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**ESTATES AND TRUSTS HELD AND ADMINISTERED BY  
CHURCH PROPERTY TRUSTEES  
SPECIAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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NGĀ KAITIAKI TAONGA O TE HĀHI  
*Church Property Trustees*  
THE ANGLICAN DIOCESE OF CHRISTCHURCH



<b>Contents</b>	<b>Page</b>
Statement of Financial Performance	1
Statement of Financial Position	2
Statement of Movements in Equity	3
Notes to the Financial Statements	4-14
Independent Auditor's Report	15-16

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



		General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	NOTE	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
<b>INCOME</b>											
Net Return from Investment Funds	3	1,372	(66)	429	(62)	162	(23)	3,186	377	2,864	332
Share of Joint Venture net income	24	-	-	-	-	-	-	-	-	14	16
Insurance Income	4	-	-	-	-	-	-	68	15,280	-	-
Grants & Donations Received	5	-	-	-	-	-	-	1,931	35	61	1,005
Interest Income		29	28	1	-	-	-	206	1,472	2	2
Parish Contributions	6	-	-	-	-	-	-	277	207	-	-
Realisation of Reserves		-	-	-	-	-	-	2,735	430	-	-
Write-up from RV to Cost (b)	8 b) **	-	-	-	-	-	-	1,901	-	-	-
Gifting Received		-	-	40	35	-	-	-	-	-	-
Profit from Disposal of Assets	7	-	-	2	-	-	-	-	-	-	-
Sundry Income		-	-	-	-	-	-	37	(109)	-	-
<b>Total Income</b>		<b>1,401</b>	<b>(38)</b>	<b>472</b>	<b>(27)</b>	<b>162</b>	<b>(23)</b>	<b>10,341</b>	<b>17,691</b>	<b>2,940</b>	<b>1,355</b>
<b>EXPENSES</b>											
Earthquake Repair/Build Expenses	8	-	-	-	-	-	-	1,135	4,803	67	893
Earthquake Prone Building Expenses		-	-	-	-	-	-	(3)	9	-	-
Distributions/Donations to Parishes		-	-	-	-	-	-	20	35	-	-
Grants Paid	9	450	720	264	143	52	52	39	19	-	-
Interest Paid		-	-	-	-	-	-	5	25	-	-
Legal Fees		1	1	-	-	-	-	36	72	19	173
Management Fees - CPT		-	40	11	11	4	4	945	734	72	250
Mohaka Forest Expenses		119	25	-	-	-	-	-	-	-	-
Loss from Disposal of Assets	7	-	-	-	-	-	-	716	5	-	-
Property Operating Expenses		-	24	-	-	-	-	218	126	-	2
Property Sale Expenses		8	7	-	-	-	-	53	68	-	-
<b>Total Expenses</b>		<b>577</b>	<b>817</b>	<b>276</b>	<b>155</b>	<b>56</b>	<b>56</b>	<b>3,163</b>	<b>5,896</b>	<b>158</b>	<b>1,318</b>
<b>Net Surplus/(Deficit)</b>		<b>824</b>	<b>(855)</b>	<b>197</b>	<b>(181)</b>	<b>106</b>	<b>(79)</b>	<b>7,178</b>	<b>11,795</b>	<b>2,782</b>	<b>38</b>

These statements are to be read in conjunction with the accompanying notes on pages 4 to 14 and the Independent Auditor's Report on pages 15 to 16.

Adjustment due to change in policy 8 b) \*\*

ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019



		General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	NOTE	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
<b>CURRENT ASSETS</b>											
Cash & Cash Equivalents		188	89	97	6	8	4	357	593	45	11
Receivables	10	281	303	3	-	-	-	2,955	1,740	7,285	6,101
Investment Funds		57	57	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>		<b>526</b>	<b>448</b>	<b>100</b>	<b>6</b>	<b>8</b>	<b>4</b>	<b>3,312</b>	<b>2,333</b>	<b>7,330</b>	<b>6,112</b>
<b>CURRENT LIABILITIES</b>											
Provisions		-	-	6	25	-	-	4	8	-	-
Payables		190	62	32	5	-	-	921	899	754	6,149
Mortgages & Loans		-	-	-	-	-	-	836	883	-	-
Revenue In Advance		-	-	-	-	-	-	3,308	2,133	6,743	-
<b>Total Liabilities</b>		<b>190</b>	<b>62</b>	<b>38</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>5,069</b>	<b>3,723</b>	<b>7,497</b>	<b>6,149</b>
<b>Net Current Assets</b>		<b>336</b>	<b>386</b>	<b>62</b>	<b>(24)</b>	<b>8</b>	<b>4</b>	<b>(1,757)</b>	<b>(1,390)</b>	<b>(167)</b>	<b>(36)</b>
<b>NON CURRENT ASSETS</b>											
Land & Buildings Held in Trust	12	-	-	-	-	-	-	172,559	163,132	6,390	5,800
Capital Work in Progress	11	157	-	-	-	-	-	3,341	1,889	2,018	262
Investment Funds	13	13,206	12,504	3,692	3,612	1,436	1,335	47,878	47,417	43,063	41,936
Cathedral Joint Venture	24	-	-	-	-	-	-	-	-	1,030	1,000
Fixed Assets at Book Value		-	-	31	-	-	-	-	-	-	-
Mortgages & Loans	14	33	18	-	-	-	-	-	-	-	-
<b>Total Non Current Assets</b>		<b>13,395</b>	<b>12,522</b>	<b>3,723</b>	<b>3,612</b>	<b>1,436</b>	<b>1,335</b>	<b>223,778</b>	<b>212,439</b>	<b>52,501</b>	<b>48,999</b>
<b>NON CURRENT LIABILITIES</b>											
Tenant Liability	15	-	-	-	-	-	-	1,024	1,043	-	-
<b>Total Non Current Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,024</b>	<b>1,043</b>	<b>-</b>	<b>-</b>
<b>Net Non Current Assets</b>		<b>13,395</b>	<b>12,522</b>	<b>3,723</b>	<b>3,612</b>	<b>1,436</b>	<b>1,335</b>	<b>222,755</b>	<b>211,396</b>	<b>52,501</b>	<b>48,999</b>
<b>Net Assets</b>		<b>13,732</b>	<b>12,909</b>	<b>3,786</b>	<b>3,588</b>	<b>1,445</b>	<b>1,338</b>	<b>220,997</b>	<b>210,006</b>	<b>52,334</b>	<b>48,962</b>
<b>EQUITY</b>											
Retained Earnings		13,732	12,908	3,128	2,943	1,445	1,339	77,181	70,007	45,944	43,162
Asset Revaluation Reserve		-	-	-	-	-	-	143,806	139,999	6,390	5,800
CSN Trust Fund	16	-	-	170	170	-	-	-	-	-	-
Fabric Fund	17	-	-	490	476	-	-	-	-	-	-
<b>Total Equity</b>		<b>13,732</b>	<b>12,908</b>	<b>3,786</b>	<b>3,589</b>	<b>1,445</b>	<b>1,339</b>	<b>220,997</b>	<b>210,006</b>	<b>52,334</b>	<b>48,962</b>

For and on behalf of the Board of Trustees who authorised the issue of these financial statements on 18/8/2020.

*[Signature]*  
P R Carrell

*[Signature]*  
S J Wakefield

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**STATEMENT OF MOVEMENTS IN EQUITY**  
FOR THE YEAR ENDED 31 DECEMBER 2019



		General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	NOTE	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
<b>RETAINED EARNINGS</b>											
Balance at 1 January		12,908	13,763	3,589	3,770	1,339	1,418	70,007	57,753	43,162	43,125
Realisation on Prior Year property sale	25	-	-	-	-	-	-	-	459	-	-
Realisation of Revaluation Reserve		-	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)		824	(855)	197	(181)	106	(79)	7,183	11,795	2,782	38
Balance at 31 December 2019		13,732	12,908	3,786	3,589	1,445	1,339	77,191	70,007	45,944	43,162
<b>ASSET REVALUATION RESERVE</b>											
Balance at 1 January		-	-	-	-	-	-	139,999	138,421	5,800	5,800
Realisation of Reserve		-	-	-	-	-	-	(2,735)	(430)	-	-
Release on sale of property		-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on revaluation of property		-	-	-	-	-	-	6,542	2,009	590	-
Balance at 31 December 2019		-	-	-	-	-	-	143,806	139,999	6,390	5,800
<b>TOTAL EQUITY</b>		<b>13,732</b>	<b>12,908</b>	<b>3,786</b>	<b>3,589</b>	<b>1,445</b>	<b>1,339</b>	<b>220,997</b>	<b>210,006</b>	<b>52,334</b>	<b>48,962</b>

These statements are to be read in conjunction with the accompanying notes on pages 4 to 14 and the Independent Auditor's Report on pages 15 to 16.

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 DECEMBER 2019

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## **1. GENERAL INFORMATION**

These financial statements have been prepared for each of the estates and trusts managed by Church Property Trustees [CPT]. The Estates in these special purpose financial statements are the General Trust Estate, Bishopric Estate, Dean & Chapter Estate, Land & Buildings held in Trust and the Cathedral Trust.

The financial statements are presented in New Zealand dollars.

### **Investment Policies**

**General Trust Estate:** The General Trust Estate is comprised of assets held by CPT on trust for the general purposes of the Diocese. The Estate exists to support the financial needs of the Diocese of Christchurch.

**Bishopric Estate:** CPT holds the Bishopric Estate on trust to use the capital and income of the Estate to provide, amongst other things, a suitable residence for the Bishop, pay all the running costs, the Bishop's stipend, secretarial support and other expenses under the Anglican (Diocese of Christchurch) Church Property Trust Act 2003 (the Act), Part 3, Sections 14-16.

**Dean & Chapter Estate:** CPT holds the Dean & Chapter Estate on trust to provide, amongst other things, housing and a stipend for the Dean of Christchurch. The Act, Part 3, Sections 17-19.

**Land & Buildings Held on Trust:** CPT holds all other real property and associated funds on charitable purpose trusts. The cost of earthquake rebuilds and repairs to these buildings are reported in this collection of trusts.

**Cathedral Trust:** The land and buildings at 100 Cathedral Square, and associated funds, are held on a charitable trust for the purposes of having a cathedral on the site.

**Joint Venture:** CPT has on 20<sup>th</sup> August 2018 formed a 50% joint venture with Christ Church Cathedral Reinstatement Trust. Christ Church Cathedral Reinstatement Limited (CCRL) is the Joint Venture company which was formed for the purpose of reinstating and maintaining the Christ Church Cathedral. CCRL is recognised as a Joint Operation under PBE IPSAS37. In accordance with the standard, the financial statements have included CPT's share of the assets, liabilities revenue and expenses in CCRL, as per Note 24.

## **2. STATEMENT OF ACCOUNTING POLICIES**

### **2.1 Basis of Preparation**

These financial statements show only the income, expenditure, assets and liabilities of the estates and trust under management by CPT. They do not include any of the income, expenditure, assets or liabilities belonging to CPT itself.

The financial statements have been prepared as Special Purpose Reports, in accordance with the following stated accounting policies.

### **2.2 Changes to accounting policy**

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 DECEMBER 2019

There has been one change to the accounting policy for valuation of Land & Buildings which is for new buildings from 2018 onwards to use the higher of construction cost or acquisition until exceeded by the its rateable value. This has therefore shown a write up of \$1.9m through the statement of financial performance in the 2019 year. Otherwise policies have been applied on a basis consistent with those of the previous period.

**2.3 Specific Accounting Policies**

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

**a) Revenue Recognition**

Revenue is recognised to the extent it is probable that economic benefit will flow to the funds and that the revenue can be reliably measured. For financial assets at fair value, interest income is included through the Statement of Financial Performance.

Unrealised or realised gains/ (losses) from re-measurement of financial assets at fair value are included in revenue. Distribution income is recognised in the Statement of Financial Performance when the right to receive the dividend/distribution is established.

Grants requiring specified future conditions to be met are recognised as a liability on receipt. The grants are recognised to revenue over the period that the specified conditions are complete and the associated costs are recognised.

CPT enter into a number of leases as landlord. The leases are residential, commercial or regular short term leases. The rental income is received by the relevant parish. The rental income and offsetting distribution has not been incorporated in the financial statements as this cannot be reliably measured.

All other revenue is recognised on an accruals basis.

**b) Expenses**

All expenses are recognised in the Statement of Financial Performance on an accrual basis.

**c) Income tax**

Tax payable (if any at all) is payable by the investing entities.

**d) Goods & Services Tax**

Where applicable all amounts are stated exclusive of Goods & Services Tax (GST) except for accounts payable, accounts receivable and retentions payable which are stated inclusive of GST.

**e) Financial Instruments**

*Classification:*

The financial instruments comprise investment funds, cash, receivables, payables and mortgages & loans. They are stated at fair value through the Statement of Financial Performance.

*Recognition/derecognition:*

The fund recognises financial assets on the date it becomes party to the contractual agreement and recognises changes in fair value from this date. Investments are derecognised when the right to receive cash flows from the investments have expired.

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 DECEMBER 2019

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*Measurement:*

(i) Financial Assets (Investment Funds)

Investment funds are stated at fair value excluding any transaction costs. Transaction costs are expensed as incurred in the Statement of Financial Performance. Any changes in the fair values of financial assets are disclosed in the Statement of Financial Performance.

(ii) Mortgages & Loans

Mortgages and loans are measured at fair value.

**f) Investment Properties**

Investment properties are stated at rateable value where a market value does not exist and are not depreciated because of this.

**g) Capital Work in Progress**

Capital work in progress is stated at cost. Strengthening and other improvements capital in nature are capitalised to this account.

**h) Receivables**

Receivables may include amounts accrued for interest income and distributions. Distributions are accrued when the right to receive payment is established. Interest income is accrued at the reporting date from the time of the last payment.

Any other receivables are stated at their expected realisable value after assessing at each reporting date, whether there is any objective evidence that the other receivables are impaired

**i) Land & Buildings**

Freehold land and buildings are not depreciated. New buildings built or purchased after the latest valuation date are valued at the higher of construction cost or acquisition until exceeded by rateable value. Existing buildings which have incurred significant improvements are also valued at the cost of those improvements, until exceeded by rateable value.

Revaluation gains resulting from a change in rateable value are transferred to the asset revaluation reserve. If the revaluation reserve has a deficit, that deficit is recognised in the Statement of Financial Performance when that deficit arises. Any revaluation surplus that reverses previous revaluation deficits in subsequent periods is recognised as revenue in the Statement of Financial Performance.

All insurance, repairs and maintenance expenditures are recognised in the Statement of Financial Performance as incurred. An item of property is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the year the asset is derecognised.

**j) Payables**

Payables include liabilities and accrued expenses owing by the trusts and estates which are unpaid at balance date.

**k) Cash & Cash Equivalent**



## ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES

## **SPECIAL PURPOSE FINANCIAL STATEMENTS**

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Cash and cash equivalents include operational bank accounts and term deposits.

### I) Fixed Asset Policy and Depreciation Rate

Motor Vehicles and plant are at cost less accumulated depreciation. Depreciation is provided on a straight line basis to allocate the assets cost, less estimated residual value over the estimated economic life:-

Estimated Economic life for Motor vehicle 4 years

### 3. NET RETURN FROM INVESTMENT FUNDS

	General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
BGF Revaluation	1,451	(188)	429	(75)	162	(23)	-	-	-	-
BGF Revaluation Fabric Fund	-	-	-	13	-	-	-	-	-	-
Net Income from Insurance Proceeds Funds	-	-	-	-	-	-	3,186	377	2,864	332
Mohaka Forest Revaluation	(79)	123	-	-	-	-	-	-	-	-
	<u>1,372</u>	<u>(66)</u>	<u>429</u>	<u>(62)</u>	<u>162</u>	<u>(23)</u>	<u>3,186</u>	<u>377</u>	<u>2,864</u>	<u>332</u>

The Balanced Growth Fund (BGF) returns in 2019 were 13.0%, net of all fees (2018 -1.4%). In 2019 there was a significant rise in global equity vales, leading to significantly recovery year on year.

The General Trust Estate owns 92% of the Mohaka Forest investment. The Forest Manager prepares an annual report on the investment in the Mohaka Forest which includes a valuation. The forest value for the 23 hectares of trees planted in 2008 at 92% share (and not part of the sale of cutting rights) decreased by \$89,923 in 2019 (2018 \$95,500 Increase), with the land value for 2019 at 92% of rateable value being \$506,000 (2018: \$506,000).

#### 4. INSURANCE INCOME SETTLEMENTS

Insurance settlements of \$4.42m were made from the Insurance Proceeds Funds and \$4.35m were transferred into Fixed Income Fund on behalf of Parishes, which is shown as \$68k in the Statement of Financial Performance 2019 year, (2018 \$14,950,588 being Inland Revenue return of funds following GST review), and Earthquake Commission (EQC) receipts of 2019: \$Nil, (2018: \$32,361).



**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**5. GRANTS & DONATIONS RECEIVED**

Grants of 2019 \$2,645,000 (2018: \$1,685,600) have not been recognised as income, due to unfulfilled requirements at balance date, in the Land & Buildings Held in Trust Estate.

The Standing Committee of the Diocese has funded a portion of the Bishopric Estate costs (\$10,000 per annum) since 2012 in order to maintain the capital of the Estate, this reviewed annually. This has not been paid in 2019 \$Nil (2018 \$Nil), but has resumed in 2020.

**6. PARISH CONTRIBUTIONS**

	General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
Betterment Contributions	-	-	-	-	-	-	179	55	-	-
Capital Mortgage Contributions	-	-	-	-	-	-	46	45	-	-
Insurance Excess Contributions	-	-	-	-	-	-	52	28	-	-
Revenue Protection Reserve	-	-	-	-	-	-	-	79	-	-
	-	-	-	-	-	-	277	207	-	-

Betterment Contributions:

During the course of performing earthquake repairs some deferred maintenance or strengthening work will be completed simultaneously. In these instances the relevant parish will be consulted with and agreement will be reached on the level of work to be completed. The parish will be requested to contribute towards these non-earthquake related costs. The betterment contributions recorded in the table above are of this nature.

Capital Mortgage Contributions:

At times the CPT in its capacity as Trustee of an Anglican Parish will enter into a term loan agreement with the CPT, to assist with the financing of a property purchase. Any capital repayment of these loans are considered contributions.

Insurance Excess Contributions:

An excess was deducted by CPT's insurers on global settlement. In November 2015 CPT approved a mechanism for the allocation of insurance excesses for repair projects. Quarterly, as earthquake repair work is completed, a contribution towards the excess will be sought from parishes based on the final repair cost.

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**7. PROFIT OR LOSS FROM DISPOSAL OF ASSETS**

	General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Building Trusts		Cathedral Trust	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>(Profit) Loss on Disposal of Assets:</b>										
Motor Vehicle proceeds	-	-	(2 )	-	-	-	-	-	-	-
952 Medbury, Hawarden	-	-	-	-	-	-	45	-	-	-
All Saints, Parnassus St, Waiau Amuri	-	-	-	-	-	-	260	-	-	-
St John's Church, Bishopdale	-	-	-	-	-	-	105	-	-	-
St Anne's, Opawa-St Martins	-	-	-	-	-	-	280	-	-	-
St Peter's, Jacobs River, Westland	-	-	-	-	-	-	12	-	-	-
St Barnabas, Chatham Is.	-	-	-	-	-	-	14	-	-	-
Vicarage Talbot St, Geraldine	-	-	-	-	-	-	-	5	-	-
	-	-	(2 )	-	-	-	716	5	-	-

**8. EARTHQUAKE REPAIR EXPENDITURE**

	General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Earthquake Repair Expenses (a)	-	-	-	-	-	-	509	1,942	-	-
Consultancy & Professional Fees	-	-	-	-	-	-	417	622	36	355
Building costs Write-up 2019 from rateable valuation (Write-down 2018) (b)	-	-	-	-	-	-	(1,901)	1,908	-	-
Other	-	-	-	-	-	-	209	331	31	538
	-	-	-	-	-	-	(767 )	4,803	67	893

a) Earthquake repairs

Since September 2010 the Canterbury region experienced thousands of earthquakes which extensively damaged the Cathedral, churches, halls and vicarages. The earthquakes have resulted in costs being incurred with reinstatement of assets.

These costs have been expensed as incurred unless they are of a capital nature in which case they have been capitalised.

b) Write up from rateable value to Cost

The write up from rateable valuation to cost in 2019 by \$1,901,495, was a reversal of the write-down in the 2018 year for All Souls Merivale \$1,901,495, due to a change in the Land & Buildings Valuation accounting policy.

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**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**9. GRANTS PAID**

	General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
Cathedral Chapter	-	-	-	-	52	52	-	-	-	-
Anglican Diocese Ministry Support Centre (ADMSC)	369	-	-	-	-	-	-	-	-	-
Diocese of Christchurch	81	500	264	143	-	-	39	19	-	-
	<b>450</b>	<b>500</b>	<b>264</b>	<b>143</b>	<b>52</b>	<b>52</b>	<b>39</b>	<b>19</b>	<b>-</b>	<b>-</b>

The amount available for distribution by the General Trust Estate and the Dean & Chapter Estate is determined based on the needs of the Diocese of Christchurch, Anglican Diocese Ministry Support Centre and Cathedral Chapter and the level of income available after reinvestment.

**10. RECEIVABLES**

Included in receivables within Land & Buildings held in Trust are the following grants which have been approved but not yet received from:

New Zealand Lotteries Grant Board	720	1,120	St Paul's Church (Glenmark Waikari)
Canterbury Earthquake Heritage Building Trust	45	-	Mariner's Bell Tower (Lyttelton)
Canterbury Earthquake Heritage Building Trust	200	275	St Peter's Church (Upper Riccarton)
CCC- Capital Endowment Fund	-	150	St Peter's Church (Upper Riccarton)
Halswell, Hornby, Riccarton	30	30	St Peter's Church (Upper Riccarton)
Rata Foundation	100	100	St Peter's Church (Upper Riccarton)
Antiss Garland Charitable Trust	3	3	St Peter's Church (Upper Riccarton)
Lion Foundation	-	8	St Peter's Church (Upper Riccarton)
Parish Funds	1,250	-	St Peter's Church (Upper Riccarton)
Glenmark Parish Funds	289	-	St Paul's Church (Glenmark Waikari)
Parkinson Memorial Park Trust	8	-	Mt Herbert - St Kentigern & St Paul's Churches
	<b>2,645</b>	<b>1,686</b>	

**11. CAPITAL WORK IN PROGRESS**

During the course of either rebuilding or repairing a property, certain costs have created additional capital value.  
At the end of the year 2019 \$3,341,468 (2018 \$1,889,086) in Land & Building Trusts and 2019 \$2,018,401 (2018:\$262,366) in Cathedral Trust.  
These amounts will be capitalised on completion of the respective projects.

Refer Note 20 for an explanation of "Ongoing Earthquake Related Expenditure".

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**12. LAND & BUILDINGS HELD IN TRUST**

Land & Buildings Held in Trust						Cathedral Trust					
District Council	Land	Improvements	Capital Value		Rating Valuation Date	District Council	Land	Improvements	Capital Value		Rating Valuation Date
			2019	2018					2019	2018	
	\$000	\$000	\$000	\$000			\$000	\$000	\$000	\$000	
Ashburton	3,496	3,242	6,738	6,878	2018						
Chatham	229	142	371	305	2018						
Christchurch	70,072	58,358	128,429	119,812	2019	Christchurch	6,390	-	6,390	5,800	2019
Hurunui	1,860	1,394	3,254	3,504	2019						
Mackenzie	2,130	440	2,570	2,570	2017						
Selwyn	7,911	3,761	11,672	11,672	2018						
Timaru	4,409	6,214	10,623	10,068	2017						
Waimakariri	3,504	2,729	6,233	6,159	2019						
Waimate	445	606	1,051	978	2018						
Westland	637	981	1,618	1,630	2017						
	94,693	77,866	172,559	163,576			6,390	-	6,390	5,800	

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**13. INVESTMENT FUNDS**

	General Trust Estate		Bishopric Estate		Dean & Chapter Estate		Land & Buildings Trusts		Cathedral Trust	
	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
Mohaka Forest Fund	726	805	-	-	-	-	-	-	-	-
Balanced Growth Fund	12,480	11,699	3,691	3,612	1,436	1,335	617	-	-	-
Cathedral Insurance Proceeds Fund	-	-	-	-	-	-	-	-	43,063	41,920
Fixed Income Fund	-	-	-	-	-	-	8,294	3,480	-	-
Insurance Proceeds Fund	-	-	-	-	-	-	38,968	43,937	-	-
	<b>13,206</b>	<b>12,504</b>	<b>3,691</b>	<b>3,612</b>	<b>1,436</b>	<b>1,335</b>	<b>47,878</b>	<b>47,417</b>	<b>43,063</b>	<b>41,920</b>

Funds invested in the Insurance Proceeds Fund will decrease as progress is made on the Recovery programme. The Cathedral Insurance Proceeds Fund has increased in 2019 due to market returns.

**14. MORTGAGES AND LOANS**

The remaining loan to the Cathedral Grammar school loan of 2019 \$8,580 (2018: \$18,039), payment for which the instalment was paid 15<sup>th</sup> January, 2020.

**15. TENANT LIABILITY**

In 1976 CPT and the parish of Lyttelton completed the construction of 8 residential units at \$343,280. CPT retained ownership of the land whilst rights to the units were sold to tenants. The liability represents the Building Value of the units not owned by the L&BT.

**16. THE COMMUNITY OF THE SACRED NAME TRUST (CSN)**

The CSN purchased land occupied by the Community from CPT for \$5. A donation of \$170,000 was made to the Bishopric Estate to be held in a sub trust entitled "The Community of the Sacred Name Trust Fund". Both of these transactions occurred many years ago. The income from the donation is to be applied on an annual basis for the requirements of the Bishopric Estate.

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**17. FABRIC FUND**

The CPT Act, section 16 provides a fund to be maintained to be applied toward the building, maintenance, enlargement or replacement of the Bishop's residence and its furnishings.

**18. RELEASE OF REVALUATION RESERVE ON SALE OF PROPERTY**

Releases on the revaluation reserve occurred in 2019 were for sale of properties of \$2,525,000 and damaged or impaired buildings of \$210,000 totalling \$2,735,000 (2018: \$430,000).

**19. GAIN (LOSS) ON REVALUATION OF PROPERTY**

The increase in rateable value of the Land and Buildings held in Trust is \$6,542,298 (2018: increase of \$2,008,500). The Cathedral rateable land value has increased to \$6,390,000 2019 (2018: \$5,800,000).

**20. ONGOING EARTHQUAKE RELATED EXPENDITURE**

In December 2013, CPT resolved that the Trustees would accept the ACS global insurance settlement offer. This revenue was taken to equity in 2013. Expenditure relating to the restatement of these insured assets has been noted either in the Statement of Financial Performance or capital work in progress resulting in significant losses in subsequent years.

**21. COMMITMENTS**

Grange Street Storage Facility

The Land & Buildings held in Trust has an operating lease obligation of \$46,669 (2018: \$46,669) for the storage facility at Grange Street.

**22. CONTINGENT ASSETS AND LIABILITIES**

In respect of additional insurance proceeds received in the year 2018 (\$16.26 million) following the conclusion of the GST review CPT is applying to the Courts for confirmation of how it may treat any surplus. In the interim the Trustees have applied their judgement as to how this amount should be accounted for and have recorded the amount as income within Land & Buildings Trust. The Trustees will act on the Court direction when it is received.

**ESTATES AND TRUSTS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**23. RELATED PARTIES**

Diocese of Christchurch

When required, the General Trust Estate provides cash flow funding and grants to the Diocese of Christchurch, ADMSC and Cathedral Chapter on an arms-length basis. No such funding has been provided by the General Trust Estate to the Diocese of Christchurch during the current and previous financial years.

Explanation: Arm's Length

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

Wynn Williams

Jeremy Johnson, (the Diocesan Chancellor) is a Partner at Wynn Williams. Wynn Williams provided legal services to CPT on behalf of Estates & Trusts to the value of \$68,441 (2018: \$252,819). The transactions were at an arm's length basis. Additional work was commissioned by CPT in conjunction with Parishes for conveyancing and other matters regarding property. The cost of these invoices has been met by the Parishes concerned.

Parry Field

Alex Summerlee, (the Diocesan Vice - Chancellor) is an Associate at Parry Field. Parry Field provided legal services to CPT to the value of \$10,082 (2018: \$2.476). The transactions were at an arms-length basis.

**24. INVESTMENT IN CATHEDRAL JOINT VENTURE**

In 2018, in response to the 2017 Diocesan Synod decision to reinstate Christ Church Cathedral, CPT entered into a Joint Venture Agreement [JVA] with Christ Church Cathedral Reinstatement Trust [CCRT], established by the Crown to raise the shortfall in funding for the project, and Christ Church Cathedral Reinstatement Limited [CCRL], a company formed to undertake the project. Under the terms of the JVA, CPT and CCRT have both provided a \$1 million working capital advance to CCRL. We have recognised the CPT share (50%) of reported profit by CCRL.

**25. PRIOR YEAR ADJUSTMENTS**

In 2019 no prior year adjustments have been made, (2018 \$459,271).

**26. SUBSEQUENT EVENTS**

Subsequent to balance date the impacts of the Coronavirus [COVID-19] pandemic have caused significant reductions and volatility in equity investment values. These significant reductions in value are not recorded in the value of the Estates and Trusts at 31<sup>st</sup> December 2019. Post balance date investment income from investments held by the Estates and Trusts are likely to be materially reduced. Amounts are not able to be reliably quantified.