

**St Michael's of Remuera Ecclesiastical Goods Trust**

**PERFORMANCE REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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# St Michael's of Remuera Ecclesiastical Goods Trust

## Entity Information

For the Year Ended 31 December 2020

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**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.

**Physical/Postal address :** 6 Beatrice Road, Remuera, Auckland

**Telephone Numbers :** +64 9 5201226

**Website :** [www.remueracatholic.org.nz](http://www.remueracatholic.org.nz)



## St Michael's of Remuera Ecclesiastical Goods Trust

### Statement of Service Performance

For the Year Ended 31 December 2020

#### 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

<b>Our Community</b>	<b>2020</b>	<b>2019</b>
Number of families on Parish Roll	864	628
<b>Supporting members to grow in faith</b>		
Average Sunday Mass Count	615	571
Number of Baptisms	38	64
Number of Confirmations	52	63
Number of First Communicants	48	59
Number of Funeral Services	5	12
Number of Marriages	14	17
<b>Support of Parish Based Programmes</b>		
Lenten Appeal	509	892
Holy Places	0	775
Seminary	35	165
Peters Pence	502	846
Maori Missions	105	162
Mission Sunday	438	1,295
Caring Foundation	375	150

#### Additional Output Measures

We estimate that there are around 146 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 2020

	Note	2020 \$	2019 \$
<b>Revenue</b>			
Donation and other revenue from members	2.2	255,924	278,170
Revenue from providing goods and services	2.3	184,252	162,676
Interest and other investment revenue	2.4	23,902	25,547
<b>Total revenue</b>		<b>464,078</b>	<b>466,393</b>
<b>Expenses</b>			
Volunteer and employee related costs	3.1	44,926	39,500
Costs related to providing goods and services	3.2	67,109	74,994
Grants and donations made	3.3	55,875	73,490
Other operating expenses	3.4	349,496	451,664
<b>Total expenses</b>		<b>517,406</b>	<b>639,648</b>
<b>Deficit for the year</b>		<b>(53,328)</b>	<b>(173,255)</b>



St Michael's of Remuera Ecclesiastical Goods Trust

Statement of Financial Position

For the Year Ended 31 December 2020

	Note	2020 \$	2019 \$
<b>Assets</b>			
<i><b>Current assets</b></i>			
Bank accounts and cash	4.1	644,019	632,202
Debtors and prepayments	4.2	42,353	42,233
<b>Total current assets</b>		<b>686,372</b>	<b>674,435</b>
<i><b>Non-current assets</b></i>			
Property, plant and equipment	5	16,768,329	16,849,016
<b>Total non-current assets</b>		<b>16,768,329</b>	<b>16,849,016</b>
<b>Total assets</b>		<b>17,454,701</b>	<b>17,523,451</b>
<i><b>Current liabilities</b></i>			
Creditors and accrued expenses	6	33,410	48,832
<b>Total current liabilities</b>		<b>33,410</b>	<b>48,832</b>
<b>Total liabilities</b>		<b>33,410</b>	<b>48,832</b>
<b>Total assets less total liabilities (Net assets)</b>		<b>17,421,291</b>	<b>17,474,619</b>
<i><b>Accumulated funds</b></i>			
Accumulated surpluses	7	17,421,291	17,474,619
<b>Total Accumulated funds</b>		<b>17,421,291</b>	<b>17,474,619</b>



St Michael's of Remuera Ecclesiastical Goods Trust

Statement of Cash Flows

For the Year Ended 31 December 2020

	Note	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
<i>Cash was received from:</i>			
Donations and other receipts from members		252,186	276,481
Receipts from providing goods or services		184,252	162,676
Interest and other investment receipts		23,902	25,547
Net GST		3,618	467
<i>Cash was applied to:</i>			
Payments to suppliers and employees		(369,604)	(475,504)
Donations or grants paid		(71,297)	(42,778)
<b>Net cash flows from operating activities</b>		<b>23,057</b>	<b>(53,111)</b>
<b>Cash flows from investing and financing activities</b>			
<i>Cash was applied to:</i>			
Payment to acquire property, plant and equipment		(11,240)	(13,910)
<b>Net cash flows from investing and financing activities</b>		<b>(11,240)</b>	<b>(13,910)</b>
<b>Net increase/(decrease) in cash</b>		<b>11,817</b>	<b>(67,021)</b>
Opening cash		632,202	699,223
<b>Closing cash</b>		<b>644,019</b>	<b>632,202</b>
<b>This is represented by:</b>			
Bank accounts and cash	4.1	644,019	632,202





**St Michael's of Remuera Ecclesiastical Goods Trust**  
**Statement of Accounting Policies**  
**For the Year Ended 31 December 2020**

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## **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 exception 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 2020**

<b>2. Analysis of Revenue</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>2.2 Donation and other revenue from members</b>		
Donations and offerings	220,211	229,848
Diocesan special appeals	2,303	3,318
Gifts & other donations	26,878	38,092
<i>Revenue from sales to members</i>		
Books, newspapers, publications & programmes	1,090	1,519
Rental revenue	1,757	1,613
Other income	3,685	3,780
	<u>255,924</u>	<u>278,170</u>
<b>2.3 Revenue from Providing Goods and Services</b>		
Property rental to the public	184,252	162,676
	<u>184,252</u>	<u>162,676</u>
<b>2.4 Interest and other investment revenue</b>		
Interest	23,902	25,547
	<u>23,902</u>	<u>25,547</u>
<b>3. Analysis of Expenses</b>		
<b>3.1 Volunteer and employee related costs</b>		
Salaries, wages and allowances	44,926	39,500
	<u>44,926</u>	<u>39,500</u>
<b>3.2 Cost related to providing goods and services</b>		
Cost of other goods and services	3,302	3,862
Rental property related costs	63,807	71,132
	<u>67,109</u>	<u>74,994</u>
<b>3.3 Grants and donations made</b>		
Donations paid to Clergy Trust	15,820	13,114
Donations paid to Religious Organisations	1,244	1,474
Diocesan allocation paid to Auckland Diocese	27,434	35,626
Special collection donations to Auckland Diocese	1,017	2,543
Other special collections paid	10,360	20,733
	<u>55,875</u>	<u>73,490</u>



St Michael's of Remuera Ecclesiastical Goods Trust

Notes to the Performance Report

For the Year Ended 31 December 2020

	2020	2019
	\$	\$
<b>3.4 Major items of operating expenditure</b>		
Church Supplies and expenses	35,362	49,547
Office and administration expenses	26,077	48,687
Property maintenance and utilities	95,505	175,486
Parish operating expenses	100,625	87,290
Depreciation	91,927	90,654
	349,496	451,664

**4. Analysis of assets and liabilities**

**4.1 Bank accounts and cash**

Bank balances	35,529	32,595
Catholic Development Fund - On call account	608,490	599,607
	644,019	632,202

**4.2 Debtors and Prepayments**

GST Receivables	18,745	22,363
Other receivables	23,608	19,870
	42,353	42,233

**5. Property plant and equipment**

2020	Opening carrying amount	Purchases	Sales/ Disposals	Current year depreciation & impairment	Closing carrying amount	Value as per rateable value July 2017
<b>Asset class</b>						
Land	11,160,000	-	-	-	11,160,000	28,050,000
Buildings	5,672,700	-	-	(89,100)	5,583,600	6,475,000
Furniture & Fittings	3,102	11,240	-	(1,008)	13,334	
Church Equipment	13,214	-	-	(1,819)	11,395	
	16,849,016	11,240	-	(91,927)	16,768,329	34,525,000

2019	Opening carrying amount	Purchases	Sales/ Disposals	Current year depreciation & impairment	Closing carrying amount	Value as per rateable value July 2017
<b>Asset class</b>						
Land	11,160,000	-	-	-	11,160,000	28,050,000
Buildings	5,761,800	-	-	(89,100)	5,672,700	6,475,000
Furniture & Fittings	3,960	-	-	(858)	3,102	
Church Equipment	-	13,910	-	(696)	13,214	
	16,925,760	13,910	-	(90,654)	16,849,016	34,525,000



St Michael's of Remuera Ecclesiastical Goods Trust

Notes to the Performance Report

For the Year Ended 31 December 2020

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

Payable to Catholic Diocese of Auckland

Payable to Clergy Trust

Other Payables

	2020	2019
Payable to Catholic Diocese of Auckland	4,562	25,485
Payable to Clergy Trust	11,132	8,376
Other Payables	17,716	14,971
	<u>33,410</u>	<u>48,832</u>

7. Accumulated Funds

2020
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Opening balance

Surplus/(Deficit)

Closing balance

Capital contributed by owners or members	Accumulated surpluses/ (deficits)	Reserves	Total
-	17,474,619		17,474,619
-	(53,328)		(53,328)
-	<u>17,421,291</u>	-	<u>17,421,291</u>

2019
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Opening balance

Surplus/(Deficit)

Closing balance

Capital contributed by owners or members*	Accumulated surpluses / (deficits)	Reserves	Total
-	17,647,874		17,647,874
-	(173,255)	-	(173,255)
-	<u>17,474,619</u>	-	<u>17,474,619</u>



**St Michael's of Remuera Ecclesiastical Goods Trust**

**Notes to the Performance Report**

**For the Year Ended 31 December 2020**

**8. Commitments and contingencies**

2020                      2019

**Commitments**

\$                                      \$

There are no capital or lease commitments at balance date (2019: Nil)

**Contingency Liabilities and Guarantees**

There are no contingent liabilities or guarantees as at balance sheet date.(2019:Nil)

**9. Assets used as security for liabilities**

No assets have been used as security for liabilities at the reporting date. (2019: \$Nil).

**10. Assets held on behalf of others**

No assets are held on behalf of others. (2019: \$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)	
		2020 \$	2019 \$	2020 \$	2019 \$
Religious Organisation	Donation	2,356	1,474	-	-
Clergy Trust	Donation	15,820	13,114	(11,132)	(8,376)
Catholic Diocese of Auckland	Allocation Payment	28,839	35,626	(5,234)	(25,485)
Auckland Catholic Development Fund	Investments (On call)	608,490	599,607	-	-
St John Vianney Retirement Village	Donation	-	11,000	-	-

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.

**12. Events after the Balance Date**

On 15 and 28 February 2021 and 1 March 2021 Government restrictions for COVID19 pandemic resulted in the Parish of St Michaels Remuera, being closed for 10 days affecting all activities of the Parish and a reduction in revenue from Parishioners. The Church reopened to its members following the lifting of restrictions to level 1 rating by the Government on 22 February 2021 and 12 March 2021. An estimate of the financial effect arising from this lock down in level 3 can not be made at the current time. There is a possibility that the Parish/Church would be closed if there is any progress of community infections of COVID 19

**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 2020. 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 2020, the statement of financial position as at 31 December 2020, 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 2020 and of its financial performance and cash flows for the year then ended; and
  - 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**  
Parnell  
Auckland

8 July 2021