

St Michael's of Remuera Ecclesiastical Goods Trust

PERFORMANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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St Michael's of Remuera Ecclesiastical Goods Trust

Approval of Performance Report

For the Year Ended 31 December 2022

The Parish Finance Committee hereby approve and adopt the Performance Report of the Catholic Parish of St Michaels for the year ended **31 December 2022**

Sign *R. G. Dunne*
(Parish Priest)

 
(Finance Committee Chair)

Date 24/7/2023

 24 July 2023

St Michael's of Remuera Ecclesiastical Goods Trust

Entity Information

For the Year Ended 31 December 2022

Legal name of Entity : St Michael's of Remuera Ecclesiastical Goods Trust

Other Name of Entity (if any): St Michael's Parish

Entity type and legal basis : Registered Charitable Entity.

Charities Services Registration number : CC29207

Entity's Purpose or Mission

The mission of the Catholic Church is expressed in her three-fold responsibility; of proclaiming the Word of God, celebrating the Sacraments and exercising the ministry of charity. Our Parish is a community of the Christian faithful entrusted to the pastoral care of a Priest. The Parish exists so that the community may grow in faith, share faith and transform the world through its faith.

Entity Structure

St Michael's Parish governance structure comprises:

Parish Priest - is responsible for leading the pastoral care of the community entrusted to him under the authority of the Diocesan Bishop.

Parish Pastoral Council – the consultative body working in collaboration with the Parish Priest to prayerfully set pastoral priorities. The Pastoral Council identifies parish needs and develops the parish's mission responding to both parishioners and the wider community.

Parish Finance Committee- the Parish Priest acts in the person of the parish, ensuring parish goods are administered in accordance with Canon Law. The Finance Committee is charged with helping the Parish Priest in the administration of Parish goods subject to and in accordance of the norms laid down by Diocesan Bishop.

Main sources of cash and resources

Regular giving and various donations from the Parish community.

Reliance on volunteers and donated goods or services

The Parish relies heavily on the gifts of volunteer time and expertise to complete work in many essential roles. These include membership of Parish Councils and many varied Parish committees, caring, outreach and multi cultural groups.

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St Michael's of Remuera Ecclesiastical Goods Trust

Statement of Service Performance

For the Year Ended 31 December 2022

St Michael's Parish Outcomes

Our Parish exists to support its members in their spiritual life. We celebrate different styles of individual, family and community worship and prayer, gathering weekly as a whole community for Mass. We support our members to grow in faith by offering fellowship, resources, education and formation. Our goal is to add spiritual richness to the lives of our parishioners, so that they can go out in service to the wider community.

Quantification of St Michael's Parish Outputs

Our Community	2022	2021
Number of families on Parish Roll	946	884
Supporting members to grow in faith		
Average Sunday Mass Count	427	615
Number of Baptisms	64	31
Number of Confirmations	73	55
Number of First Communicants	71	55
Number of Funeral Services	11	10
Number of Marriages	13	8
Support of Parish Based Programmes		
Lenten Appeal	1,490	1,160
Holy Places	946	1,407
Seminary	105	1,233
Peters Pence	827	782
Maori Missions	146	280
Mission Sunday	63	10
Caring Foundation	270	372

Additional Output Measures

We estimate that there are around 52 person hours of voluntary work per week help within the Parish.

St Michael's of Remuera Ecclesiastical Goods Trust

Statement of Financial Performance

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Revenue			
Donation and other revenue from members	2.2	334,046	317,693
Revenue from providing goods and services	2.3	138,783	183,062
Interest and other investment revenue	2.4	27,510	25,449
Total revenue		500,339	526,204
Expenses			
Volunteer and employee related costs	3.1	51,118	44,023
Costs related to providing goods and services	3.2	125,311	84,743
Grants and donations made	3.3	87,202	76,148
Other operating expenses	3.4	317,411	348,558
Total expenses		581,042	553,472
Deficit for the year		(80,703)	(27,268)



St Michael's of Remuera Ecclesiastical Goods Trust

Statement of Financial Position

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Assets			
<i>Current assets</i>			
Bank accounts and cash	4.1	731,760	705,435
Debtors and prepayments	4.2	37,430	38,118
Total current assets		769,190	743,553
<i>Non-current assets</i>			
Property, plant and equipment	5	16,602,473	16,685,908
Total non-current assets		16,602,473	16,685,908
Total assets		17,371,663	17,429,461
<i>Current liabilities</i>			
Creditors and accrued expenses	6	58,343	35,438
Total current liabilities		58,343	35,438
Total liabilities		58,343	35,438
Total assets less total liabilities (Net assets)		17,313,320	17,394,023
Accumulated funds			
Accumulated surpluses	7	17,313,320	17,394,023
Total Accumulated funds		17,313,320	17,394,023

St Michael's of Remuera Ecclesiastical Goods Trust

Statement of Cash Flows

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
<i>Cash was received from:</i>			
Donations and other receipts from members		334,282	321,460
Receipts from providing goods or services		138,783	183,062
Interest and other investment receipts		27,510	25,449
Net GST		452	468
<i>Cash was applied to:</i>			
Payments to suppliers and employees		(397,678)	(381,612)
Donations or grants paid		(64,297)	(74,120)
Net cash flows from operating activities		39,052	74,707
Cash flows from investing and financing activities			
<i>Cash was applied to:</i>			
Payment to acquire property, plant and equipment		(12,727)	(13,291)
Net cash flows from investing and financing activities		(12,727)	(13,291)
Net increase/(decrease) in cash		26,325	61,416
Opening cash		705,435	644,019
Closing cash		731,760	705,435
This is represented by:			
Bank accounts and cash	4.1	731,760	705,435

St Michael's of Remuera Ecclesiastical Goods Trust
Statement of Accounting Policies
For the Year Ended 31 December 2022

1. Accounting Policies

1.1 Basis of preparation

St Michael's Parish (the "Parish"), the Parish is a separate juridical person whose assets are held by the Roman Catholic Bishop of Auckland on charitable purpose trust for the benefit of the Parish. The Bishop is a corporation sole by virtue of the Roman Catholic Bishops Empowering Act 1997.

The Parish 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.

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Parish and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.

Donations, Grants, fundraising and other similar revenue

Donations, grants, fundraising and other similar income are recognised as revenue upon receipt.

Revenue from providing goods and services

Revenue is recognised in the period the goods and services are provided.

1.3 Expenses

Expenses are the cash and other outflows from the entity, other than outflows to settle liabilities or purchase of assets.

1.4 Income Tax

The Parish is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

1.5 Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

1.6 Bank accounts and cash

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

1.7 Investments

Investments represent amounts deposited in the Auckland Catholic Development Fund. All Catholic Development Fund deposits are on-call.

1.8 Property, plant and equipment

Land is stated at rateable value as at transition date. Buildings are stated at rateable value at rateable value as at transition date less allowance for depreciation and impairment. On acquisition, all property plant and equipment is stated at cost with the except of donated assets. Donated assets are recorded at readily obtainable current values where it is practicable.

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is charged on a straight line basis over the useful life of the asset. Depreciation is charged in order to allocate the cost of the asset less any estimated residual value over its useful life.

1.9 Changes in accounting policy

There have been no changes in accounting policies during the financial year.

St Michael's of Remuera Ecclesiastical Goods Trust

Notes to the Performance Report

For the Year Ended 31 December 2022

2. Analysis of Revenue	2022	2021
	\$	\$
2.2 Donation and other revenue from members		
Donations and offerings	264,160	261,513
Diocesan special appeals	3,987	4,264
Gifts & other donations	52,124	44,268
Revenue from sales to members		
Books, newspapers, publications & programmes	7,846	916
Rental revenue	2,279	1,662
Other income	3,650	5,070
	<u>334,046</u>	<u>317,693</u>
2.3 Revenue from Providing Goods and Services		
Property rental to the public	138,783	183,062
	<u>138,783</u>	<u>183,062</u>
2.4 Interest and other investment revenue		
Interest	27,510	25,449
	<u>27,510</u>	<u>25,449</u>
3. Analysis of Expenses		
3.1 Volunteer and employee related costs		
Salaries, wages and allowances	51,118	44,023
	<u>51,118</u>	<u>44,023</u>
3.2 Cost related to providing goods and services		
Cost of other goods and services	16,053	3,977
Rental property related costs	109,258	80,766
	<u>125,311</u>	<u>84,743</u>
3.3 Grants and donations made		
Donations paid to Clergy Trust	28,150	16,459
Donations paid to Religious Organisations	-	-
Diocesan allocation paid to Auckland Diocese	40,960	40,486
Special collection donations to Auckland Diocese	4,033	4,264
Donation to Charities	14,059	14,939
	<u>87,202</u>	<u>76,148</u>
3.4 Major items of operating expenditure	2022	2021
	\$	\$
Church Supplies and expenses	42,526	37,534
Office and administration expenses	29,353	23,190
Property maintenance and utilities	64,331	102,647
Parish operating expenses	85,039	89,475
Depreciation	96,162	95,712
	<u>317,411</u>	<u>348,558</u>

St Michael's of Remuera Ecclesiastical Goods Trust

Notes to the Performance Report

For the Year Ended 31 December 2022

4. Analysis of assets and liabilities

4.1 Bank accounts and cash

Bank balances	70,385	26,519
Catholic Development Fund - On call account	661,375	678,916
	<u>731,760</u>	<u>705,435</u>

4.2 Debtors and Prepayments

GST Receivables	17,825	18,277
Other receivables	19,605	19,841
	<u>37,430</u>	<u>38,118</u>

5. Property plant and equipment

2022	Opening carrying amount	Purchases	Sales/ Disposals	Current year depreciation & impairment	Closing carrying amount	Value as per rateable value June 2021
Asset class						
Land	11,160,000	-	-	-	11,160,000	31,600,000
Buildings	5,494,500	10,505	-	(89,161)	5,415,844	7,975,000
Furniture & Fittings	12,869	1,527	-	(195)	14,201	
Office Equipment	1,228	695	-	(354)	1,569	
Church Equipment	17,311	-	-	(6,452)	10,859	
	<u>16,685,908</u>	<u>12,727</u>	<u>-</u>	<u>(96,162)</u>	<u>16,602,473</u>	<u>39,575,000</u>

2021	Opening carrying amount	Purchases	Sales/ Disposals	Current year depreciation & impairment	Closing carrying amount	Value as per rateable value June 2021
Asset class						
Land	11,160,000	-	-	-	11,160,000	31,600,000
Buildings	5,583,600	-	-	(89,100)	5,494,500	7,975,000
Furniture & Fittings	13,334	-	-	(465)	12,869	
Office Equipment	-	1,364	-	(136)	1,228	
Church Equipment	11,395	11,927	-	(6,011)	17,311	
	<u>16,768,329</u>	<u>13,291</u>	<u>-</u>	<u>(95,712)</u>	<u>16,685,908</u>	<u>39,575,000</u>

5. Property plant and equipment (Continued)

Land and building

Land is stated at rateable value as at transition date.

Buildings are stated at rateable value as at transition date less allowance for depreciation and impairment.

Significant donated assets recognised - source and date of valuation

There were no assets donated to the Parish during the year.

Significant donated assets - not recognised

There are no donated assets during the year.

6. Creditors and accrued expenses

	2022	2021
Payable to Catholic Diocese of Auckland	9,356	4,777
Payable to Clergy Trust	22,342	4,459
Other Payables	26,645	26,202
	<u>58,343</u>	<u>35,438</u>

St Michael's of Remuera Ecclesiastical Goods Trust

Notes to the Performance Report

For the Year Ended 31 December 2022

7. Accumulated Funds

2022

Opening balance
Surplus/(Deficit)
Closing balance

Capital contributed by owners or members	Accumulated surpluses/ (deficits)	Reserves	Total
-	17,394,023		17,394,023
-	(80,703)		(80,703)
-	17,313,320	-	17,313,320

2021

Opening balance
Surplus/(Deficit)
Closing balance

Capital contributed by owners or members*	Accumulated surpluses / (deficits)	Reserves	Total
-	17,421,291		17,421,291
-	(27,268)	-	(27,268)
-	17,394,023	-	17,394,023

8. Commitments and contingencies

Commitments

There are no capital or lease commitments at balance date (2021: Nil)

Contingency Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance sheet date. (2021: Nil)

9. Assets used as security for liabilities

No assets have been used as security for liabilities at the reporting date. (2021: \$Nil).

10. Assets held on behalf of others

No assets are held on behalf of others. (2021: \$Nil).

11. Related party transactions

Related party transactions during the year are as follows:

Related party relationship	Description of the transaction	Value of transactions	Value of transactions	Outstanding - Receivable/(payable)	
		2022 \$	2021 \$	2022 \$	2021 \$
Religious Organisation	Donation	-	-	-	-
Clergy Trust	Donation	28,150	16,459	(22,342)	(4,459)
Catholic Diocese of Auckland	Allocation Payment	40,960	40,486	(4,356)	(4,777)
Auckland Catholic Development Fund	Investments (On call)			661,375	678,916

The Parish Priest is the key person in the parish and receives a standard monthly allowance from the parish. The monthly allowance is reviewed annually by the Diocesan Clergy Trust to be applied in all parishes in the Auckland Diocese.

St Michael's of Remuera Ecclesiastical Goods Trust

Notes to the Performance Report

For the Year Ended 31 December 2022

12. Events after the Balance Date

There is no significant event after balance date

13. Ability to Continue Operating

The Parish has adequate resources to continue for the foreseeable future. For this reason, the Parish Finance Committee continue to adopt the going concern assumption in preparing the performance report for the year ended 31 December 2022. This conclusion was reached having due regard to circumstances which are likely to affect the Parish during the period of one year from the date the Parish Finance Committee approve the performance report, and to circumstances which will occur after that date which could affect the viability of the going concern assumption.



INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

To the Finance Committee of the Parish of St Michael's Remuera

Report on the Performance Report

We have reviewed the accompanying performance report of the Parish of St Michael's Remuera on pages 3 to 12, which comprise the entity information, statement of service performance, statement of financial performance and statement of cash flows for the year ended 31 December 2022, the statement of financial position as at 31 December 2022, and the statement of accounting policies and other explanatory information.

The Finance Committee's Responsibility for the Performance Report

The Finance Committee is responsible on behalf of the entity for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation and fair presentation of the performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report;in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) framework issued by the New Zealand Accounting Standards Board, and
- c) for such internal control as the Finance Committee determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibilities

Our responsibility is to express a conclusion on the performance report. We conducted our review of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Review Engagements (New Zealand) (ISRE (NZ)) 2400 (Revised), *Review of Historical Financial Statements Performed by an Assurance Practitioner* and the review of the entity information and statement of service performance in accordance with the International Standards on Assurance Engagements (New Zealand) (ISAE) (NZ)) 3000 (Revised).

Those standards require us to conclude whether anything has come to our attention that causes us to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Not-for-Profit) framework.

Those standards also require us to comply with relevant ethical requirements. A review of performance report in accordance with ISRE (NZ) 2400 (Revised) and (ISAE (NZ)) 3000 (Revised) is a limited assurance engagement. We performed procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluating the evidence obtained. The procedures selected depend on our judgement, including areas identified where a material misstatement is likely to arise and includes performing procedures to obtain evidence and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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) and ISAE (NZ) 3000 (Revised). Accordingly, we do not express an audit opinion on the performance report.

Other than in our capacity as assurance practitioner we have no relationship with, or interest in the Parish of St Michael's Remuera.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are not suitable;
- b) the performance report on pages 3 to 12 does not present fairly, in all material respects:
 - the financial position of the Parish of St Michael's Remuera as at 31 December 2022, and of its financial performance and cash flows for the year then ended;
 - the entity information and its service performance for the year then ended;

in accordance with the Public Benefit Entity Simple Format reporting – Accrual (Not-for-Profit) framework.

Lynch & Associates Limited.

Lynch & Associates Limited
Auckland

27 July 2023