

The Presbyterian Church Property Trustees

Operational Accounts

Performance Report

For the year ended
30 June 2024

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The Presbyterian Church Property Trustees Operational Accounts

Entity Information

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

For the year ended
30 June 2024

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 Trusts Act 2019.</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 Bureau 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 three 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:	Level 4 94 Dixon street Wellington 6011
Postal Address:	PO Box 9049 Marion Square Wellington 6141
Phone / Email:	04 381 8296 / 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 2024

Description of the Entity's Outcomes:

During the year ended 30 June 2024 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.
- * Supervision and administration of the Presbyterian Investment Fund (PIF), including processing loan applications.
- * 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, including sale and purchase of land.

The Trustees recognise that the accumulated surpluses earned to date provide working capital support and provide for potential financial commitments on behalf of beneficiaries.

During the year ended 30 June 2023 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.
- * Supervision and administration of the Presbyterian Investment Fund (PIF), including processing loan applications.
- * 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, including sale and purchase of land.

The Trustees recognise that the accumulated surpluses earned to date provide working capital support and provide for potential financial commitments on behalf of beneficiaries.

Description and Quantification (to the extent practicable) of the Entity's Outputs:	This Year		Last Year	
Property Transaction Approvals				
Property Sales - Value	\$	24,721,560	\$	11,700,000
Property Sales - Number		20		18
Property Purchases - Value	\$	3,510,000	\$	1,845,000
Property Purchases - Number		4		4
Developments - Value	\$	21,059,424	\$	14,814,502
Developments - Number		27		18
Strengthening projects - Value	\$	1,989,200	\$	3,059,490
Strengthening projects - Number		8		10
Lottery Grants - Value	\$	137,000	\$	456,964
Lottery Grants - Number		1		3
Leases and Other Property Activity - Value	\$	28,470	\$	4,446,550
Leases and Other Property Activity - Number		3		25
Borrowings - Value	\$	4,700,000	\$	1,015,000
Borrowings - Number		3		6
Total Value of Approved Transactions	\$	56,145,654	\$	37,337,506
Total Number of Approved Transactions		66		84

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.

Other output's of the entity activities can be found in the financial statements of the relevant trust, including the Presbyterian Benvolent Fund, Burnett Loan Fund, Elsie Steele Trust, and Te Whaiti-Nui-A-Toi Trust.

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 2024

	Note	Actual This Year \$	Actual Last Year \$
Revenue	1		
Administration levies		539,204	493,593
Expenses recovered		69,970	41,277
Service charges		59,992	59,640
Interest		46,695	20,883
		715,861	615,393
Expenses	2		
Costs related to providing goods or services		69,970	41,277
Volunteer and employee related costs		414,270	399,003
Other expenses		175,326	145,735
Total Expenses		659,566	586,015
Surplus for the Year		56,295	29,378

The Presbyterian Church Property Trustees Operational Accounts



Statement of Financial Position

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

As at
30 June 2024

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Cash and Deposits	3	830,215	746,838
Receivables	3	60,079	79,735
Total Current Assets		890,294	826,573
Non-Current Assets			
Property, plant and equipment	5	5,726	5,426
Total Non-Current Assets		5,726	5,426
Total Assets		896,020	831,999
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	49,429	44,768
Employee costs payable	3	34,643	31,578
Total Current Liabilities		84,072	76,346
Total Liabilities		84,072	76,346
Total Assets less Total Liabilities (Net Assets)		811,948	755,653
Accumulated Funds			
Capital contributed by owners or members		-	-
Accumulated surpluses or (deficits)		-	755,653
Reserves		811,948	-
Total Accumulated Funds		811,948	755,653

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

Trustee

Date 7/11/24

Trustee

Date 7/11/24

The Presbyterian Church Property Trustees
Operational Accounts

Statement of Changes in Equity

For the year ended
30 June 2024

This Year

Description	Capital Contributed by Owners or Members \$	Accumulated Surpluses or Deficits \$	Reserves \$	Total \$
Opening Balance	-	755,653	-	755,653
Capital contributed by owners or members	-	-	-	-
Surplus	-	56,295	-	56,295
Transfer to/from Reserves*	-	(811,948)	811,948	-
Closing Balance		-	811,948	811,948

Last Year

Description	Capital Contributed by Owners or Members \$	Accumulated Surpluses or Deficits \$	Reserves \$	Total \$
Opening Balance	-	726,275	-	726,275
Capital contributed by owners or members	-	-	-	-
Surplus	-	29,378	-	29,378
Closing Balance	-	755,653	-	755,653

***Reserves**

During the year the Trustees established a Reserves policy for the purposes of capital management. The Policy created three reserves: 1) Operational - to cover committed operational expenses and a recruitment provision; 2) Legal - to cover legal costs the Trustees may incur either directly or on behalf of a Trust that has no liquidity; and 3) Capital - to cover future capital expenditure. The Policy created target reserve levels that the Trustees expect to achieve over a period of time, to be reviewed annually.

The breakdown of the Reserves is as follows:

	This Year	Last Year
Operational Reserve	424,432	-
Legal Reserve	372,516	-
Capital Reserve	15,000	-
Total	811,948	-

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 2024

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
<i>Cash was received from:</i>		
Interest	46,695	20,883
Receipts from providing goods or services	698,802	605,254
<i>Cash was applied to:</i>		
Payments to suppliers and employees	654,649	574,301
Net GST payable	1,052	1,389
Net Cash Flows from Operating Activities	89,796	50,447
Cash Flows from Investing & Financing Activities		
<i>Cash was applied to:</i>		
Payments to purchase investments-Presbyterian Investment Fund (On Call Fund)	99,677	27,727
Payment to purchase property, plant and equipment	6,419	4,628
Net Cash Flows from Investing and Financing Activities	(106,096)	(32,355)
Net movement in Cash flows	(16,300)	45,819
Opening Cash	38,173	20,082
Closing Cash	21,873	38,173
This is represented by:		
Cash and Bank	21,873	38,173

The Presbyterian Church Property Trustees Operational Accounts

Statement of Accounting Policies

"How did we do our accounting?"

For the year ended
30 June 2024

Basis of Preparation

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 \$5,000,000. 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 ("Church") north of Waitaki River is vested in The Trustees 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.

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

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

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.

The following rate have been used.

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

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.

**The Presbyterian Church Property Trustees
Operational Accounts**

Statement of Accounting Policies

"How did we do our accounting?" - continued

**For the year ended
30 June 2024**

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 2024**

Note 1: Analysis of Revenue

	Actual This Year \$	Actual Last Year \$
Administration Levies		
Presbyterian Investment Fund	308,004	279,996
Beneficiary Fund	75,000	69,996
Presbyterian Benevolent Fund	15,000	12,000
Insurance	45,000	39,997
Burnett Loan Fund	24,000	20,004
Farm Trusts	60,000	60,000
St John's Wellington	1,200	1,000
Other Private Trusts	11,000	10,600
Total	539,204	493,593
Expenses Recovered		
Legal fees	69,970	41,277
Total	69,970	41,277
Service charges		
Property Processing fees	59,992	59,640
Total	59,992	59,640
Interest Income		
Interest income	46,695	20,883
Total	46,695	20,883

The Presbyterian Church Property Trustees
Operational Accounts

Notes to the Performance Report

For the year ended
30 June 2024

Note 2 : Analysis of Expenses

	Note	Actual This Year \$	Actual Last Year \$
Costs related to providing goods or services			
Legal fees Recoverable		69,970	41,277
Total		69,970	41,277
Expense Item			
Volunteer and employee related costs		414,270	399,003
Total		414,270	399,003
Other expenses			
Audit fee		4,500	-
Meeting expenses		10,510	6,909
Travel expenses		20,583	19,288
Consultants		33,955	3,386
Legal fees		3,063	4,063
Training		425	650
Memberships		1,587	1,470
Property Database		10,500	18,000
General expenses		1,894	1,957
Rent		22,287	21,601
IT Expenses		20,223	29,729
Telephone		2,115	2,041
Bank fees		98	183
Insurance		23,556	22,624
Depreciation & impairment	4	6,119	3,761
Office Supplies, cleaning & relocation		6,310	3,303
Postage & courier & stationery		-	46
Power		2,742	2,603
Printing		3,805	4,121
Interest		1,055	-
Total		175,326	145,735

The Presbyterian Church Property Trustees
Operational Accounts

Notes to the Performance Report

For the year ended
30 June 2024

Note 3: Balance Sheet

	Actual This Year \$	Actual Last Year \$
Cash and Deposits		
Cash at bank	21,873	38,173
Presbyterian Investment Fund (On Call Fund)	808,342	708,665
Total	830,215	746,838
Receivables		
Accounts receivable	51,280	71,501
Other receivables	-	-
Prepaid expenses	8,799	8,234
Total	60,079	79,735
Fixed assets		
Furniture & fittings	3,884	-
Office equipment	-	-
Computer equipment	1,842	1,526
Leasehold Improvements	-	3,900
Total	5,726	5,426
Creditors & accrued expenses		
Accounts payable	17,245	29,286
Accrued expenses	14,640	5,897
GST payable	8,532	9,585
Credit card	9,012	-
Total	49,429	44,768
Employee costs		
Employee costs payable	34,643	31,578
Total	34,643	31,578

The Presbyterian Church Property Trustees
Operational Accounts

Notes to the Performance Report

For the year ended
30 June 2024

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	-	3,941	-	57	3,884
Office equipment	-	-	-	-	-
Computers (including software)	1,526	1,795	-	1,479	1,842
Leasehold Improvements	3,900	683	4,583	-	-
Total	5,426	6,419	4,583	1,536	5,726

Last year

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
	\$	\$	\$	\$	\$
Furniture and fixtures	442	-	-	442	-
Office equipment	-	-	-	-	-
Computers (including software)	4,117	728	-	3,319	1,526
Leasehold Improvements	-	3,900	-	-	3,900
Total	4,559	4,628	-	3,761	5,426

Note 5 : Related Parties

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

Burnett Loan Fund	Governance and day to day management of the Fund.
Presbyterian Benevolent Fund	Governance and day to day management of the Fund.
Presbyterian Investment Fund	Governance, day to day management of the Fund, loan processing, and co-ordination of external service providers contracted to provide services directly to the Fund (and paid directly by the Fund).
Presbyterian Beneficiary Fund	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).
Insurance (Presbyterian Bureau Services Trust)	Governance and co-ordination of external service providers contracted to provide services directly to the Fund (and paid directly by the Fund)
Farm Trusts (M&S McNutt Trust and Christina A. Clark Estate Trust)	Governance and co-ordination of external service providers contracted to provide services directly to the Fund (and paid directly by the Fund)
Other Private Trusts (Te Whati-Nui-A-Toi, Drummond Trust, Thornton-Blair, Elise Steele Trust)	Governance and day to day management of a number of private Trusts
Property Services	Governance and day to day management of property transactions and approvals

The amounts outstanding as receivables as at 30 June 2024 are as follows:

	Actual This Year	Actual Last Year
	\$	\$
Beneficiary Fund		647
Benevolent Fund		2,587
Estate JD McGruer	466	466
Christina A Clarke Trust	-	19,488
The Martha and Samuel McNutt Trust	9,078	10,833
Presbyterian Bureau Services Trust	55	
Total	9,599	34,021

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 2024

Note 6 : Capital Commitments

During the year the Trustees vacated the ground floor of 275 Cuba Street and moved to Level 4, 94 Dixon Street. Level 4 is owned by the Trustees on behalf of the General Assembly of the Presbyterian Church of Aotearoa New Zealand (the beneficial owner). The Trustees intend to occupy part of Level 4 under a license of occupy, but this was not completed as at 30 June 2024.

	Actual This Year \$	Actual Last Year \$
Within one year	-	-
After one year but not more than five years	-	-
Total	-	-

Note 7 : Contingencies

There are no contingencies as at 30 June 2024 (2023:\$Nil).

Note 8 : Subsequent Events

There are no events subsequent to 30 June 2024 that will affect the users of these financial statements (2023:\$Nil).

Review report to the Trustees of The Presbyterian Church Property Trustees

We have reviewed the operational accounts (the “performance report”) of The Presbyterian Church Property Trustees (the “Entity”), which comprise the statement of financial position as at 30 June 2024, and the statement of service performance, statement of financial performance, statement of changes in equity and statement of cash flows for the year ended on that date, and notes to the performance report, including statement of accounting policies.

This report is made solely to the Entity’s Trustees, as a body. Our review has been undertaken so that we might state to the Entity’s Trustees those matters we are required to state to them in a review 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 Trustees as a body, for our review work, for this report, or for our findings.

Trustee’ responsibilities for the performance report

The Trustees are responsible for the preparation and fair presentation of financial statements which comply with Public Benefit Entity Simple Format Reporting - Accrual (Not For Profit)) reporting standards and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Reviewer’s responsibilities for the review of the performance report

Our responsibility is to express a conclusion on the financial statements based on our review. We conducted our review in accordance with ISRE (NZ) 2400 *Review of Historical Financial Statements Performed by an Assurance Practitioner who is Not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects, in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not For Profit)). This standard also requires us to comply with relevant ethical requirements.

Basis of statement

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on those financial statements.

Other than in our capacity as assurance practitioner we have no relationship with, or interest in, the Entity. Partners and employees of our firm may deal with the Entity on normal terms within the ordinary course of trading activities of the business of the Entity.


Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying performance reports do not present fairly, in all material respects:

- the financial position of the Entity as at 30 June 2024 and its financial performance, changes in equity and cash flows for the year ended on that date; and
- the service performance for the year ended 30 June 2024 in accordance with the Entity's service performance criteria

in accordance Public Benefit Entity Simple Format Reporting - Accrual (Not For Profit).

Our review was completed on 26 November 2024 and our findings are expressed as at that date.



Chartered Accountants
Wellington
26 November 2024