

# ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

## Performance Report

For the year ended  
31 December 2017

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## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Entity Information

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

For the year ended  
31 December 2017

Legal Name of Entity: THE ANGLICAN CHURCH IN AOTEAROA NEW ZEALAND AND POLYNESIA,  
TE HAHĪ MIHINARE KI AOTEAROA, KI NIUTIRENI, KI NGA MOUTERE O TE  
MADNA NUI A KIWA

Other Name of Entity (if any): ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

Type of Entity and Legal Basis (if any): Registered Charity

Registration Number: CC26426

#### Entity's Purpose or Mission:

- (i) To proclaim the good news of the Kingdom;
- (ii) To teach, baptise and nurture the new believers;
- (iii) To respond to human needs by loving service;
- (iv) To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation;
- (v) To strive to safeguard the integrity of creation and sustain and renew the life of the earth.

#### Entity Structure:

General Synod Te Hinota Whanui (GSTHW) meets every second year, with representatives of each of the 7 Dioceses in New Zealand, the 5 Amorangi in Aotearoa, and the Diocese of Polynesia.

Between meetings the entity is represented by the General Synod Standing Committee (GSSC) of 18 members representing the three houses of Bishops/ Clergy/ Laity, and the three Tikanga of Maori/ Pakeha/ Polynesia.

There are three Archbishops, a General Secretary (Exec Officer), and various Commissions/ Councils/ Boards/ and Committees.

#### Main Sources of the Entity's Cash and Resources and Main Methods to Raise Funds

Trust grants and church donations, with some limited interest income and sales of resources.

Raised through annual applications to Trusts and voluntary contributions by Dioceses/ Amorangi.

#### Entity's Reliance on Volunteers and Donated Goods or Services:

GSTHW has 6 full time and 5 part time staff, and relies on over 300 volunteers for much of its work.

#### Contact details

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## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Statement of Service Performance

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

For the year ended  
31 December 2017

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

- (i) the good news of the Kingdom is proclaimed;
- (ii) new believers are taught, baptised and nurtured;
- (iii) human needs are responded to by loving service;
- (iv) unjust structures of society are transformed, violence of every kind is challenged and peace and reconciliation is pursued;
- (v) the integrity of creation is safeguarded, and the life of the earth is sustained and renewed.

#### Description and Quantification (to the extent practicable) of the Entity's Outputs:

1 A biennial GSTHW is held and governance provided in between by Standing Committee.

General Synod Te Hinota Whanui was held for 8 days in May 2016, in Napier, and will next be held for 8 days in May 2018, in New Plymouth. In 2017 General Synod Standing Committee (GSSC) met in July, and October, for two days each time.

2 Administrative and Support services provided to three-tikanga ministry.

In addition to GSSC, support was delivered to 4 Commissions, 7 Councils or Committees, 2 Tribunals, and 12 Small Working Groups.

3 Church leadership resourced and supported.

The Primacy (shared by three Archbishops) and the House of Bishops (20) were supported for their ongoing work and for 2 meetings/conferences.

4 International and ecumenical relationships maintained.

Relationships, contributions and communications were maintained with WCC, CCA, PCC, ACC, NDCU, and various international and national networks and ecumenical dialogues. Funding is provided for membership, international conferences and representation on council commissions.

5 Communications provided to Church and Society.

The Anglican Toanga magazine is published 3 times a year, and a regular news website, Taonga Online, is maintained.

#### Additional Information:

Theological Education, Womens Studies, Social Justice Education, Youth Work.

These areas of work employed staff, ran programmes, and produced resources.



**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Financial Performance**  
**"How was it funded?" and "What did it cost?"**  
**For the year ended**  
**31 December 2017**

	Note	Actual This Year \$	Budget This Year \$	Actual Last Year \$
<b>Revenue</b>				
Donations, fundraising and other similar revenue	1	1,599,834	1,743,943	1,669,172
Fees, subscriptions and other revenue from members	1	294,555	295,818	299,756
Revenue from providing goods or services	1	47,198	23,000	38,649
Interest, dividends and other investment revenue		38,244	7,000	46,495
<b>Total Revenue</b>		<b>1,979,831</b>	<b>2,069,761</b>	<b>2,054,072</b>
<b>Expenses</b>				
Costs related to providing goods or services		1,340,388	1,571,793	1,485,862
Volunteer and employee related costs	2	514,061	558,650	510,029
Other expenses			-	9,347
<b>Total Expenses</b>		<b>1,854,449</b>	<b>2,130,443</b>	<b>2,005,238</b>
<b>Surplus/(Deficit) for the Year</b>		<b>125,382</b>	<b>(60,682)</b>	<b>48,834</b>



**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Financial Position**

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

**As at**

**31 December 2017**

	Note	Actual This Year \$	Actual Last Year \$
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	1,458,048	1,336,064
Debtors and prepayments	3	39,136	26,607
<b>Total Current Assets</b>		<b>1,497,184</b>	<b>1,362,671</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	4	37,826	7,290
Investments	3	454,494	454,494
<b>Total Non-Current Assets</b>		<b>492,320</b>	<b>461,784</b>
<b>Total Assets</b>		<b>1,989,504</b>	<b>1,824,455</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses		201,398	166,844
Employee costs payable		25,020	19,907
<b>Total Current Liabilities</b>		<b>226,418</b>	<b>186,751</b>
<b>Total Liabilities</b>		<b>226,418</b>	<b>186,751</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>1,763,086</b>	<b>1,637,704</b>
<b>Accumulated Funds</b>			
Accumulated surpluses		790,199	725,982
Reserves		972,887	911,722
<b>Total Accumulated Funds</b>		<b>1,763,086</b>	<b>1,637,704</b>

*M. G. Hughes*

15/3/18



**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Statement of Cash Flows**

**"How the entity has received and used cash"**

**For the year ended**

**31 December 2017**

	Actual This Year \$	Actual Last Year \$
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
Donations, fundraising and other similar receipts	1,615,846	1,664,267
Fees, subscriptions and other receipts from members	294,555	309,306
Receipts from providing goods or services	39,288	38,649
Interest, dividends and other investment revenue	34,326	46,888
Net GST	-	17,520
<b>Cash was applied to:</b>		
Payments to suppliers	1,312,307	1,449,286
Payments to employees	508,948	509,138
Net GST	7,593	-
<b>Net Cash Flows from Operating Activities</b>	<b>155,167</b>	<b>118,206</b>
<b>Cash flows from Investing and Financing Activities</b>		
<b>Cash was applied to:</b>		
Payments to acquire property, plant and equipment	33,183	-
<b>Net Cash Flows from Investing and Financing Activities</b>	<b>(33,183)</b>	<b>-</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>121,984</b>	<b>118,206</b>
<b>Opening Cash</b>	<b>1,336,064</b>	<b>1,217,858</b>
<b>Closing Cash</b>	<b>1,458,048</b>	<b>1,336,064</b>
<b>This is represented by:</b>		
Bank Accounts and Cash	1,458,048	1,336,064



## ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

### Statement of Accounting Policies

"How did we do our accounting?"

For the year ended  
31 December 2017

#### Basis of Preparation

ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA 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 had total annual expenses of equal to or less than \$2,000,000 for at least one of the previous two financial years. 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.

#### Revenue Recognition

Donations are recognised as revenue upon receipt.

Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled. All other revenue is recognised at the time the goods or services are provided.

#### Goods and Services Tax (GST)

The entity is registered for GST. Therefore, all amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

#### Income Tax

The entity is 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.

#### Receivables

Receivables are stated at their realisable value.

#### Property, plant and equipment

Items of property, 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 rates are as follows:

Software and Computer Equipment	depreciated over 3 years straight line
Motor Vehicles	depreciated over 7 years straight line

#### Investments

Investments are recorded at cost.

#### Functional Currency and Presentation Currency

The presentation currency and functional currency of the entity is the New Zealand Dollar, rounded to the nearest dollar.

#### Employee Entitlements

An accrual for employee entitlements is recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid.

#### Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. (2016 - nil)



# ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

## Notes to the Performance Report

For the year ended

31 December 2017

### Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Donations and other similar revenue	General Church Trust Board	1,044,000	1,209,000
	Donations	12,741	4,667
	Grants	543,093	455,505
	<b>Total</b>	<b>1,599,834</b>	<b>1,669,172</b>

Revenue Item	Analysis	This Year \$	Last Year \$
Fees, subscriptions and other revenue from members	Auckland Diocese	60,000	60,000
	Christchurch Diocese	57,222	57,222
	Dunedin Diocese	16,713	16,713
	Nelson Diocese	17,500	17,500
	Polynesia Diocese	14,488	19,691
	Te Pihopatanga O Aotearoa	23,500	23,498
	Waipapu Diocese	40,382	40,382
	Waikato Diocese	22,750	22,750
	Wellington Diocese	42,000	42,000
<b>Total</b>	<b>294,555</b>	<b>299,756</b>	

Revenue Item	Analysis	This Year \$	Last Year \$
Revenue from providing goods or services	Advertising Revenue	13,970	18,429
	Subscriptions Revenue	16,742	7,270
	Royalties Received	1,056	1,356
	Others	15,430	11,594
	<b>Total</b>	<b>47,198</b>	<b>38,649</b>





**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Notes to the Performance Report**

**For the year ended  
31 December 2017**

**Note 2 : Analysis of Expenses**

Expense Item	Analysis	This Year	Last Year
		\$	\$
Volunteer and employee related costs	ACC	1,081	1,173
	Kiwisaver	4,959	5,556
	Training Costs	9,952	13,184
	Wages and Salaries	498,069	490,116
	<b>Total</b>		<b>514,061</b>



# ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

## Notes to the Performance Report

For the year ended  
31 December 2017

### Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year \$	Last Year \$
Bank accounts and cash	BNZ Cheque Account	458,048	526,064
	Short Term Deposits	1,000,000	810,000
	<b>Total</b>	<b>1,458,048</b>	<b>1,336,064</b>
Asset Item	Analysis	This Year \$	Last Year \$
Debtors and prepayments	Trade and Other Receivables	15,303	12,685
	Prepayments	2,318	-
	GST Receivable	21,515	13,922
	<b>Total</b>	<b>39,136</b>	<b>26,607</b>
Asset Item	Analysis	This Year \$	Last Year \$
Investments	Trust Investments - NZ Bond Fund	454,494	454,494
	<b>Total</b>	<b>454,494</b>	<b>454,494</b>



**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Notes to the Performance Report**

For the year ended  
31 December 2017

**Note 4 : Property, Plant and Equipment**

<b>This Year</b>					
<b>Asset Class</b>	<b>Opening Carrying Amount</b>	<b>Purchases</b>	<b>Sales / Disposals</b>	<b>Current Year Depreciation and Impairment</b>	<b>Closing Carrying Amount</b>
Motor Vehicles	6,517	42,014	6,517	5,772	36,242
Computers (including software)	772	1,605	-	793	1,584
<b>Total</b>	<b>7,289</b>	<b>43,619</b>	<b>6,517</b>	<b>6,565</b>	<b>37,826</b>

<b>Last Year</b>					
<b>Asset Class</b>	<b>Opening Carrying Amount</b>	<b>Purchases</b>	<b>Sales / Disposals</b>	<b>Current Year Depreciation and Impairment</b>	<b>Closing Carrying Amount</b>
Motor Vehicles	9,321	-	-	2,804	6,517
Computers (including software)	1,570	-	-	798	772
<b>Total</b>	<b>10,891</b>	<b>-</b>	<b>-</b>	<b>3,602</b>	<b>7,289</b>



# ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA

## Notes to the Performance Report

For the year ended  
31 December 2017

### Note 5: Accumulated Funds

Description	This Year		
	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	725,982	911,722	1,637,704
Surplus/(Deficit)	125,382	-	125,382
Transfer to Reserves	(139,451)	139,451	-
Transfer from Reserves	78,286	(78,286)	-
Closing Balance	790,199	972,887	1,763,086

Description	Last Year		
	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	739,709	849,161	1,588,870
Surplus/(Deficit)	48,834	-	48,834
Transfer to Reserves	(165,818)	165,818	-
Transfer from Reserves	103,257	(103,257)	-
Closing Balance	725,982	911,722	1,637,704

Reserves	Nature & purpose
Car Replacement Fund	Ongoing quarterly reserving provision for replacement vehicles.
Office Equip Provision	Ongoing quarterly reserving provision, including for Video conference equipment.
Conference Study Leave Prov	Ongoing quarterly reserving provision for Staff attendance at Conferences.
Episcopal Units & Other Part B	EU's is a provision for Part B balancing, if required. Funds reserved for future spending in this area. Publications shows balance available for Liturgical publications, or underwriting other publications against income from sales.
New Publications Fund	Net income from sales, after annual production/print costs for the annual lectionary. Funds reserved for future spending in this area.
Lectionary	Investment Fund balance with an annual interest distribution to Episcopal Units.
Hooper Estate	Net income from sales, transferred from Publications. The directory is published biannually.
Clerical Directory	The balance of funds available for the Primates Social Justice Policy Research project work currently underway.
Social Justice Commission	Reserved to cover staff restructure costs.
General Synod Office	Invested funds on behalf of Youth Commission. Income from a source other than SJCTB and available to TTYC for projects above those funded by SJCTB. Funds reserved for future spending in this area.
Youth TYE Putea	Holds some SJ money committed to ongoing Tik Pakeha SJ project work.
Social Justice Project	Holds income from DOM Advent Card sales at Publications for future DOM projects.
Decade of Mission	Like Youth Putea above, but from a different income source. Funds available for TTYC projects above those funded by SJCTB. Funds reserved for future spending in this area.
TORU	Income from sources other than SJCTB, mostly book sales or donations, and available for CAWS projects above those funded by SJCTB, specially for further resource publications. Funds reserved for future spending in this area.
Womens Studies	A reserve held for expenses related to the Military Chaplaincy support by the Military Liaison Bishop and transferred to Anglican Military Affairs code where expenses are paid during the year. Funds reserved for future spending in this area.
Anglican Military Affairs	A reserve held for equipment expenses related the provincial Archives held at St John Kinder Theological Library, and transferred to Archives code where expenses are paid during the year. Funds reserved for future spending in this area.
Archives Equipment Reserve	Balance available for annual Greek scholar prize.
Archeacon Johnston Prize Fund	Quarterly reserving for next Assembly/Conference (5 yearly).
CCA Conference Reserve	Funds available to CFE who are responsible to use this.
Ecumenical Publicity Reserve	Quarterly reserving available for next Assembly/Conference.
Pacific Conference of Churches	The reserve available for GSTHW meetings, and for general purposes.
GS Reserve 2012	Quarterly reserving for the next Assembly, in 2020.
WWC Assembly Reserve	Reserving for the annual NY Conference, with transfers to cover expenses in Ecumenical for travel/ attendance as required.
UNSCW	Quarterly reserving for next Conference.
IALC Reserve	2015 year windfall grant from Perpetual Guardian for general 'mission' initiatives. GSSC allocated this to DOM projects.
ACC 2016 Conference Reserve	Provision for Committee attendance.
WCC Central Committee A/C	



**Note 5: Accumulated Funds continued**

**Breakdown of Reserves**

<b>2017</b>	<b>Opening</b>	<b>Movement</b>	<b>Closing</b>
Car Replacement Fund	(34,436)	9,742	(24,694)
Office Equip Provision	(52,937)	(10,828)	(63,765)
Conference Study Leave Prov	(3,436)	(1,708)	(5,144)
Episcopal Units & Other Part B	(19,721)	-	(19,721)
New Publications Fund	(116,200)	(8,657)	(124,857)
Lectionary	(15,471)	(1,886)	(17,357)
Hooper Estate	(154,998)	(3,707)	(158,705)
Clerical Directory	(15,126)	(5,601)	(20,727)
Social Justice Commission	(7,020)	(350)	(7,370)
General Synod Office	(83,780)	6,836	(76,944)
Youth TYE Putea	(63,618)	33,085	(30,533)
Social Justice Project	(26,253)	(1,307)	(27,560)
Decade of Mission	(1,246)	(247)	(1,493)
TORU	(2,550)	(127)	(2,677)
Womens Studies	(6,459)	(2,193)	(8,652)
Anglican Military Affairs	(52,255)	(2,603)	(54,858)
Archives Equipment Reserve	(3,320)	(165)	(3,485)
Archeacon Johnston Prize Fund	(1,794)	423	(1,371)
CCA Conference Reserve	(5,508)	(2,322)	(7,830)
Ecumenical Publicity Reserve	(12,119)	(603)	(12,722)
Pacific Conference of Churches	(27,659)	(3,107)	(30,766)
GS Reserve 2012	(27,026)	(54,508)	(81,534)
WWC Assembly Reserve	(26,573)	(4,395)	(30,968)
UNSCW	(9,432)	(2,533)	(11,965)
IALC Reserve	(2,000)	(2,147)	(4,147)
ACC 2016 Conference Reserve	(105,906)	(5,273)	(111,179)
WCC Central Committee A/C	(34,876)	3,016	(31,860)
<b>Total</b>	<b>(911,722)</b>	<b>(61,165)</b>	<b>(972,887)</b>

  

<b>2016</b>	<b>Opening</b>	<b>Movement</b>	<b>Closing</b>
Car Replacement Fund	(30,436)	(4,000)	(34,436)
Office Equip Provision	(49,328)	(3,609)	(52,937)
Conference Study Leave Prov	(1,936)	(1,500)	(3,436)
Episcopal Units & Other Part B	(19,721)	-	(19,721)
New Publications Fund	(147,606)	31,406	(116,200)
Lectionary	(13,093)	(2,378)	(15,471)
Hooper Estate	(154,998)	-	(154,998)
Clerical Directory	(14,848)	(278)	(15,126)
Social Justice Commission	(22,323)	15,303	(7,020)
General Synod Office	-	(83,780)	(83,780)
Youth TYE Putea	(29,854)	(33,764)	(63,618)
Social Justice Project	(29,972)	3,719	(26,253)
Decade of Mission	(2,954)	1,708	(1,246)
TORU	(2,550)	-	(2,550)
Womens Studies	(6,532)	73	(6,459)
Anglican Military Affairs	(56,668)	4,413	(52,255)
Archives Equipment Reserve	(3,320)	-	(3,320)
Archeacon Johnston Prize Fund	(2,294)	500	(1,794)
CCA Conference Reserve	(9,713)	4,205	(5,508)
Ecumenical Publicity Reserve	(12,119)	-	(12,119)
Pacific Conference of Churches	(25,659)	(2,000)	(27,659)
GS Reserve 2012	(47,220)	20,194	(27,026)
WWC Assembly Reserve	(24,800)	(1,773)	(26,573)
UNSCW	(5,432)	(4,000)	(9,432)
IALC Reserve	-	(2,000)	(2,000)
ACC 2016 Conference Reserve	(105,906)	-	(105,906)
WCC Central Committee A/C	(29,876)	(5,000)	(34,876)
<b>Total</b>	<b>(849,161)</b>	<b>(62,561)</b>	<b>(911,722)</b>



**ANGLICAN CHURCH IN AOTEAROA, NEW ZEALAND AND POLYNESIA**

**Notes to the Performance Report**

**For the year ended  
31 December 2017**

**Notes 6 to 9**

**Note 6 Capital Commitments**

The entity has no capital commitments as at 31 December 2017 (2016 nil).

**Note 7 Contingent Liabilities**

The entity has no contingent liabilities & no guarantees as at 31 December 2017 (2016 nil).

**Note 8 Events after balance date**

There were no events that have occurred after balance date that would have a material impact on the Performance Report (2016 nil).

**Note 9 Related Party disclosure**

There were no material transactions involving related parties during the financial year (2016 nil).





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**INDEPENDENT AUDITOR'S REPORT  
TO THE GENERAL SYNOD/TE HINOTA WHANUI OF THE ANGLICAN CHURCH IN AOTEAROA, NEW  
ZEALAND, AND POLYNESIA**

**Report on the Performance Report**

**Opinion**

We have audited the performance report of The Anglican Church in Aotearoa, New Zealand, and Polynesia (the "Church"), which comprises the entity information, the statement of service performance, the statement of financial performance, and statement of cash flows for the year ended 31 December 2017, the statement of financial position as at 31 December 2017, and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report presents fairly, in all material respects:
  - the entity information for the year ended 31 December 2017;
  - the service performance for the year then ended; and
  - the financial position of the Church as at 31 December 2017, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

**Basis for Opinion**

We conducted our audit 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 Auditing (New Zealand) ("ISAs (NZ)"), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE (NZ) 3000 (Revised)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Church in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Church.

**PARTNERS:** David Pearson   Ross Hadwin   Glenn Fan-Robertson   Heather Hallam   Lisa Townshend   Matt Coulter  
**ASSOCIATES:** Cary Davis   David Hopping   Sheena Mason   Billie Stanley  
**CONSULTANTS:** Ron Eglinton

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## **Responsibilities of the General Synod/te Hinota Whanui for the Performance Report**

The General Synod/te Hinota Whanui is responsible 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 on behalf of the Church 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 Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board; and
- c) such internal control as the General Synod/te Hinota Whanui determines is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the General Synod/te Hinota Whanui is responsible on behalf of the Church for assessing the Church's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the General Synod/te Hinota Whanui either intends to liquidate the Church or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Church's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of the use of the going concern basis of accounting by the General Synod/te Hinota Whanui and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Church's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Church to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the General Synod/te Hinota Whanui regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Who we report to

This report is made solely to the Church's General Synod/te Hinota Whanui, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's 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 Church and the Church's General Synod/te Hinota Whanui, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Central (NI)*

**BDO Central (NI)  
Napier  
New Zealand  
15 March 2018**