying investments at balance date.

Changes in the fair value of investments are recognised in surplus or deficit.

Managed Funds	2022 \$	2021 \$
The total net gain on financial assets at fair value through surplus or deficit for the year is shown below:		
Distribution income (note 3)	8,253	8,534
Revaluation of investments at fair value through surplus or deficit	(43,817)	(37,912)
<b>Total net (loss) on financial assets at fair value through surplus or deficit</b>	<b>(35,564)</b>	<b>(29,378)</b>
	2022 \$	2021 \$
<b>Investments In Managed Funds</b>	<b>447,820</b>	<b>491,637</b>

## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 7 Property, Plant and Equipment

All plant and equipment are initially recorded at cost and subsequently recorded at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Where an asset is acquired in a non-exchange transition for nil or nominal consideration the asset is initially measured at its fair value. Any gain or loss on disposal of an item of plant and equipment is recognised in the operating surplus or deficit for the year.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the entity. All other repairs and maintenance costs are expensed as incurred.

At each balance date the carrying amounts of plant and equipment are assessed to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount in surplus or deficit. The Entity has reviewed plant and equipment for impairment and found no case of any significant impairment of their value.

Depreciation is provided for in surplus or deficit on a straight line basis on plant and equipment. Depreciation rates allocate the assets' cost or valuation less estimated residual value, over its estimated useful life.

Major depreciation periods are:

Computers	3 years
Vehicles	7.4 years

2022	Computer	Vehicles	Work In Progress	Total
	\$	\$	\$	\$
<b>Cost</b>				
Opening 1/1/2022	26,126	42,014	-	68,140
Additions	-	58,803	8,000	66,803
Disposals	-	(42,014)	-	(42,014)
<b>Closing 31/12/2022</b>	<b>26,126</b>	<b>58,803</b>	<b>8,000</b>	<b>92,929</b>
<b>Depreciation</b>				
Balance at 1/1/2022	26,126	28,360	-	54,486
Depreciation for the year	-	2,878	-	2,878
Disposals	-	(24,623)	-	(24,623)
<b>Closing 31/12/2022</b>	<b>26,126</b>	<b>6,615</b>	<b>-</b>	<b>32,741</b>
<b>Net Book Value</b>				
Closing 31/12/2022	-	52,188	8,000	60,188
Closing 31/12/2021	-	13,654	-	13,654

#### 8 Related Parties

Key Management Personnel comprise twenty-five Committee Members (2021: 25). Remuneration and benefits paid during the year amounted \$100,697 (2021: \$101,881).

There were no other material transactions involving related parties during the financial year (2021: nil).

#### 9 Contingent Liabilities

There were no contingent liabilities at 31 December 2022 (2021: NIL).

#### 10 Commitments

There were no capital commitments at 31 December 2022 (2021: NIL).

#### 11 Subsequent Events

There have been no material post balance sheet events which require disclosure or adjustment to these Financial Statements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE GENERAL SYNOD/TE HĪNOTA WHĀNUI OF THE ANGLICAN CHURCH IN AOTEAROA, NEW  
ZEALAND AND POLYNESIA**

### Opinion

We have audited the general purpose financial report of Anglican Church in Aotearoa, New Zealand, and Polynesia (the “entity”), which comprises the financial statements on page 4 to 12, and the statement of service performance on page 3. The complete set of financial statements comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expenses, statement of changes in net assets, and cashflow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the entity as at 31 December 2022, and its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 31 December 2022, in accordance with the entity’s service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (“PBE Standards RDR”) issued by the New Zealand Accounting Standards Board.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the statement of service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 *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 General Purpose Financial Report section of our report. We are independent of the entity 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, the entity.

### Responsibilities of the General Synod/te Hīnota Whānui for the General Purpose Financial Report

The General Synod/te Hīnota Whānui is responsible on behalf of the entity for:

- (a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report those charged with governance are responsible 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 General Purpose Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the statement of service performance 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) and NZ AS 1 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

#### **Who we Report to**

This report is made solely to the entity's General Synod/te Hīnota Whānui, as a body. Our audit work has been undertaken so that we might state those matters which 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 entity and the entity's General Synod/te Hīnota Whānui, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Auckland*

BDO Auckland  
Auckland  
New Zealand  
26 June 2023



ST JOHN'S COLLEGE TRUST BOARD

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ANNUAL REPORT

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FOR THE YEAR ENDED  
31 DECEMBER 2023

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It should be noted that this report, and the included financial analysis, has been prepared on the basis of the Trust's draft financial statements for the year ended 31 December 2023. These financial statements remain subject to audit



## 1.0 INTRODUCTION

1.1 On behalf of Trustees, it is a pleasure to present the Annual Report of the St John's College Trust Board in its 165<sup>th</sup> year.

## 2.0 STRATEGIC CONSIDERATIONS

2.1 A major focus of Trustees during 2023 has been the review of the Trust's strategy, especially in light of the Te Pae Tawhiti reports commenting on the current 'health' of the Church's educational outcomes and analysis of the differential positions each Tikanga find themselves in, 32 years since Te Pouhere.

2.2 Given the findings of Te Pae Tawhiti, the Trust is of the view that the Church and Trust's approach to funding methodologies and distributions needs to change.

2.3 While additional wānanga are required, the key tenets of the Trust's draft strategy are:

- The Trust undertakes an examination of its investment portfolio and investment strategy with a view to freeing capital to enable significant missional investment.
- That this examination should include a review of the significant residential estate of St John's College with a view to redevelopment and intensification as a means of increasing potential income streams.
- That to address the historic inequity in funding of Tikanga Māori and Tikanga Pasifika, funding methodologies will be amended to introduce processes to assess the alternative forms of income, wealth and capacity/resources of each funding recipient.
- That to assist with the capacity of the Trust and Te Kotahitanga to focus on development of an educational strategy for the Church, the administrative burden of managing scholarship, Common Life and Diocese and Hui Amorangi funding requests should be lightened through the provision of bulk funding for a period of say three years.
- That focus be placed on the investment into the development of a diverse network of theological education providers to support the diverse education needs of the Province and wider Anglican Communion.

2.4 The Trust looks forward to discussing the implementation of this strategy with the Church and the Trust's beneficiaries.

### 3.0 DISTRIBUTIONS

- 3.1 It would be fair to say the 2022 – 2023 period has been tumultuous. Following on from the ‘Covid years’ the Trust responded to two natural disasters providing emergency funding to support the continuation of education initiatives.
- 3.2 The first of these was the Hunga Tonga–Hunga Ha’apai volcanic eruption in early 2022 and then Cyclone Gabrielle in early 2023.
- 3.3 In both cases the Trust was pleased to be able to partner with entities ‘on the ground’ in a high-trust manner, allowing the swift distribution of funding to where it was needed, avoiding lengthy and cumbersome funding processes but with appropriate accountability processes in place.
- 3.4 The impact of Cyclone Gabrielle on Hukarere Girls’ College became a particular focus of the Trust, the kura and wharenoho in Eskdale being destroyed, while by the Grace of God all souls were evacuated safely.
- 3.5 In the coming months the Trust utilised funding (received from the negotiated settlement referred to in section 7.0) to purchase a motel at 2 Arataki Road, Havelock North to allow the wharenoho to reopen.



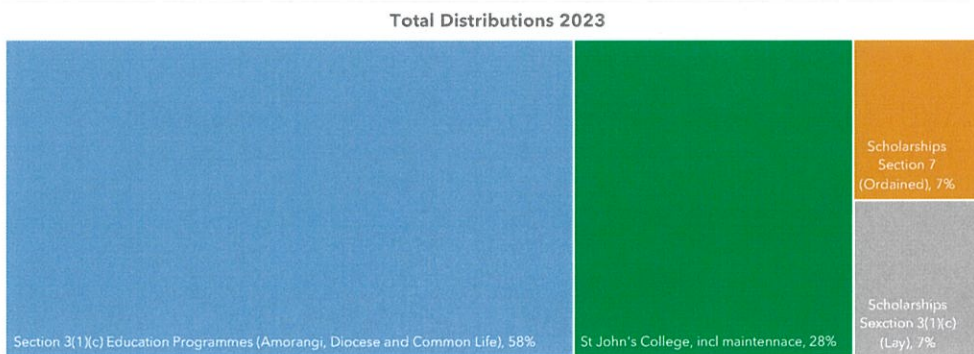
- 3.6 The Trust has also acquired a commercial building in the centre of Havelock North that will open as the kura in 2024.



- 3.7 These assets will be held by the Trust as 'Mission Aligned Investments' until such time as the Te Aute Trust Board is able to re-establish Hukarere on a new permanent site.
- 3.8 Trustees were pleased to be able to respond to these crisis's and see the education initiatives of the Church be re-established in quick time.
- 3.9 At the same time the Trust continued to receive, review and fund annual distributions in its close working relationship with Te Kotahitanga.
- 3.10 An analysis of the funding approved for distribution in 2023 is as follows:

	Section	2023
Amorangi, Diocese and Common Life Education Programmes	3(1)(c)	\$11,719,900
Scholarships (Ordained)	7(2)	\$1,420,500
Scholarships (Lay)	3(1)(c)	\$1,390,600
St John's College (including maintenance and capex)	3(1)(a)+(b)	\$5,786,200
<b>TOTAL</b>		<b>\$20,317,200</b>

- 3.11 This analysis can also be represented, to show the relative weighting of distributions to each purpose supported by the Trust, as follows:



- 3.12 Total distributions for 2023 were \$23,796,000 (2022: \$20,843,000) including distributions for New Initiatives and Covid funding, approved in prior years and with many of these projects now coming to fruition.

#### 4.0 INVESTMENT PERFORMANCE

4.1 The 2022 - 2023 financial period saw the high returns earned by the Trust evaporate as investment markets were adversely impacted by the actions of Central Banks to curb high inflation in the post Covid era.

4.2 The Trust's investments generated a loss of 8.3% in the 2022 year, rebounding to a gain of 3.8% in 2023, as equity and bond markets recovered in the last quarter of 2023.

4.3 However, despite this negative performance, the Trust's strategy to protect its income level continued to be successful with the portfolio continuing to produce strong income returns of 3.9% in 2022 and 4.0% in 2023. This allowed the Trust to maintain and in fact increase the level of the annual distribution to cover the impact of inflation.

4.4 The Trust's investment portfolio at 31 December 2023 and its performance can be summarised as follows:

	\$'000	1 year Return	3 year return	5 year return	10 year return
NZ Bonds	26,378	8.4%	-1.4%	1.3%	3.3%
International Bonds	22,503	6.1%	-2.7%	0.7%	2.9%
Australasian Equities	36,544	5.9%	-2.5%	8.5%	11.4%
International Equities	106,650	22.2%	10.0%	13.3%	10.7%
Private Equity	26,184	4.5%	17.3%	11.1%	-
Commercial Property	276,000	-3.2%	2.3%	8.2%	10.9%
<b>TOTAL</b>	<b>494,259</b>	<b>3.8%</b>	<b>3.8%</b>	<b>8.5%</b>	<b>10.1%</b>

4.5 The long term performance of the Trust is best represented in the graphs in the Appendix B of this report.

## 5.0 MISSION ALIGNED INVESTMENTS

5.1 In addition to its investment portfolio, the Trust has the following Mission Aligned Investments, the outputs of which align to the education purposes of the Trust:

	\$'000
St John's College	40,317 <sup>1</sup>
Hukarere Girls' College	21,860
<b>TOTAL</b>	<b>62,177</b>

5.2 St John's College, by its nature will not be realised and as such is recorded at a historical valuation. However, as it is intended the properties held for Hukarere Girls' College will be realised at the point that the Te Aute Trust Board is able to re-establish the Hukarere kura and wharenoho on permanent site. These properties are recorded at their current market value.

## 6.0 ESG AND IMPACT INVESTMENTS

6.1 The Trust continues to manage the Trust's investment portfolio under an Environmental, Social and Governance ("ESG") framework ensuring investment funds and directly held investments have appropriate ESG measures.

6.2 In this regard, as part of its strategic considerations, the Trust hopes to continue to investigate the expansion of its Mission Aligned Investments to ensure the Church and Tikanga have the infrastructure required to fulfil their education objectives.

## 7.0 FINANCIAL PERFORMANCE

7.1 The 2022 and 2023 years saw a reversal in terms of the capital gains earned by the Trust (refer Appendix A), with investment valuations dropping \$45 million over this two year period.

7.2 However, despite this performance the Trust's income remained stable with the Trust generating an operating surplus of \$17.6 million the 2023 financial year (2022: \$19.4 million).

7.3 Despite the quantum of the devaluation of the Trust's investments in 2022, this loss was partially offset by the value of a settlement negotiated by the Trust with Crown agencies, following the discovery that whenua taken under the Public Works Act in 1968 had been transferred to a third party without first being offered back to the Trust.

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<sup>1</sup> Based on historical valuation, not current value.

7.4 Importantly with the maintenance of its income levels, the Trust was able to continue to meet ongoing distribution commitments as well as increasing annual distributions to meet inflation of 7.2% in 2023 and an additional 4.6% in 2024 (see Appendix B).

7.5 The financial performance of the Trust can be summarised as follows:

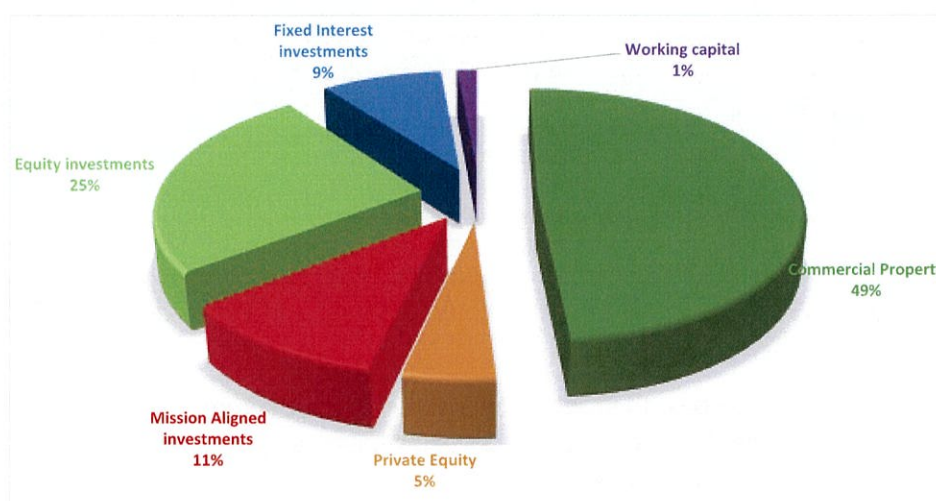
	2023 \$'million	2022 \$'million
Operating revenue	21.8	23.0
Operating expenditure	4.2	3.6
<b>Operating surplus</b>	<b>17.6</b>	<b>19.4</b>
Capital gains	(1.0)	(44.0)
<b>Total surplus/(deficit)</b>	<b>16.6</b>	<b>(24.6)</b>

## 8.0 FINANCIAL POSITION

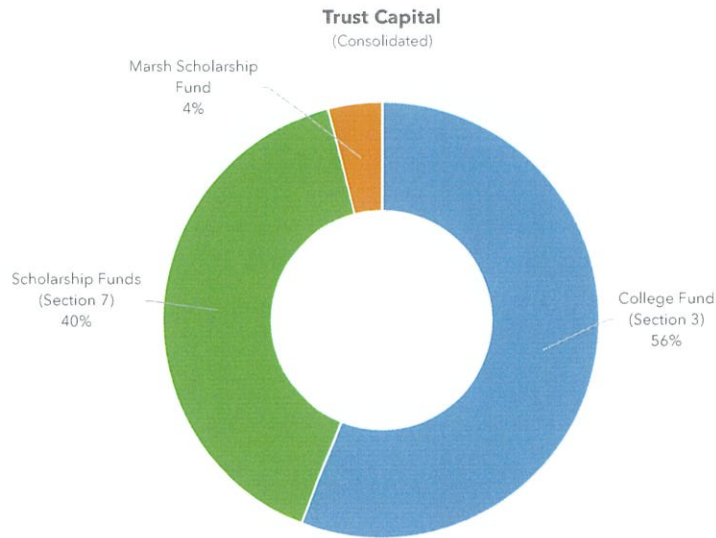
8.1 The capital losses recorded over the past two years has seen the investment capital of the Trust reduce to \$505 million (2021: \$589 million).

8.2 At the same time, the value of capital the Trust holds in Mission Aligned Investments, including St John’s College in Meadowbank and Hukarere Girls’ College has increased to \$62.2 million.

8.3 Therefore, the total recorded capital of the consolidated Trust is \$567 million, a 10% reduction on the value recorded in 2021 of \$632 million.



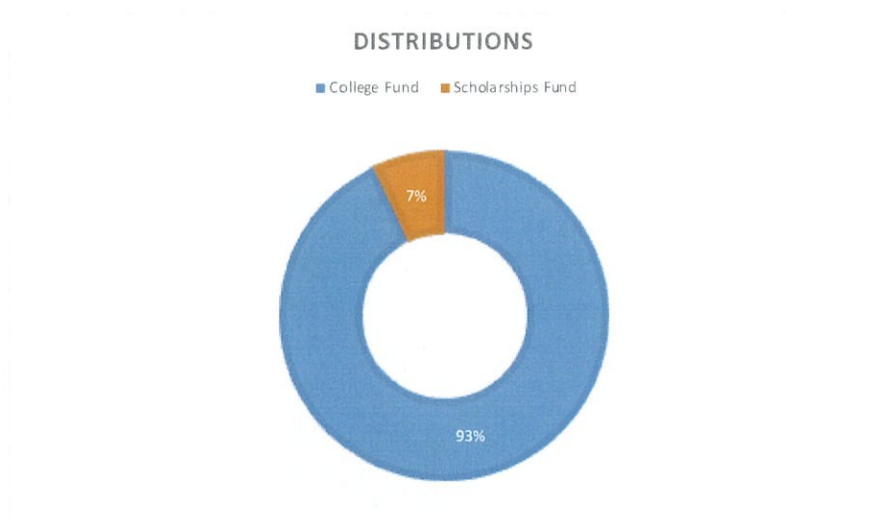
8.4 The Trust’s capital is in turn represented by the capital of the three individual trusts for which the St John’s College Trust is responsible, as follows:



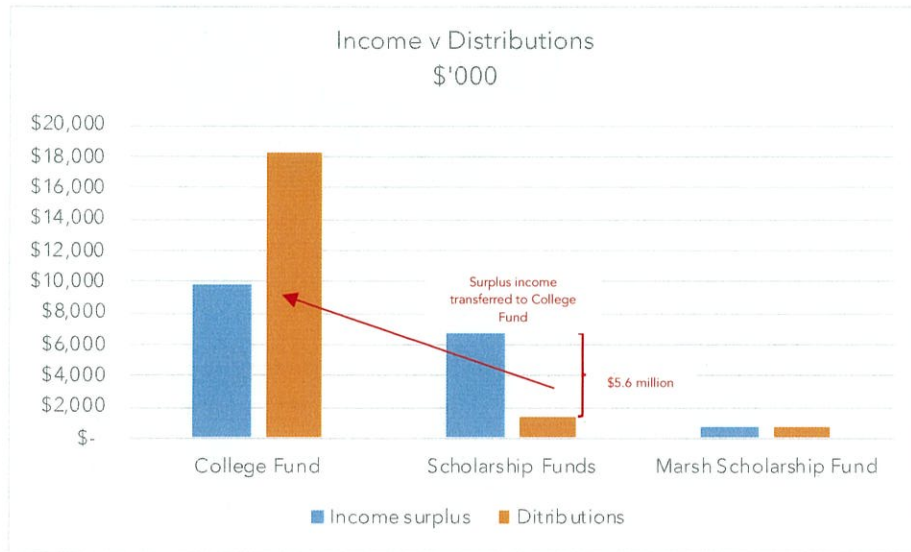
8.5 As detailed in the Appendix A of this report”

- the Scholarships Fund (Section 7) is held for the purpose of funding scholarships of those in ordained ministry, or seeking ordination,
- the College Fund (Section 3) has the purpose of funding St John’s College and all other Amorangi, Diocese and Common Life education programmes, and
- the income earned from the Marsh Scholarship Fund is distributed to fund the operations of St John’s College.

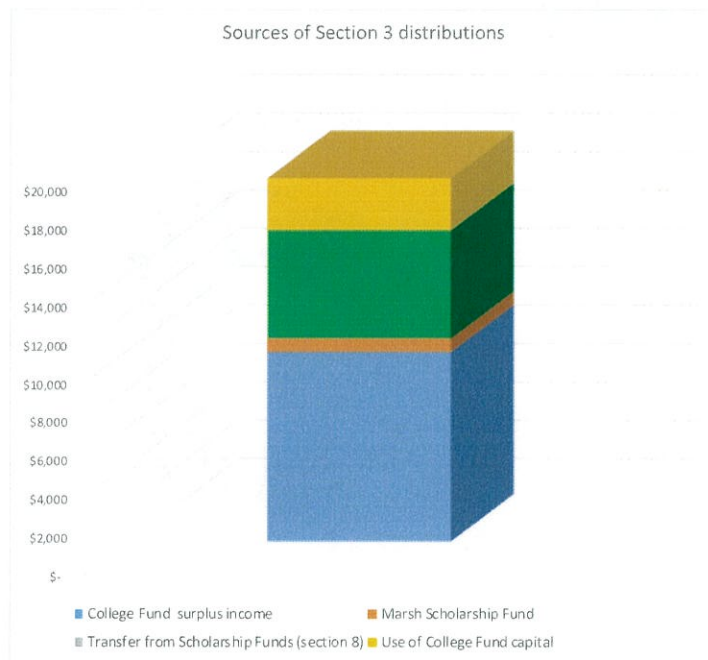
8.6 Despite the above weighting between each trust, the vast majority (93% in 2023) of distributions relate to Section 3 funding applications (St John’s College and Amorangi, Diocese and Common Life education programmes and Lay Scholarships).



- 8.7 Put another way, the Scholarships Fund represents approximately 40% of the investment capital of the Trust, circa \$200 million, and produces annual distributable earnings of around \$8 million but distributes only a fraction of this income in the form of scholarships for ordained persons and candidates for ordination (2023: \$1,421,000 and 2022: \$994,000).
- 8.8 Therefore, as permitted under Section 8 of the Act, most of the income generated from the Scholarships Fund is transferred to fund Section 3 applications, with the agreement of General Synod Standing Committee.



- 8.9 In the 2023 financial year, to fund the \$20.3 million of distributions, surplus income of \$5.6 million was transferred from the Scholarships Fund to the Common Fund.
- 8.10 In addition, Trustees utilised \$2.7 million of the accumulated gains of the College Fund for the purposes of maintaining distributions.





## 9.0 LOOKING FORWARD

- 9.1 Aligned with the Trust's strategy, in the coming years focus will be placed on ensuring the Trust's investments are aligned to meeting the needs of the Church along with a greater focus on the equity of distributions and the development of a diverse network of theological education providers meeting the Province's education needs.
- 9.2 To this end a major project has been initiated to consider the unique education needs of the Diocese of Polynesia, while work is continuing to ensure the sustainability of Bishopdale Theological College.
- 9.3 The Trust considers that over the next 12 – 36 months similar projects and Mission Aligned Investment opportunities are likely to be investigated and initiated.
- 9.4 Such projects are likely to be similar to the Trust's investment commitment in Te Manu Hononga and the likes of Waiata Tira<sup>2</sup> which have and are delivering outstanding education and discipleship outcomes for Te Hāhi.
- 9.5 While the growth in the Trust's capital value over time is well understood, following the example of other Trust's in the Anglican Communion, the Trust plans to undertake research into the original source of its wealth to determine if issues of equity need addressing.
- 9.6 The Trust also remains mindful of the unpredictability of global events, such as the impact of the Russian invasion of Ukraine, the escalating crisis in the Middle East and as more than 40% of the world's population head to the polls in elections in 2024. At the same time the planet continues to bear the consequences of climate change.
- 9.7 Given the impact these events can have on the volatility of investment returns, as witnessed over the last two years, Trustees will remain focussed on the Trust's investment strategy and reserving policies, to minimise the impacts of any adverse returns in the short to medium term on its ability to fund distributions and invest in the Church's education initiatives.
- 9.8 Trustees remain focussed on the sustainability of distribution levels while focussing on developing new investment and funding methodologies to ensure the equitable needs of the Church are met. The Trust encourages the Church to also consider these aspirations.

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<sup>2</sup> Trustees noted that the winner of the 2022 Silver Scroll Award, for the song '35', included the group Waiata Tira which had been established with funding from the Trust as new initiative.

## 10.0 GOVERNANCE

10.1 The persons appointed by the General Synod Standing Committee to hold office as trustee of the St John's College Trust Board during the 2022 - 2023 period were as follows:

The Ven. Maui Tangohau, Chair  
The Ven. Sue Fordyce, Deputy Chair  
Mr Joseph Halapua  
The Ven. Don Rangi  
The Most Rev. Philip Richardson  
Ms Moka Ritchie (retired 2022)  
The Most Rev. Don Tamihere  
Ms Mele Tu'ilotolava  
Mr Kevin Wearne (retired 2023)  
Rev. Dr. Carolyn Robertson (appointed June 2023)  
Mr Fe'iloakitau Tevi (appointed June 2023)

10.2 During 2022 and 2023 the Trust bid farewell to Moka Ritchie and Kevin Wearne, the commitment and impact of both members of the Board being acknowledged, especially through Kevin's fifteen-year tenure.

10.3 In June of 2023 the Trust welcomed the appointment of Rev. Carolyn Robertson and Mr Fe'iloakitau Tevi to the Board.

10.4 In accordance with the provisions of Canon II, Title E, the Ven. Maui Tangohau was reappointed Chair for the 2022, 2023 and 2024 years by Trustees, while Ven. Sue Fordyce has continued to serve the Trust as Deputy Chair.

Maui Tangohau  
Chair  
St John's College Trust Board

Sue Fordyce  
Deputy Chair  
St John's College Trust Board

Grant Hope  
Secretary  
St John's College Trust Board

March 2024

## APPENDIX A     STRUCTURE OF THE TRUST

- 1.1     The St John’s College Trust Board (“SJCTB” or “Trust”) is represented by two principal trusts,
  1.     the College Fund, and
  2.     the Scholarship Funds.
- 1.2     The purposes of these trusts are defined in the St John’s College Trusts Act 1972 (“Act”).
- 1.3     Section 3(1) of the Act details the purpose of the College Funds as:
  - (a)    For or towards the maintenance and support of the College:
  - (b)    For the education in the College of candidates for ordination:
  - (c)    For the costs of the education of students of all races in such manner and in such places as the General Synod shall from time to time direct so long as such education includes instruction in the principles of the Christian faith.
- 1.4     The purposes of the Scholarship Funds are defined in section 7(1) and (2) of the St John’s College Trusts Act 1972 (“Act”) as follows:
- 1.5     ... towards the maintenance and support of candidates for ordination or persons who have been ordained (and their dependents respectively) while taking a course of study for a degree or diploma at any University or University College or any other course of study within New Zealand or elsewhere.
- 1.6     In addition, a third smaller trust not covered by the Act, the Marsh Scholarship Fund, has purposes related to the funding of St John’s College.
- 1.7     Trustees are bound by the requirements of the Trusts Act 2019 and common law principles, to adhere to the purposes of these trusts.

# APPENDIX B FINANCIAL PERFORMANCE

