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# Performance Report

The Presbyterian Development Society of New Zealand Incorporated  
For the year ended 30 June 2017





# Approval of Performance Report

## The Presbyterian Development Society of New Zealand Incorporated For the year ended 30 June 2017

The Board of The Presbyterian Development Society of New Zealand Inc. are pleased to present the approved performance report including the performance report of The Presbyterian Development Society of New Zealand Incorporated, and the independent auditor's report therein for the year ended 30 June 2017.

APPROVED

Signed for and on behalf of the board

Tony Caughey

Chairman

Date 11.12.17

Simon Bilton

Director

Date 11.12.17



## Entity Information

### The Presbyterian Development Society of New Zealand Incorporated For the year ended 30 June 2017

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

#### Legal Name of Entity

The Presbyterian Development Society of New Zealand Incorporated

#### Entity Type and Legal Basis

The Presbyterian Development Society of New Zealand Inc. is a society incorporated under the Incorporated Societies Act 1908. It is also registered as a charitable entity with the Charities Services under the Charities Act 2005.

#### Registration Number

Incorporated Society Number: 223944

Registered Charity Number: CC20941

#### Entity's Purpose or Mission

The Society's object is to facilitate the mission and ministry of the Presbyterian Church in New Zealand through the provision of grants.

#### Entity Structure

Governance of The Presbyterian Development Society of New Zealand Inc. is undertaken by an executive board.

Board Members for the 2016/2017 year are:

**Chairman** W.A. (Tony) Caughey ONZM, BCom (Auckland) MBA (Harvard) FACA ACIS CFInstD

#### Board Members:

Dr. Simon Bilton DBA MBA BPhEd PGDipBus MInstD

Dr. Kathryn Jones PhD M ComLaw (Hons) BSc (Hons), First Class

Rev. Dr. Mark Johnston DMin BSc (Hons) DipTchg BD

Rev. Doug Lendrum BTh

Glenn R. Mottram QSM, JP CA

Craig Prosser B.Com N Dip Internal Auditing

#### Main Sources of Entity's Cash and Resources

The Presbyterian Development Society of New Zealand Inc receives funding from donations and income from investment.

#### Main Methods Used by Entity to Raise Funds

There is no active fundraising.



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

All of the executive board positions are voluntary roles and significant time is given by the board members to the Society.

**Physical Address**

111 Great South Road, Epsom, Auckland, New Zealand, 1051

**Postal Address**

PO Box 26210, Epsom, Auckland, New Zealand, 1344

**Bankers**

ANZ Bank New Zealand Limited

**Auditor**

RSM Hayes Audit  
Level 1, 1 Broadway, Newmarket, Auckland 1023

**Accountant**

Newmarket Business Services Ltd  
T/as Small Business Accounting  
371 Manukau Road, Epsom, Auckland 1023



# Statement of Service Performance

## The Presbyterian Development Society of New Zealand Incorporated For the year ended 30 June 2017

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

### Description of Entity's Outcomes

The primary objects of the Society are those charitable objects which are recognised in New Zealand law as being charitable including to:

- Promote the interest of the Presbyterian Church of Aotearoa New Zealand (PCANZ) which shall include activities carried on in association with other churches as in Union Parishes or in other cooperative ventures;
- Provide financial assistance to Parishes, Trust Boards, Associations and other bodies recognised by PCANZ for the purposes of acquiring and developing property and buildings necessary for their worship, recreation and Christian witness;
- Provide financial assistance for the accommodation of ministers and any other workers in or associated with the PCANZ;
- Make regulations to advance the attainment of any of the above objects;
- Do any act or thing incidental or conducive to the attainment of any of the above objects.

Without detracting from the primary charitable objects, the secondary objects of the Society are to promote the interests of religion and Christianity throughout New Zealand by providing financial assistance to other Christian denominations and congregations and organisations as the directors see fit, provided however, that the Society shall only be for the benefit of charitable objects within New Zealand.

	2017	2016
<b>Outcomes and measures of quality and objectives in respect to delivery</b>		
Distribution of grants to the Presbyterian Churches (\$ Value)	109,375	137,077

### Additional Information

Following the sale of the debt equity and church mortgage section of the organisation, PDS is examining how it will reach its mission in the future and the best use of the equity it has accumulated to date.



# Statement of Financial Performance

## The Presbyterian Development Society of New Zealand Incorporated For the year ended 30 June 2017

'How was it funded?' and 'What did it cost?'

	NOTES	2017	2016
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	20,464	5,100
Revenue from providing goods or services	1	154,940	238,619
Interest, dividends and other investment revenue	1	96,663	300,001
Other revenue	1	-	15,000
<b>Total Revenue</b>		<b>272,067</b>	<b>558,720</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	365	32,363
Costs related to providing goods or service	2	36,133	123,278
Grants and donations made	2	109,375	137,077
Other expenses	2	38,821	40,441
<b>Total Expenses</b>		<b>184,694</b>	<b>333,160</b>
<b>Surplus/(Deficit) for the Year</b>		<b>87,373</b>	<b>225,560</b>

This statement should be read in conjunction with the attached notes.



## Statement of Financial Position

### The Presbyterian Development Society of New Zealand Incorporated As at 30 June 2017

'What the entity owns?' and 'What the entity owes?'

	NOTES	2017	2016
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	739,787	570,915
Debtors and prepayments	3	39,878	96,249
<b>Total Current Assets</b>		<b>779,665</b>	<b>667,165</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	3,794,215	3,818,486
Investments	3	2,135,419	2,141,000
<b>Total Non-Current Assets</b>		<b>5,929,635</b>	<b>5,959,486</b>
<b>Total Assets</b>		<b>6,709,299</b>	<b>6,626,650</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	15,673	20,402
Other current liabilities	4	36,630	36,625
<b>Total Current Liabilities</b>		<b>52,303</b>	<b>57,027</b>
<b>Total Liabilities</b>		<b>52,303</b>	<b>57,027</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>6,656,996</b>	<b>6,569,623</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or (deficits)	6	6,537,074	6,449,702
Reserves	6	119,922	119,922
<b>Total Accumulated Funds</b>		<b>6,656,996</b>	<b>6,569,623</b>

This statement should be read in conjunction with the attached notes.





# Statement of Cash Flows

## The Presbyterian Development Society of New Zealand Incorporated For the year ended 30 June 2017

'How the entity has received and used cash'

	2017	2016
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
Donations, fundraising and other similar receipts	20,464	5,100
Receipts from providing goods or services	203,946	178,264
Interest, dividends and other investment receipts	96,677	299,894
Cash receipts from other operating activities	-	15,000
<b>Cash was applied to:</b>		
Payments to suppliers and employees	(57,303)	(183,870)
Donations or grants paid	(98,300)	(137,077)
GST Paid	(818)	(2,968)
<b>Total Cash Flows from Operating Activities</b>	<b>164,666</b>	<b>174,342</b>
<b>Cash Flows from Investing and Financing Activities</b>		
<b>Cash was received from:</b>		
Receipts from the sales of investments	841,000	750,000
Investors Deposits Received	5	28,156
Repayment received on loans made to other parties	-	75,177
<b>Cash was applied to:</b>		
Payment to acquire property, plant and equipment	(1,380)	(4,642)
Payment to purchase investments	(835,419)	(841,000)
Investors Deposits Repaid	-	(62,063)
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>4,205</b>	<b>(54,372)</b>
<b>Net Increase/ (Decrease) in Cash</b>	<b>168,872</b>	<b>119,970</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	570,915	450,945
Cash and cash equivalents at end of period	739,787	570,915
Net change in cash for period	168,872	119,970

This statement should be read in conjunction with the attached notes.



# Statement of Accounting Policies

## The Presbyterian Development Society of New Zealand Incorporated For the year ended 30 June 2017

'How did we do our accounting?'

### Basis of Preparation

The Society 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 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.

### Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### Income Tax

The Presbyterian Development Society of New Zealand Incorporated 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).

### Property, Plant and Equipment

Property, plant and equipment are shown at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less any accumulated depreciation and impairment losses.

### Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment, at rates that will write off the cost of the assets over their useful lives. The depreciation rates associated with major classes of assets have been estimated as follows:

- Equipment 10% - 30%
- Buildings 2%

### Changes in Accounting Policies

There have been no changes in accounting policies other than in relation to the reporting of building operating expense recoveries and the associated expense payments. For the period ended 30 June 2017 all operating expense recoveries and the related expense payments have been recorded as a receivables balance in the statement of financial position rather than and income and expenditure in the statement of financial performance. This new accounting policy has not been applied to the comparative year amounts.



# Notes to the Performance Report

## The Presbyterian Development Society of New Zealand Incorporated For the year ended 30 June 2017

	2017	2016
<b>1. Analysis of Revenue</b>		
<b>Donations, fundraising and other similar revenue</b>		
Donations and Bequests	20,464	5,100
<b>Total Donations, fundraising and other similar revenue</b>	<b>20,464</b>	<b>5,100</b>
<b>Revenue from providing goods or services</b>		
Rental Income	154,940	238,619
<b>Total Revenue from providing goods or services</b>	<b>154,940</b>	<b>238,619</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	32,019	41,226
Dividends Received	64,644	64,822
Other Investments	-	193,953
<b>Total Interest, dividends and other investment revenue</b>	<b>96,663</b>	<b>300,001</b>
<b>Other revenue</b>		
Bad Debts Recovered	-	15,000
<b>Total Other revenue</b>	<b>-</b>	<b>15,000</b>
	2017	2016
<b>2. Analysis of Expenses</b>		
<b>Volunteer and employee related costs</b>		
ACC Levies	27	846
Board Expenses	338	3,270
Contract Work	-	5,924
Staff Expenses	-	2,221
Wages & Salaries	-	20,000
Travel Expenses	-	104
<b>Total Volunteer and employee related costs</b>	<b>365</b>	<b>32,363</b>
<b>Costs related to providing goods or services</b>		
Administration Cost	16,018	14,149
Advertising	-	254
Insurance	10,035	20,946
Interest Expenses	39	292
Owned Building Expenses	10,041	85,207
Property Valuation Cost	-	1,787
Prior Periods Adjustment	-	643
<b>Total Costs related to providing goods or services</b>	<b>36,133</b>	<b>123,278</b>
<b>Grants and donations made</b>		
Grants Paid	109,375	137,077
<b>Total Grants and donations made</b>	<b>109,375</b>	<b>137,077</b>



	2017	2016
<b>Other expenses</b>		
Accountancy Fees	5,094	2,547
Audit Fee	7,500	12,625
Depreciation	25,651	25,269
Legal Fees	576	-
<b>Total Other expenses</b>	<b>38,821</b>	<b>40,441</b>

	2017	2016
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### 3. Analysis of Assets

#### Bank accounts and cash

Bank Accounts and Cash	229,329	306,503
Money Market and Call Deposits	510,458	264,412
<b>Total Bank accounts and cash</b>	<b>739,787</b>	<b>570,915</b>

#### Debtors and prepayments

Accounts Receivable	39,789	96,147
Interest Accrued	89	103
<b>Total Debtors and prepayments</b>	<b>39,878</b>	<b>96,249</b>

#### Investments

JB Were - Term Deposits Over 6 Months	835,419	841,000
Shares in Christian Savings Capital Ltd	1,300,000	1,300,000
<b>Total Investments</b>	<b>2,135,419</b>	<b>2,141,000</b>

	2017	2016
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### 4. Analysis of Liabilities

#### Creditors and accrued expenses

Accounts Payable	15,146	9,430
Accruals	7,500	9,000
Goods & Services Tax	(6,973)	1,979
Resident Withholding Tax Payable	-	(7)
<b>Total Creditors and accrued expenses</b>	<b>15,673</b>	<b>20,402</b>

#### Other current liabilities

Investors Deposits	36,630	36,625
<b>Total Other current liabilities</b>	<b>36,630</b>	<b>36,625</b>



	2017	2016
<b>5. Property, Plant and Equipment</b>		
<b>Land</b>		
Land at cost	2,613,725	2,613,725
<b>Total Land</b>	<b>2,613,725</b>	<b>2,613,725</b>
<b>Buildings</b>		
Buildings at cost	1,251,776	1,250,396
Accumulated depreciation - buildings	(75,040)	(50,016)
<b>Total Buildings</b>	<b>1,176,736</b>	<b>1,200,380</b>
<b>Plant and Equipment</b>		
Plant and machinery owned	4,642	4,642
Accumulated depreciation - plant and machinery owned	(888)	(261)
<b>Total Plant and Equipment</b>	<b>3,754</b>	<b>4,381</b>
<b>Total Property, Plant and Equipment</b>	<b>3,794,215</b>	<b>3,818,486</b>

#### Property Valuation

On 1 November 2017, Darroch Limited, an independent valuer, performed a valuation of the property at 111 Great South Road. The fair value of the property at that date was assessed at \$6,320,000 plus GST. This value has not been adjusted as the Society records its property, plant and equipment at cost less accumulated depreciation and any impairment losses.

#### Significant Donated Assets Recorded

No assets have been donated to the Society.

#### Significant Donated Assets - Not Recorded

There are no un-recorded donated assets.

	2017	2016
<b>6. Accumulated Funds</b>		
<b>Accumulated Funds</b>		
Opening Balance	6,569,623	6,369,071
Accumulated surpluses or (deficits)	87,373	200,552
<b>Total Accumulated Funds</b>	<b>6,656,996</b>	<b>6,569,623</b>

#### 7. Commitments

The Society is committed to providing \$75,000 to KCML for the training of minister interns. (Last year - \$75,000).

#### 8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2017 (Last year - nil).



**9. Significant Grants and Donations with Conditions not Recorded as a Liability**

There are no grants or donations with conditions attached.

**10. Goods or Services Provided to the Entity in Kind**

No goods or services have been provided to the society in kind.

**11. Assets Held on Behalf of Others**

No assets are held on behalf of others.

**12. Related Parties**

There were no transactions involving related parties during the financial year. Last year, a payment of \$20,000 was paid to key management personnel.

**13. Events After the Balance Date**

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

**14. Ability to Continue Operating**

The entity will continue to operate for the foreseeable future.



## Independent Auditors Report

**The Presbyterian Development Society of New Zealand Incorporated  
For the year ended 30 June 2017**

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# Independent Auditors Report

to the members of the Presbyterian Development Society of New Zealand Incorporated

for the year ended 31 March 2023

The financial statements of the Presbyterian Development Society of New Zealand Incorporated for the year ended 31 March 2023 are set out on pages 1 to 15.





