

**The Presbyterian Church Property Trustees**  
**Operational Accounts**

**Performance Report**

**For the year ended  
30 June 2022**

	Page
<b>Non-Financial Information:</b>	
Entity Information	2
Statement of Service Performance	3
<b>Financial Information:</b>	
Statement of Financial Performance	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Statement of Accounting Policies	8-9
Notes to the Performance Report	10 - 14

# The Presbyterian Church Property Trustees

## Operational Accounts

### Entity Information

"Who are we?", "Why do we exist?"

For the year ended  
30 June 2022

Legal Name of Entity:	The Presbyterian Church Property Trustees
Type of Entity and Legal Basis (if any):	The Presbyterian Church Property Act 1885
Registration Number:	CC 25356
Entity's Purpose or Mission:	<p>The Presbyterian Church Property Trustees (Trustees) are constituted under the Presbyterian Church Property Act 1885 (the Act). Under the Act, the Trustees are the legal entity in which the property of congregations situated north of the Waitaki River is vested. Property includes land, buildings, and financial assets, such as cash and investments. Funds under the control of the Trustees are managed in accordance with the requirements of the Act and the Trustee Act 1956.</p> <p>The Trustees are the Trustee for the Presbyterian Investment Fund, which amalgamates funds on behalf of parishes, Presbyteries and the General Assembly, and a number of trusts with charitable purposes associated with the Presbyterian Church. This includes two farms, a Loan Fund for Ministers, and the Presbyterian Benevolent Fund.</p> <p>The Trustees are the sole shareholder of Presbyterian Beneficiary Fund Trustee Ltd (PBFTL), which acts as trustee and manager of the Presbyterian Church of Aotearoa New Zealand Beneficiary Fund.</p> <p>The Trustees are the sole shareholder of Presbyterian Investment Fund Lending Limited, which acts as the Trustees' nominee in respect of Presbyterian Investment Fund security and lending arrangements.</p> <p>The Trustees are also the settlor of the Presbyterian Burea Services Trust (PBST), created to further the charitable purposes of the Presbyterian Church and manage the insurance needs of the Presbyterian Church.</p>
Entity Structure:	<p>The Trustees are managed by a Board of Trustees appointed by the General Assembly. In addition to PBFTL and PBST, the Trustees operate via a number of committees, overseen by an Executive Committee. The Board is supported by two full-time and one part-time staff members. The Trustees also engage a wide variety of external specialist service providers and advisors to assist them in carrying out their duties.</p>
Main Sources of the Entity's Cash and Resources:	Administration levies and service charges
Main Methods Used by the Entity to Raise Funds:	n/a
Entity's Reliance on Volunteers and Donated Goods or Services:	<p>The entity's reliance on volunteers is limited to the time spent by the Trustees in undertaking their role as Trustees, including attendances at meetings and as members of various sub committees</p>

### Additional Information:

#### Additional Details:

Physical Address:	Ground Floor 275 Cuba Street Wellington 6011
Postal Address:	PO Box 9049 Marion Square Wellington 6141
Phone / Email:	04 381 8289 / trustees@presbyterian.org.nz

# The Presbyterian Church Property Trustees

## Operational Accounts

### Statement of Service Performance

"What did we do?", When did we do it?"

For the year ended  
30 June 2022

#### Description of the Entity's Outcomes:

##### *During the year ended 30 June 2022 the Trustees have been involved in the following:*

- \* Processing parish property transactions, including sales, purchases, new projects, renovations, strengthening and leases.
- \* Supervision and administration of requests for grants/loans made to trusts under the Trustees supervision, including the Presbyterian Benvolent Fund, Burnett Loan Fund, Elsie Steele Trust, and Te Whaiti-Nui-A-Toi Trust.
- \* Receiving bequests and annuities on behalf of the Church and related entities.
- \* Supervisions and administration of the Presbyterian Investment Fund (PIF).
- \* Administration of the Presbyterian Beneficiary Fund and support of Presbyterian Beneficiary Fund Trustee Limited.
- \* Administration of insurance arrangements and support of Presbyterian Bureau Services Trust and the Presbyterian Church Insurance Collective.
- \* Supervision and support of farming operations for the M&S McNutt Trust and Chistina A Clark Estate Trust.
- \* Updated the Property Handbook, which provides guidelines to Parishes and Presbyteries for their property activities.
- \* Completing the final distributions and the winding up of the Nellie Inglis Memorial Scholarship and Vera Wyatt Trust.

##### *During the year ended 30 June 2021 the Trustees have been involved in the following:*

- \* Processing parish property transactions, including sales, purchases, new projects, renovations, strengthening and leases.
- \* Supervision and administration of requests for grants/loans made to trusts under the Trustees supervision, including the Presbyterian Benvolent Fund, Burnett Loan Fund, Elsie Steele Trust, and Te Whaiti-Nui-A-Toi Trust.
- \* Receiving bequests and annuities on behalf of the Church and related entities.
- \* Supervisions and administration of the Presbyterian Investment Fund (PIF).
- \* Administration of the Presbyterian Beneficiary Fund and support of Presbyterian Beneficiary Fund Trustee Limited.
- \* Administration of insurance arrangements and support of Presbyterian Bureau Services Trust and the Presbyterian Church Insurance Collective.
- \* Supervision and support of farming operations for the M&S McNutt Trust and Chistina A Clark Estate Trust.

Description and Quantification (to the extent practicable) of the Entity's Outputs:	This Year		Last Year	
<b>Property Transaction Approvals</b>				
Property Sales - Value	\$ 48,157,000	13,781,350	\$ 13,744,850	
Property Sales - Number	19		9	
Property Purchases - Value	\$ 1,804,000		\$ -	
Property Purchases - Number	5		-	
Developments - Value	\$ 31,249,000		\$ 24,994,428	
Developments - Number	19		19	
Strengthening projects - Value	\$ 3,321,000	6,387,626	\$ 7,837,627	
Strengthening projects - Number	7		11	
Lottery Grants - Value	\$ 950,000		\$ 20,000	
Lottery Grants - Number	2		1	
Leases and Other Property Activity - Value	\$ 510,400	467,880	\$ 593,821	
Leases and Other Property Activity - Number	10	9	16	
Borrowings- Value	\$ 7,701,511	705,000	\$ 650,000	
Borrowings - Number	10	5	1	
<b>Total Value of Approved Transactions</b>	<b>\$ 93,692,911</b>		<b>\$ 47,840,726</b>	
<b>Total Number of Approved Transactions</b>	<b>\$ 72</b>		<b>\$ 57</b>	

Legal ownership of all property of the Presbyterian Church of Aotearoa New Zealand ("Church") is vested in the Trustees in accordance with the requirements of the Act. The property is held for the benefit of parishes, presbyteries and the General Assembly. In the absence of a specific trust, property is held on trust on terms specified in The Presbyterian Church Property Act 1885.

In some cases, the same project is the subject of multiple approvals, e.g. concept approval and approvals for various stages of a project.

This property referred to above is recorded in the Financial Statements of the individual parishes, not in the Financial statements of the Presbyterian Church Property Trustees.

**The Presbyterian Church Property Trustees**  
**Operational Accounts**

**Statement of Financial Performance**

"How was it funded?" and "What did it cost?"

For the year ended  
30 June 2022

	Note	Actual This Year \$	Actual Last Year \$
<b>Revenue</b>	1		
Administration levies		444,650	465,238
Expenses recovered		38,002	60,131
Service charges		74,808	85,330
Interest		8,327	8,428
		<b>565,787</b>	<b>619,127</b>
<b>Expenses</b>	2		
Costs related to providing goods or services		28,432	50,911
Volunteer and employee related costs		356,028	286,926
Other expenses		132,741	135,184
<b>Total Expenses</b>		<b>517,201</b>	<b>473,021</b>
<b>Surplus for the Year</b>		<b>48,586</b>	<b>146,106</b>

**The Presbyterian Church Property Trustees  
Operational Accounts**



**Statement of Financial Position**

"What the entity owns?" and "What the entity owes?"

As at  
30 June 2022

	Note	Actual This Year \$	Actual Last Year \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Deposits	3	701,019	644,193
Receivables	3	77,273	79,002
<b>Total Current Assets</b>		<b>778,292</b>	<b>723,195</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	5	4,559	3,677
<b>Total Non-Current Assets</b>		<b>4,559</b>	<b>3,677</b>
<b>Total Assets</b>		<b>782,851</b>	<b>726,872</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	3	29,363	26,686
Employee costs payable	3	27,213	22,497
<b>Total Current Liabilities</b>		<b>56,576</b>	<b>49,183</b>
<b>Total Liabilities</b>		<b>56,576</b>	<b>49,183</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>726,275</b>	<b>677,689</b>
<b>Accumulated Funds</b>			
Capital contributed by owners or members		-	-
Accumulated surpluses or (deficits)		726,275	677,689
Reserves		-	-
<b>Total Accumulated Funds</b>		<b>726,275</b>	<b>677,689</b>

For and on behalf of The Presbyterian Church Property Trustees who authorised these Financial Statements

  
\_\_\_\_\_  
  
\_\_\_\_\_

Trustee

Date 10/11/2022

Trustee

Date 10/11/2022

**The Presbyterian Church Property Trustees**  
**Operational Accounts**

**Statement of Changes in Equity**

For the year ended  
30 June 2022

**This Year**

Description	Capital Contributed by Owners or Members \$	Accumulated Surpluses or Deficits \$	Reserves \$	Total \$
Opening Balance	-	677,689	-	677,689
Capital contributed by owners or members				-
Surplus		48,586		48,586
Closing Balance		726,275	-	726,275

**Last Year**

Description	Capital Contributed by Owners or Members \$	Accumulated Surpluses or Deficits \$	Reserves \$	Total \$
Opening Balance	-	531,583	-	531,583
Capital contributed by owners or members				-
Surplus		146,106		146,106
Closing Balance	-	677,689	-	677,689

**The Presbyterian Church Property Trustees**  
**Operational Accounts**

**Statement of Cash Flows**

"How the entity has received and used cash"

For the year ended  
30 June 2022

	Actual This Year \$	Actual Last Year \$
<b>Cash Flows from Operating Activities</b>		
<i>Cash was received from:</i>		
Interest	8,327	8,428
Receipts from providing goods or services	567,806	595,947
<i>Cash was applied to:</i>		
Payments to suppliers and employees	514,982	487,666
Net GST payable	(2,254)	(2,333)
<b>Net Cash Flows from Operating Activities</b>	<b>63,405</b>	<b>119,042</b>
<b>Cash Flows from Investing &amp; Financing Activities</b>		
<i>Cash was applied to:</i>		
Payment to purchase property, plant and equipment	6,579	-
<b>Net Cash Flows from Investing and Financing Activities</b>	<b>(6,579)</b>	<b>-</b>
<b>Net movement in Cash flows</b>	<b>56,826</b>	<b>119,042</b>
Opening Cash	644,193	525,151
<b>Closing Cash</b>	<b>701,019</b>	<b>644,193</b>
This is represented by:		
<b>Cash and Deposits</b>	<b>701,019</b>	<b>644,193</b>

**The Presbyterian Church Property Trustees  
Operational Accounts**

**Statement of Accounting Policies**

**"How did we do our accounting?"**

**For the year ended**

**30 June 2022**

The Presbyterian Church Property Trustees - Operational Accounts has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

**Accounts Receivable**

All receivables are stated at their estimated realisable value.

**Fixed assets**

Legal ownership of all property of the Presbyterian Church of Aotearoa New Zealand (the "Church") is vested in the entity in accordance with the requirements of the Act. The property is held for the benefit of parishes, presbyteries and the General Assembly. In the absence of a specific trust, property is held on trust on terms specified in The Presbyterian Church Property Act 1885.

Fixed assets included in these financial statements comprise only the assets held by the Trustee for the benefit of The Presbyterian Church Property Trustees.

Assets in beneficial ownership of a Parish or Presbytery are not included in these financial statements.

The entity's fixed assets fall into the following categories:

-Leasehold improvements	-Computer Equipment
-Furniture and fittings	-Office Equipment

Fixed assets are initially measured at cost and are carried at cost less any accumulated amortisation and accumulated impairment losses.

**Depreciation**

Depreciation is provided on a straight-line basis on all fixed assets at depreciation rates calculated to allocate the assets' costs less estimated residual value over their estimated useful lives.

Depreciation on other assets is charged at the same rate as allowed by the Income Tax Act 2004. The following rate have been used.

Furniture & fittings	13-16% DV
Computer equipment	50% DV
Office Equipment	16% DV

Where assets are sold, any gain or loss is recognised in the statement of financial performance and is calculated as the difference between the sale price and the book value of the fixed assets.

**Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**CPT as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term.



**The Presbyterian Church Property Trustees  
Operational Accounts**

**Statement of Accounting Policies**

**"How did we do our accounting?" - continued**

**For the year ended  
30 June 2022**

**Goods and Services Tax (GST)**

The Presbyterian Church Property Trustees - Operational Accounts have been prepared on a GST exclusive basis, with the exception of receivables and payables which are stated inclusive of GST.

**Income Tax**

The Presbyterian Church Property Trustees - Operational Accounts are wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

**Bank Accounts and Cash**

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

**Annual leave accrual**

A liability for annual leave is accrued and recognised in the statement of financial position. The liability is equal to the present value of the estimated future cash outflows as a result of employee services provided at balance date.

**Changes in Accounting Policies**

There have been no changes in accounting policies and all policies have been applied consistently to all periods presented in these financial statements.

**The Presbyterian Church Property Trustees  
Operational Accounts**

**Notes to the Performance Report**

For the year ended  
30 June 2022

**Note 1: Analysis of Revenue**

	Actual This Year \$	Actual Last Year \$
<b>Administration Levies</b>		
Presbyterian Investment Fund	249,996	259,992
Beneficiary Fund	75,000	84,996
Presbyterian Benevolent Fund	9,750	10,250
Insurance	30,000	30,000
Burnett Loan Fund	18,804	17,100
Farms	60,000	60,000
St John's Wellington	1,100	2,900
<b>Total</b>	<b>444,650</b>	<b>465,238</b>
<b>Expenses Recovered</b>		
Land Information New Zealand	-	-
Legal fees	28,432	50,911
Trust Administration	9,570	9,220
<b>Total</b>	<b>38,002</b>	<b>60,131</b>
<b>Service charges</b>		
Service charges	74,808	85,330
<b>Total</b>	<b>74,808</b>	<b>85,330</b>
<b>Interest Income</b>		
Interest income	8,327	8,428
<b>Total</b>	<b>8,327</b>	<b>8,428</b>

**The Presbyterian Church Property Trustees  
Operational Accounts**

**Notes to the Performance Report**

For the year ended  
30 June 2022

**Note 2 : Analysis of Expenses**

	Note	Actual This Year \$	Actual Last Year \$
<b>Costs related to providing goods or services</b>			
Legal fees Recoverable		28,432	50,911
<b>Total</b>		<b>28,432</b>	<b>50,911</b>
<b>Expense Item</b>			
Volunteer and employee related costs		356,028	286,926
<b>Total</b>		<b>356,028</b>	<b>286,926</b>
<b>Other expenses</b>			
Meeting expenses		1,525	7,136
Travel expenses		11,326	15,222
Consultants		18,549	4,282
Legal fees		11,270	23,364
Training		721	-
Memberships		1,652	2,423
Property Database		18,424	18,285
General expenses		4,276	4,576
Rent		21,601	21,601
IT Expenses		19,902	13,526
Telephone		1,659	1,702
Bank fees		211	115
Insurance		6,674	5,743
Depreciation & impairment	4	5,698	6,376
LINZ reports		-	-
Office Supplies, cleaning & relocation		3,323	4,832
Postage & courier & stationery		15	-
Power		2,555	2,665
Printing		3,360	3,336
<b>Total</b>		<b>132,741</b>	<b>135,184</b>

**The Presbyterian Church Property Trustees  
Operational Accounts**

**Notes to the Performance Report**

For the year ended  
30 June 2022

**Note 3: Balance Sheet**

	Actual This Year \$	Actual Last Year \$
<b>Cash and Deposits</b>		
Cash at bank	20,082	18,415
Presbyterian Investment Fund (On Call Fund)	680,937	625,778
<b>Total</b>	<b>701,019</b>	<b>644,193</b>
<b>Receivables</b>		
Accounts receivable	70,060	66,276
Other receivables	-	7,732
Prepaid expenses	7,213	4,994
<b>Total</b>	<b>77,273</b>	<b>79,002</b>
<b>Fixed assets</b>		
Furniture & fittings	442	1,134
Office equipment	-	160
Computer equipment	4,117	2,383
<b>Total</b>	<b>4,559</b>	<b>3,677</b>
<b>Creditors &amp; accrued expenses</b>		
Accounts payable	16,529	17,717
Accrued expenses	1,861	250
GST payable	10,973	8,719
<b>Total</b>	<b>29,363</b>	<b>26,686</b>
<b>Employee costs</b>		
Employee costs payable	27,213	22,497
<b>Total</b>	<b>27,213</b>	<b>22,497</b>

**The Presbyterian Church Property Trustees  
Operational Accounts**

**Notes to the Performance Report**

For the year ended  
30 June 2022

**Note 4 : Fixed asset Schedule**

**This Year**

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
	\$	\$	\$	\$	\$
Furniture and fixtures	1,134	-	-	692	442
Office equipment	160	-	-	160	-
Computers (including software)	2,383	6,579	-	4,845	4,117
<b>Total</b>	<b>3,677</b>	<b>-</b>	<b>-</b>	<b>5,697</b>	<b>4,559</b>

**Last year**

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
	\$	\$	\$	\$	\$
Furniture and fixtures	1,920	-	-	786	1,134
Office equipment	523	-	-	363	160
Computers (including software)	7,610	-	-	5,227	2,383
<b>Total</b>	<b>10,053</b>	<b>-</b>	<b>-</b>	<b>6,376</b>	<b>3,677</b>

**Note e : Related Parties**

The Trustees receive income (as detailed in Note 1) for the services provided to the follow related entities:

<b>Burnett Loan Fund</b>	Governance and day to day management of the Fund
<b>Presbyterian Benevolent Fund</b>	Governance and day to day management of the Fund
<b>Presbyterian Investment Fund</b>	Governance, day to day management of the Fund, and co-ordination of external service providers contracted to provide services directly to the Fund (and paid directly by the Fund).
<b>Presbyterian Beneficiary Fund</b>	Day to day management of the Fund and co-ordination of external service providers contracted to provide services directly to the Fund (and paid directly by the Fund).
<b>Insurance (Presbyterian Bureau Services Trust)</b>	Governance and co-ordination of external service providers contracted to provide services directly to the Fund (and paid directly by the Fund)
<b>Farms (M&amp;S McNutt Trust and Christina A. Clark Estate Trust)</b>	Governance and co-ordination of external service providers contracted to provide services directly to the Fund (and paid directly by the Fund)
<b>Trust Administration</b>	Governance and day to day management of a number of private Trusts
<b>Property Services</b>	Governance and day to day management of property transactions and approvals

The amounts outstanding as receivables as at 30 June 2022 are as follows:

	Actual This Year \$	Actual Last Year \$
Burnett Loan Fund	-	-
Beneficiary Fund	20,833	-
Benevolent Fund	-	575
Estate JD McGruer	310	310
Christina A Clarke Trust	8,625	-
<b>Total</b>	<b>29,768</b>	<b>885</b>

The funds of The Presbyterian Church Property Trustees are deposited with the Presbyterian Investment Fund (PIF), a fund administered by the Trustees pursuant to the Presbyterian Church Property Amendment Act 1974. The day to day administration of the PIF is outsourced and the funds are deposited on the same terms and conditions available to other depositors.

# The Presbyterian Church Property Trustees

## Operational Accounts

### Notes to the Performance Report

For the year ended  
30 June 2022

#### Note 6 : Capital Commitments

The Trustees entered into a lease of commercial offices commencing of 01/02/2014 with a term of four years and two rights of renewal of three years each. The second right of renewal was exercised as at 01/02/2021 until March 2023. Future minimum rentals payable under non-cancellable operating leases as at 30 June 2022 are, as follows:

	Actual This Year	Actual Last Year
	\$	\$
Within one year	14,400	21,601
After one year but not more than five years	-	14,401
<b>Total</b>	<b>14,400</b>	<b>36,002</b>

The Trustees entered into an operating lease for a photocopier with Sharp Corporation of New Zealand commencing 22/05/2017 for a term of 5 years. Subsequent to balance date (August 2021) the operating lease was extended by 14 months until July 2023. Future minimum rentals payable under non-cancellable operating leases are, as follows:

	Actual This Year	Actual Last Year
	\$	\$
Within one year	3,021	2,964
After one year but not more than five years	252	3,272
<b>Total</b>	<b>3,273</b>	<b>6,236</b>

#### Note 7 : Contingencies

There are no contingencies as at 30 June 2022 (2021:\$Nil).

#### Note 8 : Subsequent Events

There are no events subsequent to 30 June 2022 that will affect the users of these financial statements (2021:\$Nil).

#### The effects of COVID-19 on the Fund

At this time, it is difficult to determine the full on-going effect of COVID-19 and therefore, some uncertainties remain.

To the extent possible we have considered the impact of COVID-19 on areas such as investment valuation. To date there hasn't been a significant impact on the Trustees' financial performance or position. Future impacts may include continued uncertainty and investment market.