

The Taranaki Cathedral Church of St Mary

Annual report

for the year ended 31 December 2018

Contents

Directory	1
Financial statements	
Statement of financial performance	2
Statement of financial position	3
Notes to the financial statements	4
Asset schedule	9

Directory

as at 31 December 2018

Address	37 Vivian Street New Plymouth
Telephone	06 7583111
Chapter/Vestry:	
Dean	The Acting Dean Trevor Harrison
People's warden	Julie Otene
Dean's warden	Sarah Foy
Synod representatives	Anne Smith Ross Smith
Vestry members	Richard Handley Peter Holden John Lander Lesley Lowe Simon Moseley
Bishop of Waikato & Taranaki	Archbishop Philip Richardson
Dean of Waikato	The Very Reverend Phil Wilson
Chancellor of the Diocese	Judge Christopher Harding
Diocesan Registrar-Manager	Simon Cayley
Cathedral Kaumatua	The Venerable Tikituterangi Raumati (until 30 August 2018: currently vacant)
Canons	The Reverend Canon Peter Barleyman Canon Robin Brockie Canon Chester Borrows Canon Jenny Ellis The Reverend Canon Sue Pickering The Reverend Canon Pat Scaife Canon Wharehoka Wano
Treasurer	Kathy Varley
Solicitor	Paul Anderson Govett Quilliam Private Bag 2013 New Plymouth
Bank	TSB PO Box 764 New Plymouth

Statement of financial performance

for the year ended 31 December 2018

	2018 Actual \$	2018 Budget \$	2017 Actual \$
Income			
Offerings	224,990	244,000	244,112
Donations	7,470	6,000	6,420
Grants	2 80,321	60,000	62,685
Other income	3 23,407	26,899	37,152
Property income	46,357	42,000	40,762
Specific purpose receipts for expenses	4 5,280	5,000	5,300
Total Income	387,824	383,899	396,430
Expenses			
Salaries, stipends and personnel costs	5 226,098	231,368	234,497
Operating	6 19,678	22,756	24,496
Parish activities	7 4,044	3,420	3,875
Property expenses	8 28,698	33,411	33,526
Assessments, levies, targets and donations	9 99,306	99,221	86,833
Administration	10 16,718	15,774	19,126
Non cash and finance expenses	11 13,974	16,800	16,818
Total expenses	408,518	422,750	419,171
Net operating surplus (deficit)	(20,693)	(38,851)	(22,741)
Extraordinary items			
Specific purpose donations for capital items	4 3,900	-	-
Specific purpose receipts to specific purpose funds	4 3,464	-	2,727
Cathedral remediation	12 -	-	(100,000)
Surplus (deficit) after extraordinary items	(13,330)	(38,851)	(120,015)

Statement of financial position

as at 31 December 2018

		2018 \$	2017 \$
Accumulated funds	13	388,843	402,173
Current assets			
TSB Society cheque account		-	4
TSB Community Café eftpos account		246	270
TSB On Call account		52,469	32,384
TSB On Call Friends of the Cathedral account		11,720	11,554
TSB On Call Heritage account		47,008	46,339
GST receivable		2,860	3,483
Accounts receivable		4,402	2,853
Interest accrual		513	622
Waikato Diocesan Trust Board distribution accrual		920	479
Bond for 3/23 Mill Road, New Plymouth		1,400	-
TSB term deposits		75,000	105,000
Waikato Diocesan Trust Board investments		126,557	118,558
		323,095	321,545
Non current assets			
Property, plant and equipment	14	89,990	101,880
		89,990	101,880
Total assets		413,085	423,426
Current liabilities			
Accounts payable		13,005	13,405
Annual leave accrual		10,804	7,289
Wages accrual		37	164
Prepaid interment of ashes		395	395
		24,242	21,253
Total liabilities		24,242	21,253
Total net assets		388,843	402,173

.....

Dean

.....

Treasurer

Notes to the financial statements

1 Accounting policies

Reporting entities

The Taranaki Cathedral Church of St Mary is an Anglican Church and charitable organisation under the Diocese of Waikato and Taranaki.

Basis of preparation

These special purpose financial statements are prepared for the purposes of the Chapter and Vestry of The Taranaki Cathedral Church of St Mary and for the Diocese of Waikato and Taranaki Standing Committee.

The Taranaki Cathedral Church of St Mary has not elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit). These financial statements will be consolidated into the Diocese of Waikato and Taranaki financial statements and the Diocese will apply the appropriate Public Benefit Entity reporting standards.

The transactions in the financial statements are reported using the accrual basis of accounting. The financial statements are prepared under the assumption that the Cathedral will continue to operate as a going concern in the foreseeable future.

Changes in accounting policy

There have been no changes in accounting policy. The accounting policies adopted are consistent with those of the previous year.

Historical cost

These financial statements have been prepared on a historical cost basis.

Accounts receivable

Accounts receivable are stated at net realisable value.

Investments

TSB term deposits are stated at cost. Waikato Diocesan Trust Board investments are stated at fair value as determined by Trust Management Limited.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes cost of replacements that are eligible for capitalisation when these are incurred. Depreciation is calculated on a straight line basis over the estimated useful life of the asset.

Income tax

The Cathedral has charitable status and is therefore exempt from income tax.

Goods and services tax

The financial statements are prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable, which are shown GST inclusive.

	2018 Actual \$	2018 Budget \$	2017 Actual \$
2 Grants received			
Ministry of Culture and Heritage	1,100	1,000	2,600
St Mary's Parochial Trust and specific trusts	69,200	50,000	50,693
The Dean's Trust	10,020	9,000	9,392
	80,321	60,000	62,685
The grants received have been fully utilised for the purposes provided.			
3 Other income			
Advertising	3,500	5,600	6,200
Distribution received - Waikato Diocesan Trust Board	8,440	3,456	8,668
Gala and fundraisers	6,109	13,880	15,742
Garden of Remembrance	687	-	-
Interest received	4,132	3,163	5,649
Shop surplus (deficit)	216	-	97
Sundry income	41	300	260
Weddings and funerals	282	500	535
	23,407	26,899	37,152
4 Specific purpose receipts and transfers from specific purpose funds			
Used for operating expenses:			
Stop In for youth ministry	5,280	5,000	5,300
	5,280	5,000	5,300
For capital items:			
Small asset replacement fund	3,900	-	-
	<u>3,900</u>	<u>-</u>	<u>-</u>
Received and transferred to specific purpose funds:			
Altar and Embroidery Guild	273		248
Child counselling	-		100
Friends of Taranaki Cathedral	-		25
Gardening Group	-		310
Heartache fund	167		359
Needy and charitable	1,700		1,101
Organ fund	1,324		583
	<u>3,464</u>	<u>-</u>	<u>2,727</u>
	7,364	-	2,727
5 Salaries, stipends and personnel costs			
Allowances	26,448	28,060	29,102
Recruitment and employment expenses	795	500	154
Salaries, stipends and personnel	198,855	201,608	204,770
Training and development	-	600	-
Travel expenses	-	600	471
	226,098	231,368	234,497

	2018 Actual \$	2018 Budget \$	2017 Actual \$
6 Operating			
Advertising	1,679	2,264	2,611
Communion and altar supplies	926	1,080	800
Electricity and gas	8,809	8,864	8,638
Flowers	65	300	378
Hospitality and gifts - parish	966	1,200	2,792
Music - Director of Music and Choir	992	900	772
Publications - magazine	4,910	6,768	6,828
Refreshments	522	540	529
Sundry expenses	810	840	1,148
	19,678	22,756	24,496
7 Parish activities			
Baptisms	203	480	388
Child and family ministry	279	650	648
Festivals and special services	154	200	202
Parish discretionary for needy	2,407	600	458
Parish groups	160	440	382
Stewardship	29	250	309
Youth group	813	800	1,489
	4,044	3,420	3,875
8 Property expenses			
Cleaning	2,177	2,400	2,411
Equipment purchases (items under \$500)	504	400	483
Ground maintenance	4,492	5,400	5,852
Insurance	12,272	12,050	12,047
Rates	7,184	7,068	6,793
Repairs and maintenance equipment	450	1,093	1,293
Repairs and maintenance property	1,619	5,000	4,647
	28,698	33,411	33,526
9 Assessments, levies, targets and donations			
Diocesan assessment	71,100	70,935	61,012
Donations	-	-	375
Mission assessment	22,884	22,884	20,712
Special purpose assessments	5,323	5,402	4,734
	99,306	99,221	86,833

	2018 Actual \$	2018 Budget \$	2017 Actual \$	
10 Administration				
ACC levies	256	330	328	
Audit fees - VanBurWray	2,000	2,000	2,000	
Audit fees - KPMG Diocesan consolidated accounts	2,768	-	3,158	
Bank fees	295	312	332	
Computer and software expenses	986	600	649	
Eftpos facility	636	636	658	
Office equipment (items under \$500)	20	100	98	
Office supplies and photocopier contract	5,018	5,520	5,468	
Postage and freight	87	276	362	
Telephone, mobiles and internet	4,652	6,000	6,075	
	16,718	15,774	19,126	
11 Non cash and finance expenses				
Depreciation	13,972	16,800	16,818	
Interest - bank overdraft	1	-	0	
	13,974	16,800	16,818	
12 Cathedral remediation income				
TSB Community Trust grant			12,283	
	-		12,283	
Expenses				
Donation - Taranaki Anglican Trust Board Report	-		100,000	
	-		12,283	
	-		112,283	
Net deficit	-		(100,000)	
13 Accumulated funds	Accumulated surpluses	Specific purpose funds	Total	
Balance at beginning of year	226,696	175,477	402,173	
Net surplus (deficit) for the year	(20,693)	-	(20,693)	
Extraordinary items	7,364	-	7,364	
Transfers to specific purpose funds	(11,986)	11,986	-	
Transfers from specific purpose funds	3,837	(3,837)	-	
Balance at end of year	205,218	183,625	388,843	
14 Property, plant and equipment	Cost	Accumulated depreciation	Book value 2018	Book value 2017
Furniture and objects	17,743	7,670	10,073	11,133
Office equipment	9,326	5,693	3,633	3,033
Office furniture and fittings	5,343	4,524	819	1,353
Plant and equipment	89,915	58,363	31,552	39,503
Property improvements	58,927	15,015	43,912	46,858
	181,254	91,265	89,990	101,880

Significant donated assets recorded

There have been no significant donated assets recorded during the year. (2017: Nil)

Significant donated assets not recorded

There have been no significant donated assets that have not been recorded. (2017: Nil)

15 Statement of specific purpose funds

	Opening balance	Receipts / transfers in	Payments / Transfers out	Interest received or allocated	Closing balance
Liability funds	-	43,264	43,264	-	-
Equity funds	175,477	7,364	3,837	4,622	183,625

The statement of specific purpose funds is available on request.

16 Related parties disclosure

The Taranaki Cathedral Church of St Mary contracts with a variety of providers of goods and services, some of which may be owned by or associated with parishioners. Conflicts of interest within Chapter and Vestry are disclosed to the groups and appropriate measures taken to ensure there is no negative impact on decision-making. Financial transactions with known related parties of members of Chapter, Vestry, staff or volunteers with financial delegations or decision-making roles are monitored. (2017: Nil)

17 Contingent liabilities

There are no contingent liabilities at balance date. (2017: Nil)

18 Commitments

There are no capital commitments at balance date. (2017: Nil)

19 Events after balance date

There are no events that have occurred after balance date that would have a material impact on the financial statements.

20 Ability to continue operating

The Chapter and Vestry are of the opinion that the Cathedral is fully able to continue operating in a similar manner to the current and prior years.

21 Correction of errors

There are no corrections to prior errors in this year's financial statements.

Asset schedule

as at 31 December 2018

	Date	Opening cost	Opening depn	Opening book value	Addition (disposal)	Surplus (deficit) on disposal	Deprn. rate	Deprn for the year	Closing book value
Furniture and objects									
Stacker chairs 100	Oct-08	2,650	2,451	199			10% SL	199	-
Reception hutch	Nov-08	189	173	16			10% SL	16	-
Cathedra	Mar-10	2,400	470	1,930			2.5% SL	60	1,870
Peace Altar frontal	Nov-11	1,445	223	1,222			2.5% SL	36	1,186
Votive candle stand	Dec-11	9,752	2,966	6,786			5.0% SL	488	6,298
Beaumont churchyard seat	Oct-16	1,307	327	980			20% SL	261	719
		17,743	6,610	11,133	-			1,060	10,073
Office equipment									
IT - 3 thin clients, 6 computers		4,573	3,266	1,306	-	-	20% SL	677	629
Ricoh MPC3503 copier	May-15	3,699	1,973	1,726			20% SL	740	986
Finishing unit for printer	Oct-18				900		20% SL	45	855
IT - 4 computers	Dec-18				1,182		20% SL	20	1,162
		8,272	5,239	3,033	2,082	-		1,482	3,633
Office furniture and fittings									
Credenza	Feb-09	404	360	44			10% SL	40	3
Cupboard and bookcase	Mar-09	858	758	100			10% SL	86	14
Mobile drawers lockable	Sep-09	390	325	65			10% SL	39	26
Filing cabinet 2 drawer	Sep-09	200	167	33			10% SL	20	13
Office desk	Oct-09	219	181	38			10% SL	22	16
Cupboard and bookcase	Oct-09	159	131	28			10% SL	16	12
Bookshelf	Dec-09	773	625	148			10% SL	77	71
Office furniture	Nov-11	2,340	1,443	897			10% SL	234	663
		5,343	3,990	1,353	-	-		534	819
Plant and equipment									
Speakers	Aug-08	1,320	1,243	77			10% SL	77	-
Sound desk	Dec-08	465	465	-			20% SL	-	-
Garden shed	Mar-09	1,155	1,020	135			10% SL	116	19
Dyson vacuum (2)	Apr-09	978	978	-			20% SL	-	-
Stove - Hatherly Hall	Nov-10	1,610	1,153	456			10% SL	161	295
Sound system 2012	Dec-12	42,175	21,439	20,736			10% SL	4,218	16,519
Brass handrails	Jan-13	2,083	521	1,562			5% SL	104	1,458
Projector system	Jun-13	23,425	21,473	1,952			20% SL	1,952	0
Johannus Sweelinck organ	Nov-15	12,609	1,093	11,516			4% SL	504	11,012
Acer P1285 projector	Feb-16	543	208	335			20% SL	109	226
20' storage container	Sep-16	2,850	760	2,090			20% SL	570	1,520
Fold back speaker	Aug-17	703	59	644			20% SL	141	503
		89,915	50,412	39,503	-	-		7,951	31,552
Property improvements									
Office renovations	Dec-11	30,249	9,201	21,048			5% SL	1,512	19,536
Garden of Remembrance	Aug-13	28,678	2,868	25,810			5% SL	1,434	24,376
		58,927	12,068	46,858	-	-		2,946	43,912
Total assets		180,200	78,320	101,881	2,082	-		13,973	89,990
plus purchases		2,082	-						
less disposals		1,028	1,028						
Closing cost		181,254	77,292						