

St Lukes Wadestown, Wilton and Crofton Downs Financial Report

for the year ended Dec 31st 2020



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This financial report has not been audited

Rachel Baskerville, Treasurer

Legal Name of Entity: Anglican Diocese of Wellington, St Luke's Parish - Wadestown

Type of Entity and Legal Basis: Registered Charity, Registration Number: Charities Commission No CC31568

Entity's Mission:

St Luke's has been part of the Wadestown Community for 130 years and in the 21st century we are still a thriving and busy parish. We strive to accommodate a range of different perspectives and needs - from children's (and their parents) to older adults. We acknowledge that people experience God in different ways so we make room for this in our worship and other activities. We are a social group and hold a range of social events both for St Luke's and the wider community throughout the year

Entity Structure:

The Governing Body for St Luke's is the Vestry, chaired by the Vicar. Vestry is elected each year at the Annual General Meeting. The Vestry has four major functions:

- Promote and facilitate the worship of God
- Foster the spiritual growth of parishioners and encourage them in the church's mission
- Encourage parishioners to grow in their faith
- Ensure the good management of the parish resources.

Vestry is supported by sub-groups, which undertake the more detailed planning and implementation of activities that fall under their responsibility. Current sub-groups are Finance, Fellowship, Education / Communication, and Property Management. .

The Parish employs a part-time administrator, Audrey Holyoake, who works Tuesday, Wednesday & Thursday and a cleaner who cleans the St Luke's Centre four hours a week for our users. Church cleaning is undertaken by parishioners.

Main Sources of the Entity's Cash and Resources:

Efforts made by the Church to raise cash and resources focus on two major areas: regular payments by our parish members through direct bank payments or by envelope giving. There are also some one-off annual donations, and cash giving in church services (42%). Secondly, slightly under half (47%) of our income this year came from the interest on our funds in the Wellington Diocese "Amalgamated Mortgages and Securities Investment Fund" (from the sale of the Vicarage fourteen years ago), which contributes towards maintaining a Clergy Housing and Facilities Maintenance fund. Around 9% of our income comes from the rental income from community users of the St Luke's Centre. Missions and outreach contributions are 1% of our income.

Main Methods Used by the Entity to Raise Funds:

Apart from the occasional Stewardship appeal directed towards members of the Parish - to commit to an annual level of financial support - the other methods used in the parish are fundraising efforts by parishioners throughout the year. Usually these include a 'stand' at the Wadestown Fair in March. St Luke's may also operate any one-off fundraising activities as far as supported by parishioners.

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

Many people volunteer both time and talents, as well as physical goods, to ensure the smooth running of our parish and to put into practice Christ's call of service to others. We value this and encourage people to get involved in activities where they have gifts and callings. Some of the volunteer activities include: care of the building and grounds, church cleaning, communications such as the website and prayer chain by email, mission, social outreach and community activities as further described in the statements of service performance, family ministry, financial giving, arranging flowers at part of church worship each week, fundraising, caring for the gardens and grounds, greeting people when they arrive for services, the healing ministries, running public seminars, offering Sunday and Wednesday morning teas, playing in the music group, operating the zoom cameras or computer link to screen in church, practical pastoral care, prayer ministries, reading scripture during services, membership of the Vestry and its subcommittees, ongoing maintenance and working bees.

The Church is reliant on such ongoing volunteered activities to operate on both a daily and sustainable long-term basis. Note 6 to this report values these voluntary activities at \$187,200 pa.

Contact details

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Treasurer's Report:

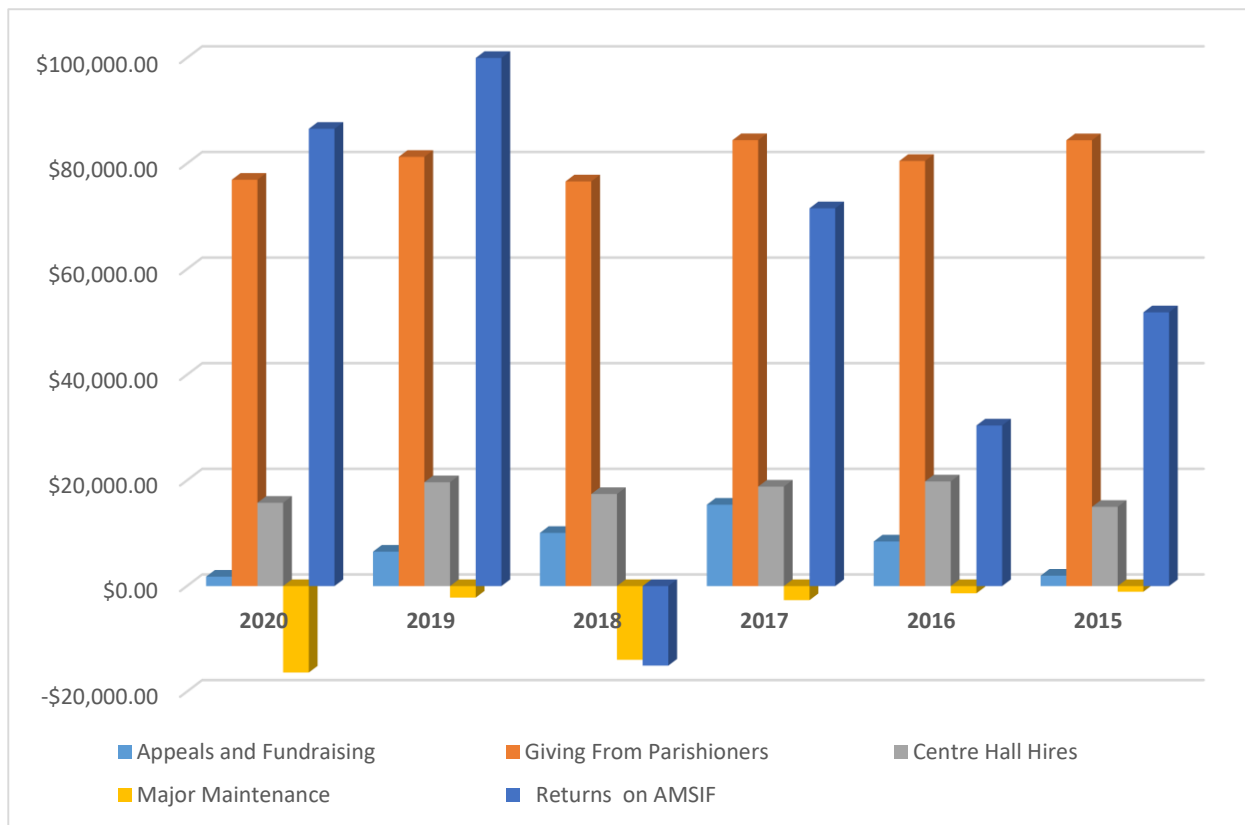
Thank you all for your continuing generosity during the lockdown, and all the effort through the miracles of modern technology to keep our communication routes open and functional, strengthening our fellowship.

There was what I think of as a 'one-off surplus' this year (line 33 on page 5), but in 2021 we will have higher clergy costs (permanent clergy are entitled to pensions and other allowances which do not apply to interregnum clergy), Diocesan Levies are up 50%, and we will not have the \$14,622 subsidy from the Govt towards loss of income during the March to May 2020 lockdown. We have included in this document the 2021 cash budget (page 13), which projects a \$10,000 operating loss even with an ambitious fundraising target of \$5,000. But we have a buffer of \$14,253 in our parishioner funds (top of page 6).

Looking at the coloured chart on the bottom of this page we can see the continuing volatility of the return on our AMSIF (Amalgamated Mortgages and Securities Investment Fund) deposit. This deposit include funds relating to the Ark Trust, the Organ fund bequests, and the Clergy Housing and Facilities Maintenance Fund (see Note top of page 10). Parishioner giving was steady even through lockdown, but the income from Centre hiring was not unexpectedly down by 20%, given we were closed for ten weeks.

St Luke's couldn't operate the treasury function without the dedication of Audrey Holyoake, Rachael Green, and Peter Milne, all of whom support the Treasurer in many ways every week, and for these contributions I am particularly thankful.

Rachel Baskerville



Income and expenditure report			
for the 12 months ended 31 December			
		2020	2019
<i>Line</i>	Income		
1	Giving by Parishioners	76,896	80,287
2	Fundraising (net of expenses)	1,789	1,684
3	Miscellaneous Revenue	218	3,894
4	Donations in lieu of giving	47	987
5	Dividend and Interest income	18	44
6	Advent Fundraising Appeal		4,836
7	Transfer into operating a/c from CH and FM Fund for clergy housing	20,670	24,961
8	Service revenues and hall hire		
9	Service Revenues (Weddings, Funerals etc)		174
10	St Luke's Centre Hire Income	15,780	19,666
11	<i>Total Service revenues and hall hire</i>	<u>15,780</u>	<u>19,840</u>
12	Total Income	115,418	136,533
13	Less Operating Expenses		
14	Clergy stipends, allowances, synod, CPD etc	55,237	72,834
15	Admin staff and cleaner salaries	17,907	17,366
16	Less Gov't 'Covid relief' for a salary and wages subsidy	-14,662	
	Net stipend, allowances, salary and wages	58,482	90,200
17	Auditor/Reviewer/AUP/	825	825
18	Centre Cleaning materials	323	118
19	Church and Centre minor maintenance	2,838	3,988
20	Diocesan Levies	10,407	14,112
21	Energy Costs	3,384	3,385
22	Insurance Expense	6,987	7,022
23	Miscellaneous Church Expenses		121
24	Office costs incl. paper, cartridges, telephone, Xero	3,297	2,229
25	Organists' charges	4,735	4,400
26	Pastoral	489	249
27	Sabbatical provision	1,000	1,000
28	Sunday school and adult learning	75	65
29	Synod - laity		130
30	WCC and WRC Rates	1,559	1,504
31	Worship. music, fellowship etc	3,338	4,098
32	Total Operating Expenses	97,738	133,446
33	Operating Surplus	17,679	3,086
34	Missions and Outreach		
35	Mission and Outreach Outflows	-1,596	-3,796
36	NZ Targeted Mission and Outreach Giving	240	1,133
37	Overseas targeted outreach and mission giving	1,292	2,663
38	Total Missions and Outreach	-64	0
39	Operating surplus incl M & O	17,615	3,086
40	Comprises of		
41	From CH and FM Fund to Operating account for clergy housing	20,670	24,961
42	Results excluding transfer from CH & FM fund	-3,055	-21,874

Statement of Changes in Equity for the year from Jan 1st 2020 - Dec 31st 2020

Equity	Buildings and Property reserve	Clergy Housing and Facilities Maintenance Fund	Opening members funds at start of this period	Organ Bequests	Junior Chorister Development	Total Equity	Line	Ark Trust fund	
Jan 1st 2020	1,422,996	628,958	-3,363	25,114	283	2,073,988	43	43,062	Jan 1st 2020
Maintenance to Op a/c		-16,368				-16,368	44		
Interest earned		-20,670	20,670			0	45	-17,000	distributions
Depreciation	-36,518	86,590				86,590	46		
Current P & L result			-3,055			-3,055	47		
Allocation of interest				3,350	38	-4,611	48	4,611	interest
Dec 31st 2020	1,386,477	670,511	14,253	28,464	321	2,100,026	50	30,673	Dec 31st 2020
							51		
							52		
Jan 1st 2019	1,459,514	555,294	-6,449	20,002	226	2,028,586	53	39,100	Jan 1st 2019
Maintenance to Op a/c		-2,175				-2,175	54		
Interest earned		-24,961	24,961			0	55		
Depreciation	-36,518	109,930				109,930	56		
Current P & L result			-21,874			-21,874	57		
Allocation of interest				5,112	57	-3,962	58	3,962	interest
Dec 31st 2019	1,422,996	628,958	-3,363	25,114	283	2,073,988	60	43,062	Dec 31st 2019

Balance Sheet			
St Luke's Anglican Church - Wadestown			
As at 31 December			
Current Assets	2020	2019	line
Bank Account	15,471	25,635	61
Accounts Receivable	1,941	173	62
GST	2,499	1,249	63
Prepayments	306	4,419	64
Total Current Assets	20,216	31,476	65
Fixed Assets			66
Land and Buildings	1,780,000	1,780,000	67
Less Accumulated Depreciation	-499,500	-466,200	68
Organ	100,000	100,000	69
Less Accumulated Depreciation	-37,500	-35,000	70
Other Assets	56,016	54,756	71
Less Accumulated Depreciation	-6,464	-5,746	72
Total Fixed Assets	1,392,552	1,427,810	73
Other non-current Assets			74
AMSIF investment	718,791	652,201	75
Interest bearing Account	11,001	14,134	76
Total Assets	2,142,560	2,125,622	77
Liabilities			78
Current Liabilities			79
Accounts payable	2,820	547	80
Provision for Clergy Sabbatical	9,025	8,025	81
Minor payables	18	0	82
Total Current Liabilities	11,862	8,572	83
Non-Current Liabilities			84
Ark Trust funds	30,673	43,062	85
Total Non-Current Liabilities	30,673	43,062	86
Total Liabilities	42,535	51,634	87
Net Assets = Equity	2,100,025	2,073,987	88

Cash Flow Statement for year to 31st December			
line		2020	2019
	Cash operating inflows		
89	Cash Giving	1,633	2,487
90	Fundraising (net) incl advert appeal	1,789	6,520
91	Gov't Covid subsidy	14,662	0
92	Interest Income	18	44
93	Miscellaneous Revenue	243	3,894
94	Parishioner giving	75,310	78,788
95	Service Revenues (Weddings, Funerals etc with GST)	0	174
96	St Luke's Centre Hall Hire Income (with GST)	14,242	19,516
97			
98	Cash operating outflows		
99	Adult learning and Education	-100	-195
100	Auditor/Reviewer/AUP	-825	-825
101	Building and Facilities - Major Maintenance	-16,368	-1,675
102	Centre expenses incl. minor maintenance	-2,725	-3,193
103	Church maintenance (minor), Gardening	-113	-27
104	Cleaning costs, materials	-323	-118
105	Communication and Internet	-1,615	-1,385
106	Diocesan Levies	-10,407	-14,112
107	Energy Costs	-3,384	-3,385
108	Housing allowance	-20,670	-24,961
109	Insurance Expense	-6,987	-7,022
110	Miscellaneous Church Expenses	-10	-121
111	Organists' Salaries and payments	-4,735	-4,400
112	Parish Salaries and Wages	-17,647	-17,585
113	Pastoral	-489	-249
114	Piano and Organ Tuning and Regular Maintenance	-2,255	-1,679
115	Prepayment for Insurance	4,193	-167
116	Stationery, paper and General office costs	-1,225	-1,101
117	Stipend and Allowances	-34,517	-47,030
118	WCC and WRC Rates	-1,559	-1,504
119	Worship, Fellowship and Music	-1,525	-2,478
120	Xero Costs	-625	-588
121	Net operating cash flows	-16,013	-22,377
122	Plus:		
123	Net Mission and Outreach Inflows and Outflows	-64	0
124	Accounts payable and receivables changes	2,588	1,382
125	GST Inputs	-7,261	-6,732
126	GST Outputs	5,712	6,702
127	Other cash flows	975	1,351
128	Investing cash inflows and outflows		
129	Share sales (Fletcher Building)		11,722
130	Withdrawal from AMSIF	20,000	
131	Asset purchases	-1,260	-291
132	Ark Distribution	-17,000	
133	Net investing cash flows	1,740	11,431
134	Net outflows for 2020	-13,298	-9,595
135	<i>Summary</i>		
136	<i>Opening Balances</i>	39,770	49,364
137	<i>Plus Net Cash Movement</i>	-13,298	-9,595
138	<i>Closing Balances</i>	26,472	39,770
139	<i>see line 61 and line 76 on Balance Sheet</i>		

Statement of Accounting Policies for the year ended 31st December 2020

i. Basis of Preparation

St Luke's Anglican Church, Wadestown 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.

ii. Goods and Services Tax (GST)

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

iii. Income Tax

St Luke's Anglican Church, Wadestown is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

iv. 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.

v. Changes in Accounting Policies

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

Note 1 to the 2020 report: Asset values on the Balance Sheet

Asset Class 2020	Opening Carrying Amount	Purchases	Sales/ Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land and Buildings	1,313,800			33,300	1,280,500
Equipment incl. computers	49,010	1260		718	49,552
Organ	65,000			2,500	62,500
Total	1,427,810	1260		36,518	1,392,552

Continued on next page....

Asset Class 2019	Opening Carrying Amount	Purchases	Sales/ Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land and Buildings	1,347,100			33,300	1,313,800
Equipment incl. computers	49,437		291	718	49,010
Organ	67,500			2,500	65,000
Total	1,464,037		291	36,518	1,427,810

Significant Donated Assets Recorded - Source and Date of Valuation = nil

Significant Donated Assets - Not Recorded = nil

Fair value estimates for 2020 year	from QV	Anglican Diocesan Trust Board		Natural disaster cover?
		Insurance valuation	change on last year	
	no change on 2018 Valuation			
Land	\$920,000	n/a		no
Buildings	\$930,000			
St Luke's Church		\$1,678,800	down by \$1,519,600	no
St Lukes Hall		\$1,543,700	up by \$190,100	yes
Church and Hall contents and organ		\$872, 163	same as last year	no
Total	\$1,850,000	\$3,222,500		

Fair value estimates for 2019 year	from QV	Anglican Diocesan Trust Board	
		Insurance valuations	Natural disaster cover?
	2018 Valuation		
Land	\$920,000	n/a	no
Buildings	\$930,000		
St Luke's Church		\$3,198,400	no
St Lukes Hall		\$1,353,600	yes
Church and Hall contents and organ		\$872, 163	no
Total	\$1,850,000	\$4,552,000	

Asset register

Since 2014 the Vestry has been in the process of compiling an Asset register for the Parish. Until that is completed, the asset register in the accounting system is on hold, and has not been updated to reflect the current items which comprise the "Other assets" owned by the Parish. However, it is well under way and will be completed in 2021.

Note 2 to the 2020 report: Impact of COVID 19 on the financial outcomes this last year

Activities of all collective meetings at St Luke’s were suspended for ten weeks during the March – May 2020 lockdown. This impacts on the huge range of normal church activities and fellowship, but in financial terms the impact is on the return from hiring out of the St Lukes Centre (down 19.8%), and also possibly on cash collections in the plate at church (down 34.3%) although this reduction may also reflect some parishioners moving to receipted giving (envelopes or internet).

The possible loss from operations this year swung into a surplus, partly because the Government provided a subsidy of \$14,661, and our clergy expenses were lower. We continued to pay the wages for the Office Administrator and Cleaner throughout lockdown.

Note 3 to the 2020 report: Maintenance of current value of the Clergy Housing and Facilities Maintenance (CH and FM) Fund.

At the 2014 AGM it was agreed that: The parish maintains the 'real value' of the Clergy Housing and Facilities Maintenance Fund. The Historic value of this fund as at 31st Dec. 2008: \$444,421. In December 2008 the CPI (General) index was 874.4, and December 2020 the index was 1059, a change of 21.1%. 2020 year-end value should therefore be a minimum of \$538,245 using the CPI (General). It stands at \$670,511 as at 31st Dec. 2020 (see page 6).

Note 4 to the 2020 report: Commitments and contingencies

Commitment

Explanation and Timing

1. To undertake an earthquake assessment on all buildings	Assessment completed and discussed at 2019 AGM. Work is not mandatory at this stage and being held over while seeking clarification on Diocesan ruling on 66% NBS by 2024.
2. Electrical work and improved heating	Initial electrical work for Switchboard improvements estimated at \$5,000 - work was not undertaken in 2020 and has been carried over to 2021 (CH & FM Fund)
3. Proposals for extensive organ refurbishment	Final Report from South Island Organ Company received May 2019. Substantial costs associated with off-site refurbishment of organ. (But could be undertaken while Church undergoing earthquake strengthening). Vestry have decided for 2021 to progress essential in-situ maintenance work, estimated at \$10,000. The problem of the dampness in the substratum is currently being addressed.
4. Distribution of Ark trust funds	The Vestry are undertaking ongoing steps to distribute these funds. \$17,000 was distributed in 2020 and it is hoped this distribution will be completed within the next 12 months.

Note 5 to the 2020 report: Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)

Note 6 to the 2020 report: Goods or Services provided to the Entity in kind

Parishioner volunteer labour: from a survey at the 2016 AGM it was indicated that parishioners served the Parish in a voluntary capacity on average totalling 90 hours per week. This has been valued at \$40 per hour x 90 hours per week, being around \$187,200.

Note 7 to the 2020 report: Related Party Disclosures

There were no transactions involving related parties during the financial year. (Last Year – Nil)

Note 8 to the 2020 report: Events after the Balance Date

Last year there were no events after the balance date that would have a material impact on the Performance Report. The continuing volatility of the financial markets reminds us that the return on the AMSIF funds cannot be assured.

Note 9 to the 2020 report: Risk Management Plan

The Parish does not yet have a Risk Management Plan

Result of 2019 Review of Financial Statements by the Diocese (expense line 17 p. 5)

St Luke's (Wadestown)

PROCEDURE	FACTUAL RECORD OF WHAT WAS FOUND (BDO)						
<p>1. Verification of Revenue (Banking and Electronic Transactions) Provider to obtain the copies of all banking schedules. Check all bankings greater than or equal to \$500 (or an amount appropriate to the size to include 25-35% of bankings) and also three of the remaining ones at random. All other bankings greater than \$500 to be checked. Check to ensure that two people had counted and confirmed the monies received as offerings, and that the banking schedule reconciles to the amount recorded and banked.</p> <p>2. Expenditure Select 10 entries from the General Ledger; check that each entry selected agrees to an invoice, the bank statement and that GST is correctly treated.</p> <p>3. GST Review all GST returns completed for the financial year for accuracy and check against the financial statements and for a selection of 2 agree to GST detailed workings.</p>	(1)						
		Date	Amount banked	Reconciles to the deposit slip	Two signatories & counted	Reconciles to the GL	
	1	25-12-19	\$ 390.00	✓	✓	✓	
	2	24-02-19	\$ 265.00	✓	✓	✓	
	3	17-03-19	\$ 99.30	✓	✓	✓	
	4	21-04-19	\$ 98.90	✓	✓	✓	
	5	20-01-19	\$ 85.70	✓	✓	✓	
	6	21-07-19	\$ 77.80	✓	✓	✓	
	7	10-11-19	\$ 70.00	✓	✓	✓	
	8	05-10-19	\$ 65.90	✓	✓	✓	
	9	18-08-19	\$ 55.40	✓	✓	✓	
	10	15-08-19	\$ 55.00	✓	✓	✓	
	<i>We selected 10 offering slips, all of which were counted and signed by 2 people and could be traced back to the bank statements and GL.</i>						
	(2)						
		Date	Amount in GL	Agrees to invoice	Agrees to bank	GST treated correctly	
	1	20-03-19	\$ 2,756	✓	✓	✓	
	2	01-05-19	\$ 1,176	✓	✓	✓	
	3	10-12-19	\$ 1,271	✓	✓	✓	
	4	01-07-19	\$ 1,176	✓	✓	✓	
	5	01-08-19	\$ 1,908	✓	✓	✓	
	6	01-11-19	\$ 1,690	✓	✓	✓	
	7	18-01-19	\$ 1,176	✓	✓	✓	
	8	14-02-19	\$ 2,024	✓	✓	✓	
	9	10-04-19	\$ 2,514	✓	✓	✓	
	10	20-06-19	\$ 2,756	✓	✓	✓	
	<i>The expenses that were selected from the GL agree to the invoice, bank and GST was treated correctly.</i>						
	(3)						
		Date	GST Return	Agrees to GL	Agrees to Bank		
	1	Apr-19	961.35	✓	✓		
	2	Dec-19	1218.95	✓	✓		
	<i>2 GST returns were selected and agree to the GL.</i>						

2021 Operations Budget

<i>line</i>	Income	net of GST
1	Cash Giving	2,000
2	Fundraising activities (net)	5,000
3	Interest Income	20
4	Miscellaneous Revenue	200
5	Parishioner giving	80,000
6	Service Revenues	100
7	St Luke's Centre Hall Hire Income	15,652
8	Operating revenues	102,972
9		
10	Expenses	
11	Administrator and Cleaner wages	22,517
12	Adult learning and Education	87
13	Auditor/Reviewer/AUP	717
14	Centre expenses incl. minor maintenance	2,783
15	Church minor maintenance and gardening	104
16	Cleaning costs & materials	278
17	Diocesan Levies	13,776
18	Energy Costs	3,217
19	Fellowship	2,500
20	Insurance Expense	6,261
21	Organists' payments	5,919
22	Pastoral	435
23	Piano and Organ Tuning Regular Maintenance	1,957
24	Office costs incl. printer, postage, paper	1,913
25	Clergy Stipend and allowances	45,738
26	Synod Costs for Laity	150
27	Phone, Zoom, Internet costs	1,565
28	WCC and WRC Rates	1,357
29	Worship, Fellowship and Music	1,565
30	Xero Costs	565
31	Operating expenses	113,404
32	Budgeted operating loss	-10,432
33	Notes:	
34	Mission and Outreach balances towards zero	
35	Major maintenance & depreciation comes from the CH and FM fund	
36	The Clergy housing allowance (not included above) is from the CH and FM fund	
37	AMSIF returns are not included in operating budget	