



Presbyterian Church of Aotearoa New Zealand

Annual Report for the Year Ended 30 June 2017

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Council of Assembly

Mrs Jenny Flett (Convenor)
Rev Richard McLean (Deputy Convenor)
Rev Hamish Galloway
Mr Wayne Ogden
Rev Dr Jaco Reyneke
Rev Pauline Stewart
Rev Dr Tokerau Joseph
Mr Mahaki Albert
Mr Leilua Timaloa
Mrs Rhee Heesook Barry
Ms Anne Edgar
Dr Deborah Bower

Registered office

Level 1, Core Logic House
275 Cuba Street
Wellington 6141

Nature of business Making Jesus Christ Known in the Community

Charities Commission Registration number: CC33597

Consolidated statement of comprehensive revenue and expenses

Revenue	Note	Group June 2017 \$	Group June 2016 (Restated) * \$	Parent June 2017 \$	Parent June 2016 (Restated) * \$
Revenue from exchange transactions					
Administration Fees		373,295	421,376	11,315	16,089
Assembly Assessment excl Beneficiary Fund		1,926,606	1,855,120	1,926,606	1,855,120
Cooperating Parish Contributions		296,519	310,025	296,519	310,025
Intern Contribution Received		239,187	239,662	239,187	239,662
Investment Income		769,912	873,312	761,264	864,404
Mission Enterprise Fund		551,623	529,887	551,623	529,887
Property Income		116,000	116,000	116,000	116,000
Registrations		212,155	147,594	212,155	147,594
Sundry Income		215,503	50,562	152,370	50,562
Total Revenue from exchange transactions		4,700,800	4,543,538	4,267,039	4,129,343
Revenue from non-exchange transactions					
Beneficiary Fund Income		1,250,000	1,262,000	1,250,000	1,262,000
Donations Received	5.1	324,132	380,422	324,132	380,422
Grants Received	5.2,15	580,547	665,706	580,547	665,706
Total Revenue from non-exchange transactions		2,154,679	2,308,128	2,154,679	2,308,128
Total Revenue		6,855,479	6,851,666	6,421,718	6,437,471
Less Operating Expenses					
Administration		591,230	517,570	498,071	455,831
Depreciation		37,950	37,996	35,120	33,573
Donations Paid	6.2	175,093	116,704	175,093	116,704
Events		294,170	157,511	289,114	152,073
Grants Paid	6.1	633,960	881,597	633,960	881,597
Ministers Beneficiary Fund		1,250,001	1,262,000	1,250,001	1,262,000
Mission Enterprise Fund Expense		260,138	-	260,138	-
Mission Expenses		211,945	119,355	211,945	119,355
Property Costs		162,937	168,577	142,927	148,583
Publications		71,990	97,177	66,536	86,516
Salaries and Stipends		1,897,562	1,908,884	1,636,850	1,649,968
Staff Costs		391,131	439,414	390,282	438,007
Student Training		472,593	528,701	472,592	528,701
Travel and Accommodation		221,394	248,317	209,274	235,729
Total Operating Expenses		6,672,094	6,483,803	6,271,903	6,108,637
Operating Surplus for the Year		183,385	367,863	149,815	328,834
Revaluation of Investment Property	10	-	85,000	-	85,000
Net Surplus for the Year and Total Comprehensive Revenue and Expense		183,385	452,863	149,815	413,834

* Refer to Note 15 for explanation of prior period restatement

This statement should be read in conjunction with the Notes to the Financial Statements

Consolidated statement of changes in net assets/equity

June 2016	Note	Retained Earnings	General Funds	Capital Trusts	Total Equity
		\$	\$	\$	\$
Balance 1 July 2015		1,422,927	10,188,596	13,371,875	24,983,398
Prior Period Adjustment	15	(59,275)	-	-	(59,275)
Restated Balance 1 July 2015		1,363,652	10,188,596	13,371,875	24,924,123
Net Surplus for the Year		452,863	-	-	452,863
Funds Transferred		-	(293,877)	293,877	-
Balance 30 June 2016	8	1,816,515	9,894,719	13,665,752	25,376,986

June 2017		Retained Earnings	General Funds	Capital Trusts	Total Equity
		\$	\$	\$	\$
Balance 1 July 2016		1,816,515	9,894,719	13,665,752	25,376,986
Net Surplus for the Year		183,385	-	-	183,385
Funds Transferred		(277,913)	634,633	(356,720)	-
Balance 30 June 2017	8	1,721,987	10,529,352	13,309,032	25,560,371

Statement of changes in net assets/equity (parent)

June 2016	Note	Retained Earnings	General Funds	Capital Trusts	Total Equity
		\$	\$	\$	\$
Balance 1 July 2015		1,437,490	9,927,355	13,371,875	24,736,720
Prior Period Adjustment	15	(59,275)	-	-	(59,275)
Restated Balance 1 July 2015		1,378,215	9,927,355	13,371,875	24,677,445
Net Surplus for the Year		413,834	-	-	413,834
Funds Transferred		-	(293,877)	293,877	-
Balance 30 June 2016	8	1,792,049	9,633,478	13,665,752	25,091,279

June 2017		Retained Earnings	General Funds	Capital Trusts	Total Equity
		\$	\$	\$	\$
Balance 1 July 2016		1,792,049	9,633,478	13,665,752	25,091,279
Net Surplus for the Year		149,815	-	-	149,815
Funds Transferred		(234,270)	590,990	(356,720)	-
Balance 30 June 2017	8	1,707,594	10,224,468	13,309,032	25,241,094

This statement should be read in conjunction with the Notes to the Financial Statements

Consolidated statement of financial position

	Note	Group June 2017 \$	Group June 2016 \$	Parent June 2017 \$	Parent June 2016 \$
Current Assets					
Accounts Receivable from Exchange Transactions		92,801	110,082	67,496	83,912
Accrued Income & Prepayments		173,907	126,783	173,550	125,865
Cash and bank		113,508	212,963	107,644	208,270
Investments - Christian Savings	7	8,000,000	1,000,000	8,000,000	1,000,000
Investments - Presbyterian Investment Fund	7	2,529,353	8,894,720	2,224,469	8,633,478
Unsecured Advances		-	15,333	-	15,333
Total Current Assets		10,909,568	10,359,882	10,573,158	10,066,858
Non-Current Assets					
Investments Presbyterian Investment Fund	7	13,309,031	13,665,752	13,309,031	13,665,752
Investment Property	10	1,730,000	1,730,000	1,730,000	1,730,000
Office Furniture & Equipment		80,277	63,731	71,167	51,791
Unsecured Advances		107,779	107,779	107,779	107,779
Total Non-Current Assets		15,227,086	15,567,262	15,217,976	15,555,322
Total Assets		26,136,655	25,927,144	25,791,135	25,622,180
Liabilities					
Current Liabilities					
Accounts Payable		252,526	275,425	250,036	270,249
Accrued Expenses		252,940	274,732	229,188	260,652
Deferred Income		70,817	-	70,817	-
Total Current Liabilities		576,283	550,157	550,041	530,901
Net Assets		25,560,371	25,376,987	25,241,093	25,091,279
Equity					
Capital Trusts		13,309,032	13,665,752	13,309,031	13,665,752
General Funds		10,529,352	9,894,720	10,224,468	9,633,478
Retained Earnings		1,721,987	1,816,515	1,707,594	1,792,049
Total Equity	8	25,560,371	25,376,987	25,241,093	25,091,279

This statement should be read in conjunction with the Notes to the Financial Statements

Consolidated cash flow statement

	Group June 2017 \$	Group June 2016 \$	Parent June 2017 \$	Parent June 2016 \$
Cash Flows from Operating Activities				
Cash was provided from				
Receipts from Parishes	4,607,386	4,064,781	4,243,980	3,644,962
Interest Received	139,016	30,478	130,368	30,478
Property Income	116,000	116,000	116,000	116,000
Grants and Donations	904,679	1,480,519	904,679	1,480,519
Other income	427,658	198,156	364,525	198,156
	6,194,739	5,889,934	5,759,552	5,470,115
Cash was Disbursed for:				
Payments to Suppliers and Employees	(5,798,962)	(5,981,415)	(5,408,590)	(5,608,294)
Grants and Donations Paid	(809,052)	(998,300)	(809,052)	(998,300)
	(6,608,014)	(6,979,715)	(6,217,642)	(6,606,594)
Net Cash Outflow from Operations	(413,275)	(1,089,781)	(458,090)	(1,136,479)
Cash Flows from Investing Activities				
Cash was Provided from				
Net Investment Proceeds	352,984	1,097,034	396,627	1,158,031
Unsecured Advances Proceeds	15,333	32,000	15,333	32,000
	368,318	1,129,034	411,961	1,190,031
Cash was Applied to:				
Purchase of Fixed Assets	(54,497)	(8,964)	(54,496)	(8,960)
Cash Flows from Investing Activities	313,821	1,120,070	357,465	1,181,071
Increase / (Decrease in Bank)	(99,454)	30,289	(100,626)	44,592
Bank Balance 1 July	212,963	182,674	208,270	163,678
Cash and bank 30 June	113,509	212,963	107,644	208,270

Signed for and on behalf of the Council of Assembly who authorised the issue of these financial statements

Jenny Flett – Convenor

Richard McLean – Deputy Convenor

Date: -----

Date: -----

Notes to financial statements

1 Reporting entity

The reporting entity is the Presbyterian Church of Aotearoa New Zealand (the Church), consolidated with the operations of the Presbyterian Church Property Trustees (the Trustees). Reference to the “parent in this report means reference to the Church and reference to the “Group” means reference to the Church consolidated with the Trustees. As part of its powers the Church appoints Trustees who hold their property as Custodian on behalf of the individual member parishes, presbyteries and the church as a whole.

The group records the exercise of the power of the Assembly to raise money from, receive money on behalf of, or spend money on account of, the individual parishes that comprise the body of, The Presbyterian Church of Aotearoa New Zealand. Any residual assets or liabilities arising from the exercise of this power are included in the results of the reporting entity.

The Church is a beneficiary of Funds whose financial performance is reported separately by the Trustees to the General Assembly. The Funds are for commercial activities gifted to the Church for the purpose of providing financial and material assistance to the Church and its Ministers. Payments to the Church from these Funds are recognised as income as and when received. These commercial activities are not included in the Church accounts.

These Group financial statements and the accompanying notes summarise the financial results of activities carried out by the Group. The Group provides support for Presbyterian Churches and cooperating churches under Presbyterian oversight to enable the promotion and teachings of Jesus Christ in the New Zealand area. All entities within the Group are charitable organisations registered under the Charitable Trusts Act 1957 and the Charities Act 2005.

The Church is domiciled in New Zealand and is a charitable organisation registered under the Charities Act 2005.

These consolidated financial statements have been approved and were authorised for issue by the Council of Assembly.

2 Statement of compliance

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity Standards ("PBE Standards") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is eligible to apply PBE Standards Reduced Disclosure Regime on the basis that it does not have public accountability and it is not defined as large.

3 Summary of accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied.

3.1 Basis of measurement

These consolidated financial statements have been prepared on the basis of historical cost, as modified by the fair value measurement of non-derivative financial instruments and investment property, which are measured at fair value.

3.2 Functional and presentational currency

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

3.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Presbyterian Church of Aotearoa New Zealand and its controlled entities (the Group) as at 30 June 2017. PBE IPSAS 6 requires the consolidation of any entity that is controlled by the reporting entity, in terms of power and benefit.

The Church has the power to appoint Trustees, but affirms the Trustees independence in governance, management and influence over financial and operating policies of Church Property Trustees operations.

In preparing the consolidated financial statements, all inter entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and has a 30 June 2017 reporting date.

3.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group 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.

Revenue from non-exchange transactions

- **Donation revenue**

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific purposes or services or donations in-kind.

- **Grant revenue**

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised as revenue when it is receipted, unless there are conditions, including a return obligation, attached to the grant. If such conditions exist, then the grant amount is recognised initially as a deferred revenue liability, and revenue is recognised as the conditions are fulfilled.

- **Beneficiary Fund**

Income from parishes for church contributions to the Minister Beneficiary Fund is recognised as invoiced.

Revenue from exchange transactions

- **Receipts from parishes**

Receipts from parishes includes levies charged to Presbyterian parishes, receipts from cooperating churches and receipts from churches hosting ministry interns. Levies are charged and recognised evenly throughout the accounting period. Contributions from cooperating churches and church contributions to ministry interns are recognised as receipted.

- **Investment income**

Investment income relates to interest income and is recognised using the effective interest method and is accrued monthly. Interest is reinvested quarterly for funds held in the Presbyterian Investment Fund, and is receipted for investments held with Christian Savings.

Income on investments held in the Mission Enterprise Fund is recognised as per the investment policy above, and is accessed on the direction of the Press Go Board.

3.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Group has transferred substantially all the risks and rewards of the asset;
Or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial assets

All financial assets are initially recognised at fair value. The classifications of the financial assets are determined at initial recognition. The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Group's financial assets are classified as financial assets at fair value through revenue or expense, or loans and receivables. The Group's financial assets include: cash and cash equivalents, investments, receivables from exchange transactions and unsecured advances.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. On initial recognition loans and receivables are measured at fair value. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. Loans agreements are for repayment of capital only and are interest free. The Group's cash and cash equivalents, investments, receivables from exchange transactions and unsecured advances fall into this category of financial instruments.

Impairment of assets

Assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial liabilities

The Group's financial liabilities include trade and other creditors (excluding GST). All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost.

3.6 Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.7 Investments

- Current investments comprise deposits in which capital and income is accessible, and the term of the deposit is less than one year.
- Non-current investments comprise deposits in which income only is accessible, or the use of capital is restricted to specific purposes under the terms of the Trust deed. These investments are not expected to be realised in the next 12 months.

3.8 Investment property

Investment Property is recorded at Fair Value. A revaluation surplus or deficit is recorded in the Consolidated statement of comprehensive revenue and expenses, and the Consolidated statement of financial position as an increase or decrease in asset value.

3.9 Employee benefits

Liabilities for wages and salaries, annual leave and study leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled. Accumulated entitlement for employee sick leave is not recorded as a liability.

3.10 Income tax

Due to its charitable status, the Group is exempt from income tax.

3.11 Equity

Equity is measured as the difference between total assets and total liabilities. Equity is made up of the Group accumulated comprehensive revenue and expense, adjusted for transfers to/from specific reserves. Equity is categorised as general funds, capital trusts and retained earnings adjusted for net operating surplus/(deficit) for the year (as defined in the Consolidated statement of changes in net assets/equity).

Equity is categorised into sections:

- Funds available for Knox Centre for Ministry and Leadership activities
- Funds available for Global Mission activities
- Funds available for General Assembly operations
- Funds available for Presbyterian Foundation grants
- Funds available for Press Go grants and expenses
- Church Property Trustees working capital
- Retained Earnings. Accumulated earnings retained by the group and not represented by Capital Trusts or General Funds

Each section of equity has funds reserved for Working Capital (capital and income available for use in that section), and funds reserved for specific purposes as defined by Trust Deeds or bequest requirements. When specific purpose funds are accessed the terms of the Trust Deeds or bequests (the purpose of funds and, where applicable the access of income only) must be met.

Please refer to note 8 for an explanation of how the above sections are split between 'general funds' and 'capital trusts' reserves.

4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

- **Grants and donation expenditure**

Grants and Donation expense decisions are at the discretion of the appropriate functional manager (or Board in the case of Press Go and Presbyterian Foundation grants). Grants and donations are within appropriate budget parameters and where necessary, comply with appropriate Trust deed specifications. Expense is recognised in the period of the decision.

- **Investment property**

Assumptions for valuation of investment property include

- Movement in market indicators
- That the property is free from further caveats and financial liens
- That there are no restrictions or impediments that may effect the valuation

5 Revenue from non-exchange transactions

Revenue from non-exchange transactions received during each reporting period:

5.1 Donations Received

	Group	Group	Parent	Parent
	June 2017	June 2016	June 2017	June 2016
	\$	\$	\$	\$
Bequests Received	10,379	167,712	10,379	167,712
Moderator Appeal for Earthquake Relief	51,013	-	51,013	-
Global Mission	117,355	150,988	117,355	150,988
Press Go	109,270	9,578	109,270	9,578
Kids Friendly	1,557	581	1,557	581
Knox Centre - Music Ministry	20,340	29,956	20,340	29,956
Knox Centre - Other	-	20,728	-	20,728
Youth Ministry	2,100	200	2,100	200
Research Centre	-	679	-	679
Untagged	12,118	-	12,118	-
	324,132	380,422	324,132	380,422

5.2 Grants Received

	Group June 2017	Group June 2016	Parent June 2017	Parent June 2016
	\$	\$	\$	\$
Synod Otago and Southland - Knox Centre	239,000	245,833	239,000	245,833
Synod Otago and Southland - Research Cen	106,333	106,000	106,333	106,000
Clark Estate	100,000	200,000	100,000	200,000
CWM - Salaries grant for Asian Mission	45,448	36,033	45,448	36,033
Synod Otago and Southland - GA16	40,000	-	40,000	-
Press Go - Knox Centre	30,000	-	30,000	-
Uniting Church of Australia - Global Mission	12,498	-	12,498	-
Knox College - Hewitson Library	5,000	20,000	5,000	20,000
CWM - AES Travel Grant	2,268	-	2,268	-
Green Trust	-	115,259	-	115,259
Glenfield Bethel Trust - KCML	-	45,000	-	45,000
Lotteries grant to Reseach Centre	-	28,236	-	28,236
Church Property Trustees - Press Go	-	10,000	-	10,000
CWM - PI Synod	-	6,124	-	6,124
Otago University - Research Centre	-	5,000	-	5,000
Church Schools Resource Office	-	30,235	-	30,235
Reversal of Grants Received already recognised in Retained Earnings upon PBE Standards transition				
- Global Mission donation received	-	(54,832)	-	(54,832)
- Moderators Appeal	-	(113,856)	-	(113,856)
- PSDS grant to Knox Centre	-	(11,973)	-	(11,973)
- Kids Friendly Grants Received	-	(1,353)	-	(1,353)
	580,547	665,706	580,547	665,706

The following amounts were received from Council of World Mission (CWM) and not recorded as Grants Received:

	Group June 2017	Group June 2016	Parent June 2017	Parent June 2016
	\$	\$	\$	\$
Training in Mission Programme	34,062	58,389	34,062	58,389
Press Go	-	49,275	-	49,275
Presbyterian Youth Ministry	-	10,000	-	10,000

Training in Mission is a Council of World Mission, not a Church activity therefore funds received for this purpose are recorded as an asset and a liability in the Statement of Financial Position until they are used for the designated purpose.

Prior year funds received for Press Go and Youth Ministry were not recorded as Grants Received in the 2016 annual report due to an error in conversion to Public Benefit Entity Standards. Refer Note 15.

6 Grants and Donations Paid

6.1 Grants Paid

	Group	Group	Parent	Parent
	June 2017	June 2016	June 2017	June 2016
	\$	\$	\$	\$
Bill Best Travel Grants	3,716	5,889	3,716	5,889
Council of Assembly	4,605	11,052	4,605	11,052
Global Mission Grants	75,197	78,367	75,197	78,367
Knox Centre Ministers Study Grants	56,285	56,515	56,285	56,515
Moderator's Parish	82,000	70,000	82,000	70,000
Presbyterian Foundations Grants	131,337	147,600	131,337	147,600
Press Go (Excluding Mission Enterprise Fur	55,228	197,408	55,228	197,408
Pacific Island Synod	37,591	58,408	37,591	58,408
Te Aka Puaho Partnership Grant)	140,000	139,969	140,000	139,969
Uniting Congregations	48,000	47,043	48,000	47,043
Presbytery Grants	-	50,000	-	50,000
Contingency	-	19,346	-	19,346
	633,960	881,597	633,960	881,597

6.2 Donations Paid

	Group	Group	Parent	Parent
	June 2017	June 2016	June 2017	June 2016
	\$	\$	\$	\$
Global Mission	129,879	111,255	129,879	111,255
Moderator Appeal for Earthquake Relief	43,375	-	43,375	-
Other donations paid	1,839	5,449	1,839	5,449
	175,093	116,704	175,093	116,704

7 Reserves

General Assembly Reserves

	Balance 1 July 2016	Transactions In	Transactions Out	Balance 30 June 2017
	\$	\$	\$	\$
General Purpose Reserves				
Presbyterian Investment Fund	4,095,852	9,474,162	(12,038,571)	1,531,443
Christian Savings	-	3,051,419	(51,419)	3,000,000
Total General Reserves	4,095,852	12,525,581	(12,089,990)	4,531,443
Specific Purpose Reserves (Presbyterian Investment Fund)				
Presbyterian Foundation (Capital)	2,812,571	89,338	(90,653)	2,811,256
Kid's Friendly	28,913	914	-	29,827
Presbyterian Archives Reserve	154,567	4,241	(36,116)	122,692
Council for World Mission	121,284	3,198	(30,281)	94,201
DI Langmuir Estate	617,228	19,522	-	636,750
Margaret & Bill Best Memorial Fund	264,904	18,169	(13,563)	269,510
Estate of Mary McLeish	5,354	169	-	5,523
Home Mission Trust	296,622	36,084	(41,806)	290,900
FJ Borrie Trust	248	8	(220)	36
MA Borrie Trust	22,704	718	-	23,422
J E Long Memorial	50,169	1,587	-	51,756
Outfields Mission	55,500	1,704	-	57,204
T W Pairman Trust	8,591	272	-	8,863
M & E Thompson Bequest	28,361	1,005	-	29,366
Est: A Cowie Estate	194,293	6,145	-	200,438
	4,661,309	183,074	(212,639)	4,631,744
Total General Assembly Reserves	8,757,161	12,708,655	(12,302,629)	9,163,187

Knox Centre for Ministry and Leadership Reserves

	Balance 1 July 2016 \$	Transactions In \$	Transactions Out \$	Balance 30 June 2017 \$
General Purpose Reserves				
Presbyterian Investment Fund	3,018,908	400,824	(3,162,204)	257,528
Christian Savings	-	3,051,419	(51,419)	3,000,000
Total General Reserves	3,018,908	3,452,243	(3,213,623)	3,257,528
Specific Purpose Reserves (Presbyterian Investment Fund)				
Knox Centre Property #1	1,475,548	45,945	(40,059)	1,481,434
Knox Centre Property #2	2,021,104	62,859	(57,326)	2,026,637
Knox Centre Property #3	1,304,131	40,560	(36,991)	1,307,700
Thornton-Blair Scholarship	183,577	48,353	(92,054)	139,876
Frustrated Trust	26,996	779	(2,356)	25,419
Lay & Recognised Ministry Training	276,715	43,524	(249,166)	71,073
PG Scholarships - Distribution Account	344,919	10,909	-	355,828
CPE Scholarships	112,752	3,548	(2,000)	114,300
Book Prizes Account	90,524	2,851	(850)	92,525
Ministers Study Grants	1,026,500	16,734	(522,420)	520,814
Hewitson Library	-	14,253	-	14,253
Pastoral Contingencies Fund	156,476	8,883	(16,457)	148,902
Begg Dickie Scholarship Fund	234,220	59,960	(54,471)	239,709
Vanuatu Training	18,133	574	-	18,707
Cuming Travel Scholarship	18,752	593	-	19,345
Sanderson Stewart McKay Trust	73,262	2,257	(2,000)	73,519
DM Phillips Gift	12,479	395	-	12,874
Knox Center Intern Reserve	150,797	4,768	(12,550)	143,015
Carrick Crombie Scholarship	15,142	214,453	(39,391)	190,204
Harrison Bequest	272,826	11,054	(185)	283,695
	7,814,853	593,252	(1,128,276)	7,279,829
Total Knox Centre Reserves	10,833,761	4,045,495	(4,341,899)	10,537,357

Global Mission Reserves

	Balance 1 July 2016 \$	Transactions In \$	Transactions Out \$	Balance 30 June 2017 \$
General Purpose Reserves				
Presbyterian Investment Fund	1,518,718	96,042	(1,179,262)	435,498
Christian Savings	-	1,017,140	(17,140)	1,000,000
Total General Reserves	1,518,718	1,113,182	(1,196,402)	1,435,498
Specific Purpose Reserves (Presbyterian Investment Fund)				
Estate A J M Campbell	7,974	252	-	8,226
W & B Pullar Vanuatu Fund	93,206	2,948	-	96,154
Onesua Presbyterian College	42,236	1,336	-	43,572
Shirley Gray Memorial Scholarship	20,321	643	-	20,964
Vanuatu	62,768	8,416	(14,997)	56,187
Doreen Riddell - Scholarship Fund	56,353	2,018	(9,782)	48,589
Friends of Jagadhri	84,226	10,751	(5,000)	89,977
Ricebowl Mission	-	69,699	(64,632)	5,069
	367,084	96,063	(94,411)	368,738
Total Global Mission Reserves	1,885,802	1,209,245	(1,290,813)	1,804,234

Press Go Reserves

	Balance 1 July 2016 \$	Transactions In \$	Transactions Out \$	Balance 30 June 2017 \$
Specific Purpose Reserves (Presbyterian Investment Fund)				
Press Go	86,165	468,617	(480,042)	74,740
Presbyterian Foundation (Income)	192,109	93,569	(151,825)	133,853
Mission Enterprise Fund	544,232	573,465	(297,569)	820,128
	822,506	1,135,651	(929,436)	1,028,721
General Purpose Reserves				
Christian Savings	1,000,000	17,140	(17,140)	1,000,000
Total Press Go Reserves	1,822,506	1,152,791	(946,576)	2,028,721

Church Property Trustees Reserves

	Balance 1 July 2016	Transactions In	Transactions Out	Balance 30 June 2017
	\$	\$	\$	\$
General Purpose Reserves				
Presbyterian Investment Fund	261,242	178,990	(135,348)	304,884

Summary

By Function	Balance 1 July 2016	Transactions In	Transactions Out	Balance 30 June 2017
	\$	\$	\$	\$
Global Mission	1,885,802	1,209,245	(1,290,813)	1,804,234
Knox Centre	10,833,761	4,045,495	(4,341,899)	10,537,357
General Assembly	8,757,161	12,708,655	(12,302,629)	9,163,187
Press Go	1,822,506	1,152,791	(946,576)	2,028,721
Church Property Trustees	261,242	178,990	(135,348)	304,884
	23,560,472	19,295,176	(19,017,265)	23,838,383

By Investment Partner	Balance 1 July 2016	Transactions In	Transactions Out	Balance 30 June 2017
	\$	\$	\$	\$
Presbyterian Investment Fund	22,560,472	12,158,058	(18,880,147)	15,838,383
Christian Savings	1,000,000	7,137,118	(137,118)	8,000,000
	23,560,472	19,295,176	(19,017,265)	23,838,383

By Type				
Capital Trusts	13,665,752	2,008,040	(2,364,762)	13,309,031
General Funds	9,894,720	17,287,136	(16,652,503)	10,529,352
	23,560,472	19,295,176	(19,017,265)	23,838,383

Parent / Group				
The Church	23,299,230	19,116,186	(18,881,917)	23,533,499
The Trustees	261,242	178,990	(135,348)	304,884
Group	23,560,472	19,295,176	(19,017,265)	23,838,383

8 Changes in Assets and Equity

	Knox Centre	General Assembly	Global Mission	Press Go	Presbyterian Foundation	Mission Enterprise Fund	Total (Parent)	Church Property Trustees	Total (Group)
<u>Capital Trusts</u>									
Balance 1 July 2016	7,814,853	1,848,738	367,083	86,165	3,004,680	544,232	13,665,752	-	13,665,752
Deposits and Income	593,252	93,736	96,063	468,617	182,907	573,465	2,008,040	-	2,008,040
Withdrawals / Transfers	(1,128,276)	(121,986)	(94,411)	(480,042)	(242,478)	(297,569)	(2,364,760)	-	(2,364,760)
Balance 30 June 2017	7,279,829	1,820,488	368,735	74,740	2,945,109	820,128	13,309,032	-	13,309,032
<u>General Funds</u>									
Balance 1 July 2016	3,018,908	4,095,852	1,518,718	1,000,000	-	-	9,633,478	261,242	9,894,720
Deposits and Income	3,452,243	12,525,580	1,113,182	17,140	-	-	17,108,145	178,990	17,287,135
Withdrawals / Transfers	(3,213,623)	(12,089,990)	(1,196,402)	(17,140)	-	-	(16,517,155)	(135,348)	(16,652,503)
Balance 30 June 2017	3,257,528	4,531,442	1,435,498	1,000,000	-	-	10,224,468	304,884	10,529,352
<u>Retained Earnings</u>									
Balance 1 July 2016	-	-	-	-	-	-	1,792,049	24,466	1,816,515
Net Surplus	-	-	-	-	-	-	149,815	33,570	183,385
Transfers	-	-	-	-	-	-	(234,270)	(43,643)	(277,913)
Balance 30 June 2017	-	-	-	-	-	-	1,707,594	14,393	1,721,987
<u>Total Equity</u>									
Balance 1 July 2016	10,833,761	5,944,590	1,885,802	1,086,165	3,004,680	544,232	25,091,279	285,708	25,376,986
Net Movements	(296,404)	407,340	(81,568)	(11,425)	(59,571)	275,896	149,815	33,569	183,384
Balance 30 June 2017	10,537,357	6,351,930	1,804,234	1,074,740	2,945,109	820,128	25,241,094	319,277	25,560,371

9 Auditor's remuneration

Ernst and Young provide audit services to the Group. Total amount recognised for as an audit expense is \$29,500 (2016: \$33,500). No non-audit services are provided by Ernst and Young.

10 Investment Property

The investment property is subject to a long-term lease to Cold Storage Nelson Limited. The property was last valued on 30th June 2016 by Lance Collings, independent registered valuer of the firm Jones Lang LaSalle Ltd at \$1,730,000. Lance Collings is a member of the New Zealand Institute of Valuers (Inc). The property is valued at net current value, being open market value less the estimated costs of disposal. The investment property's value has been determined to have not moved in a material manner in 2017 based on market based evidence. Therefore a valuation has not been deemed necessary as at 30 June 2017.

11 Lease commitments

The General Assembly lease of Core Logic House was renewed in March 2014 for a period of three years, with a further two rights of renewal of two years. The renewal dates are 1 March 2016 and 1 March 2018. The existing commitment ends on 29 February 2018. The expiry date of the lease is 29 February 2020.

The lease of the office of the church Property Trustees was renewed in February 2014 for a period of 4 years.

	Group	Group	Parent	Parent
	June 2017	June 2016	June 2017	June 2016
	\$	\$	\$	\$
Lease of Corelogic House, Including Carparks				
Up to one year	66,062	90,693	49,262	73,893
One to two years	11,200	77,262	-	49,262
Two to five years	-	-	-	-
	77,262	167,955	49,262	123,155
Sharp Corporation of NZ (Phoptcopier Lease)				
Up to one year	2,307	-	-	-
One to two years	4,614	-	-	-
Two to five years	4,614	-	-	-
	11,535	-	-	-
	88,797	167,955	49,262	123,155

12 Capital commitments

There were no capital commitments at reporting date. (2016: \$Nil).

13 Contingent assets and liabilities

There were no contingent assets or liabilities at reporting date.

14 Related party transactions

a) Grants to Presbyterian churches

The key management personnel, as defined in PBE IPSAS 20 Related Party Disclosures, are the members of the Presbyterian Church of Aotearoa New Zealand Council of Assembly and the Resource and Leadership sub-committees. No remuneration is paid to members of these groups, although grants were paid to the churches of some members in recognition of their contribution to Church management:

	Group June 2017	Group June 2016	Parent June 2017	Parent June 2016
	\$	\$	\$	\$
St Johns Mt Roskill (Council Convenor)	4,605	11,000	4,605	11,000
St Columba Botany Downs (Moderator)	23,332	70,000	23,332	70,000
Leith Valley Presbyterian Church (Moderator)	58,666	-	58,666	-
St Columba Botany Downs (Press Go convenor)	6,666	10,000	6,666	10,000

b) Presbyterian Investment Fund

Investments held in the Presbyterian Investment Fund are under the management of the Presbyterian Church Property Trustees.

15 Prior Period Adjustments

Funds received from Council of World Mission in 2015-16 included:

- Press Go Grants \$49,275
- Youth Mission \$10,000

Upon transition to PBE standards these amounts were incorrectly transferred from Funds Payable to 1 July 2015 opening retained earnings instead of being recorded as revenue in the year ended 30 June 2016. This error has been corrected in these financial statements.

The 30 June 2016 opening retained earnings has been reduced by \$59,275 and Grants Received revenue increased by \$59,275. There has been no impact on the statement of financial position at 30 June 2016.

16 Events after balance date.

The Council of Assembly and management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the General Assembly.