
GENERAL CHURCH TRUST

Financial Statements

For the Year Ended 31 December 2017

GENERAL CHURCH TRUST
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For the Year Ended 31 December 2017

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GENERAL CHURCH TRUST

Directory

For the year ended 31 December 2017

Board of Trustees	Graham Miller (Chairman) Grant Rae Kevin Warrick Wearne Kitohi Pikaahu Selwyn Parata Victoria Mann
Registered Office	Level 4 123 Carlton Gore Road Newmarket Auckland
Charities Commission Registration number	CC21716
Independent Auditor	KPMG 18 Viaduct Harbour Avenue Auckland

GENERAL CHURCH TRUST

**Statement of Comprehensive Revenue and Expenses
For the year ended 31 December 2017**

	Notes	2017 \$	2016 \$
Revenue			
Rental Income		48,932	50,139
Investment Income		1,371,741	1,230,871
Total Operating Revenue		1,420,673	1,281,010
Expenses			
Property Expenses		28,767	28,393
Administration Expenses		50,117	45,914
Total Expenses		(78,884)	(74,307)
Total Operating Surplus for the Year		1,341,789	1,206,703
Non Distributable Income			
Realised Gain on Sale of Investments	2	-	473,357
Unrealised Gain on Revaluation of Investment Property		370,000	150,000
Total Net Surplus for the Year		1,711,789	1,830,060
Net Changes in Fair Value of Investments	2	2,743,644	787,991
Other Comprehensive Revenue and Expenses For the Year		2,743,644	787,991
Total Comprehensive Revenue and Expenses for the Year		4,455,433	2,618,051

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

GENERAL CHURCH TRUST

**Statement of Financial Position
As at 31 December 2017**

	Notes	2017 \$	2016 \$
Current Assets			
Bank		279,876	264,324
Short Term Deposits		-	350,000
Trade and Other Receivables		223,168	202,987
Total Current Assets		503,044	817,311
Non Current Assets			
Investments	2	37,135,206	34,186,774
Investment Property	3	2,260,000	1,890,000
Total Non Current Assets		39,395,206	36,076,774
Total Assets		39,898,250	36,894,085
Current Liabilities			
Accounts Payable		15,124	17,141
Total Current Liabilities		15,124	17,141
Equity			
Trust Capital		26,777,335	26,777,335
Reserves		13,105,791	10,099,609
Total Equity		39,883,126	36,876,944
Total Funds Employed		39,898,250	36,894,085

For and on behalf of the Board who authorise these Financial Statements
for issue on

Chairman

Date

GENERAL CHURCH TRUST

Statement of Changes in Net Assets
For the year ended 31 December 2017

	Trust Capital \$	Investment Property Revaluation Reserve \$	Investment Revaluation Reserve \$	Income Equalisation Reserve \$	Special Reserves \$	Accumulated Income \$	Total Equity \$
Equity at 1 January 2016	26,243,642	1,321,438	5,749,615	1,309,000	28,935	915,263	35,567,893
Net Surplus for the Year	-	-	-	-	-	1,830,060	1,830,060
Other Comprehensive Income	-	-	787,991	-	-	-	787,991
Distributions to Beneficiaries	-	-	-	-	-	(1,309,000)	(1,309,000)
<i>Transfers:</i>							
Realised Investment Gains	473,358	-	-	-	-	(473,358)	-
Net Surplus for the Year	60,335	-	-	-	-	(60,335)	-
Property Revaluation	-	150,000	-	-	-	(150,000)	-
Equity at 31 December 2016	26,777,335	1,471,438	6,537,606	1,309,000	28,935	752,630	36,876,944
Net Surplus for the Year	-	-	-	-	-	1,711,789	1,711,789
Other Comprehensive Income	-	-	2,743,644	-	-	-	2,743,644
Distributions to Beneficiaries	-	-	-	-	-	(1,449,251)	(1,449,251)
<i>Transfers:</i>							
Property Revaluation	-	370,000	-	-	-	(370,000)	-
Release Special Reserve	-	-	-	-	(18,941)	18,941	-
Equity at 31 December 2017	26,777,335	1,841,438	9,281,250	1,309,000	9,994	664,109	39,883,126

GENERAL CHURCH TRUST

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 December 2017**

	2017	2016
	\$	\$
Cash Flows From Operating Activities:		
<i>Cash was provided from:</i>		
Receipts from Tenants	53,021	45,469
	53,021	45,469
<i>Cash was disbursed to:</i>		
Payments to Suppliers and Activities	(80,895)	(62,360)
Net Cash Flows from Operating Activities	(27,874)	(16,891)
Cash Flows From Investing Activities:		
<i>Cash was provided from:</i>		
Sale of Investments	-	4,609,707
Distributions Received	1,142,677	1,340,983
	1,142,677	5,950,690
<i>Cash was applied to:</i>		
Purchase of Investments	-	(4,664,855)
Net Cash used in Investing Activities	1,142,677	1,285,835
Cash Flows From Financing Activities:		
<i>Cash was applied to:</i>		
Distributions	(1,449,251)	(1,309,000)
Cash used in Financing Activities	(1,449,251)	(1,309,000)
Net Increase/(Decrease) in Cash Held	(334,448)	(40,057)
Add Cash at the beginning of the financial year	614,324	654,381
Cash at the end of the financial year	279,876	614,324
Represented by		
Cash	279,876	264,324
Short Term Deposits	-	350,000
	279,876	614,324

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

GENERAL CHURCH TRUST
Notes to the Financial Statements
For the year ended 31 December 2017

1 Statement of Accounting Policies

Reporting Entity

The financial statements are in respect of the General Church Trust (the Trust).

These financial statements have been approved and were authorised for issue by the Board of Trustees on XXXX.

Statement of Compliance

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

The Trust has elected to report in accordance with PBE Accounting Standards Not-For-Profit Tier 2 on the basis that it does not have public accountability and it is not defined as large. The Trust has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

Measurement Base

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

Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

Accounts Receivable

Accounts receivable are stated at their estimated realisable value.

Revenue

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

Rental income is recognised in the Statement of Comprehensive Revenue and Expenses on a straight line basis over the term of the lease.

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

Distribution income from investments is recognised when the Trust's right to receive payment has been established.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash in banks and investments in money market instruments. Bank overdrafts if any, are shown within current liabilities in the Statement of Financial Position. Short term deposits are for a period of between 90 days and 1 year.

GENERAL CHURCH TRUST
Notes to the Financial Statements
For the year ended 31 December 2017

1 Statement of Accounting Policies

Goods and Services Tax

All items in the Statement of Financial Position are stated exclusive of GST, with the exception of accounts receivable and accounts payable, which include GST. All items in the Statement of Comprehensive Revenue and Expenses are stated exclusive of GST.

Income Taxation

The Trust is exempt from Income Tax. General Church Trust is registered with the Department of Internal Affairs (DIA) Charities (Registration Number CC21716).

Changes in Accounting Policies

There have been no changes in accounting policies and all policies have been applied on a basis consistent with those used in prior years.

GENERAL CHURCH TRUST
Notes to the Financial Statements
For the year ended 31 December 2017

2 Investments

Investments are classified as available-for-sale financial assets. These assets are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, investments are measured at fair value.

Fair value is determined based on the quoted prices of the underlying investments at balance date. Changes in the fair value of investments, other than impairment losses, are recognised in other comprehensive revenue and expense for the year and accumulated in the investment revaluation reserve in equity.

When investments are derecognised on sale, the gain or loss accumulated in equity is reclassified to surplus or deficit. This is presented as a realised gain or loss on sale of investments. Transactions are based on trade date where purchase or sale of an investment is under contract.

	2017 \$	2016 \$
Investments in Managed Funds	37,135,206	34,186,774

3 Investment Property

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains and losses arising from changes in the fair values of investment properties are included in the surplus or deficit the year in which they arise.

To determine fair value, the Trust obtains an independent registered valuation every 12 months. The valuation is prepared in accordance with PBE IPSAS 16 Investment Property and the appropriate Property Institute of New Zealand Professional Practice Standards.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuation firm JLL completed the valuation and have appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The methods used in the valuation included discounted cash flow (DCF) analysis and a comparable market sale analysis. The assumptions used in the DCF model were based on the rental income from the property.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognition of an investment property are recognised in the surplus or deficit in the year of derecognition.

There were no additions or disposals during the year (2016: nil).

	2017 \$	2016 \$
Balance at 1 January	1,890,000	1,740,000
Change in fair value	370,000	150,000
Balance at 31 December	2,260,000	1,890,000

GENERAL CHURCH TRUST
Notes to the Financial Statements
For the year ended 31 December 2017

4 Related Parties

Key Management Personnel of 6 Trustees (2016: 6) did not receive any remuneration nor other benefits during the year (2016: NIL).

5 Contingent Liabilities

There were no contingent liabilities at 31 December 2017 (2016: NIL).

6 Commitments

There were no capital commitments at 31 December 2017 (2016: NIL).

7 Subsequent Events

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