

---

**FUNDS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**

**SPECIAL PURPOSE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2019

---

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



Statement of Financial Performance	1
Statement of Financial Position	2
Notes to the Financial Statements	3-9
Independent Auditor's Report	10-11

**FUNDS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**
**STATEMENT OF FINANCIAL PERFORMANCE**

FOR THE YEAR ENDED 31 DECEMBER 2019



		Balanced Growth Fund		Mohaka Forest Fund		Fixed Income Fund		Reserve Fund		Insurance Proceeds Fund		Cathedral Insurance Proceeds Fund		Cathedral Maintenance & Insurance Fund		Total Funds Under Management	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
NOTE		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>INCOME</b>																	
		3,479	(51)	(179)	174	2,819	917	159	93	3,665	750	3,080	727	12	-	13,034	2,611
				116												116	-
	3	3,479	(51)	(63)	174	2,819	917	159	93	3,665	750	3,080	727	12	-	13,150	2,611
<b>EXPENSES</b>																	
	4	212	223	4	11	208	201	14	16	282	216	169	259	1	-	888	926
	4	144	147	13	13	199	186	10	12	196	158	57	137	-	-	619	652
		-	-	9	12	-	-	-	-	-	-	-	-	-	-	9	12
		-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	2
		356	370	25	38	407	387	24	27	478	374	226	395	1	-	1,516	1,593
		3,123	(421)	(88)	136	2,412	530	135	66	3,186	376	2,854	332	11	-	11,633	1,018
<b>FUND ALLOCATIONS</b>																	
		429	(75)	-	-	-	-	-	-	-	-	-	-	-	-	429	(75)
		162	(23)	-	-	-	-	-	-	-	-	-	-	-	-	162	(23)
		1,451	(189)	(81)	125	-	-	-	-	-	-	-	-	-	-	1,369	(64)
		1,082	(135)	(7)	11	1,445	1,438	-	-	-	-	-	-	-	-	2,520	1,314
		-	-	-	-	-	-	1,102	(842)	-	-	-	-	-	-	1,102	(842)
		-	-	-	-	967	(908)	(967)	908	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	3,186	377	-	-	-	-	3,186	377
		-	-	-	-	-	-	-	-	-	-	2,854	332	11	-	2,865	332
		3,123	(421)	(88)	136	2,412	530	135	66	3,186	377	2,854	332	11	-	11,633	1,018

**FUNDS HELD AND ADMINISTERED BY CHURCH PROPERTY TRUSTEES**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



	NOTE	Balanced Growth Fund		Mohaka Forest Fund		Fixed Income Fund		Reserve Fund		Insurance Proceeds Fund		Cathedral Insurance Proceeds Fund		Cathedral Maintenance & Insurance Fund		Total Funds Under Management	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>FUND CURRENT ASSETS</b>																	
Cash at Bank		145	47	4	6	434	673	2	2	31	362	42	7	82	-	741	1,096
Managed Funds	5	25,648	23,658	-	-	40,583	31,271	1,513	2,279	38,941	43,509	2,680	41,828	301	-	109,666	142,547
Short Term Deposits < 1 year	5											4,033	-		-	4,033	-
Private Equity Funds	6	1,797	1,522	-	-	-	-	-	-	-	-	-	-	-	-	1,797	1,522
Receivables	7	9	28	116	15	52	946	967	0	13	76	-	91	52	-	1,208	1,157
<b>Total Fund Current Assets</b>		<b>27,599</b>	<b>25,256</b>	<b>120</b>	<b>21</b>	<b>41,070</b>	<b>32,890</b>	<b>2,482</b>	<b>2,282</b>	<b>38,986</b>	<b>43,947</b>	<b>6,754</b>	<b>41,926</b>	<b>435</b>	<b>-</b>	<b>117,445</b>	<b>146,322</b>
<b>FUND CURRENT LIABILITIES</b>																	
Payables		14	125	120	21	988	639	7	909	18	11	5	6	-	-	1,152	1,712
Parishes & Anglican Organisations		9,978	8,485	-	-	40,919	33,134	-	-	38,968	43,937	43,063	41,919	435	-	133,362	127,475
General Trust Estate		12,480	11,699	-	-	-	-	-	-	-	-	-	-	-	-	12,480	11,699
Bishopric Estate		3,691	3,612	-	-	-	-	-	-	-	-	-	-	-	-	3,691	3,612
Dean and Chapter Estate		1,436	1,335	-	-	-	-	-	-	-	-	-	-	-	-	1,436	1,335
<b>Total Fund Current Liabilities</b>		<b>27,599</b>	<b>25,256</b>	<b>120</b>	<b>21</b>	<b>41,907</b>	<b>33,773</b>	<b>7</b>	<b>909</b>	<b>38,986</b>	<b>43,948</b>	<b>43,067</b>	<b>41,926</b>	<b>435</b>	<b>-</b>	<b>152,121</b>	<b>145,833</b>
<b>Net Fund Assets / (Liabilities)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(837)</b>	<b>(883)</b>	<b>2,475</b>	<b>1,373</b>	<b>-</b>	<b>-</b>	<b>(36,314)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(34,676)</b>	<b>489</b>
<b>NON-CURRENT FUND ASSETS</b>																	
Reserve Fund		-	-	-	-	2,475	1,373	-	-	-	-	-	-	-	-	2,475	1,373
Term Deposits > one year	6	-	-	-	-	-	-	-	-	-	-	36,314	-	-	-	36,314	-
Forestry		-	-	789	875	-	-	-	-	-	-	-	-	-	-	789	875
Loans & Mortgages	11	-	-	-	-	837	883	-	-	-	-	-	-	-	-	837	883
<b>Total Non-Current Fund Assets</b>		<b>-</b>	<b>-</b>	<b>789</b>	<b>875</b>	<b>3,312</b>	<b>2,256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,314</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,415</b>	<b>3,131</b>
<b>NON-CURRENT FUND LIABILITIES</b>																	
Fixed Income Fund	12	-	-	-	-	-	-	2,475	1,373	-	-	-	-	-	-	2,475	1,373
Parishes & Anglican Organisations		-	-	63	70	-	-	-	-	-	-	-	-	-	-	63	70
General Trust Estate		-	-	726	805	-	-	-	-	-	-	-	-	-	-	726	805
Future Distributions Payable	12	-	-	-	-	2,475	1,373	-	-	-	-	-	-	-	-	2,475	1,373
<b>Total Non-Current Fund Liabilities</b>		<b>-</b>	<b>-</b>	<b>789</b>	<b>875</b>	<b>2,475</b>	<b>1,373</b>	<b>2,475</b>	<b>1,373</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,739</b>	<b>3,620</b>
<b>Net Fund Non-Current Assets/(Liabilities)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>837</b>	<b>883</b>	<b>(2,475)</b>	<b>(1,373)</b>	<b>-</b>	<b>-</b>	<b>36,314</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,676</b>	<b>(489)</b>
<b>Net Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

For and on behalf of the Board of Trustees who authorised the issue of these financial statements on 18/01/2020.

*P R Carrell*  
P R Carrell

*S J Wakefield*  
S J Wakefield

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

---

## 1. GENERAL INFORMATION

These financial statements have been prepared for each of the funds managed by Church Property Trustees [CPT], comprising the Balanced Growth Fund, Fixed Income Fund, Reserve Fund, Mohaka Forest Fund, Insurance Proceeds Fund, Cathedral Insurance Proceeds Fund and Cathedral Maintenance & Insurance Fund.

The financial statements are presented in New Zealand dollars.

### Investment Policies

The philosophy and investment objectives for CPT, its Committee for Audit, Risk & Finance [CARF], trusts, beneficiaries, investors and investment managers is outlined in the Statement of Investment Policy and Objectives [SIPO]. It creates parameters for investment of funds under CPT administration on behalf of its trusts and other investors and serves as a basis for monitoring the on-going performance of the CPT funds and of the portfolios that make up those funds. CPT sets and approves the SIPO and delegates oversight of it to CARF.

An independent annual review of the investment strategy, including the distribution rate, is conducted by CPT's independent investment advisors, EriksensGlobal.

**Balanced Growth Fund [BGF]:** Distributions to investors from the BGF are determined by CPT based on the long-term sustainable distribution rates recommended in the SIPO. Distributions are recognised in the financial statements when they are paid in cash. There are no capital reserves within the BGF as capital gains and losses are marked to market each month and apportioned between investors according to units held monthly and at year end.

**Fixed Income Fund [FIF]:** Interest is credited to investors in the FIF quarterly. Interest rate reviews are conducted regularly by CPT. The rate is set at a level to allow investors to receive a consistent income, with any net surplus or deficit being transferred to or from the Reserve Fund to allow income smoothing. The management of this fund is in line with the principles set out in section 31 of the Anglican (Diocese of Christchurch) Church Property Trust Act 2003 ["The CPT Act"].

The following table shows annual interest rates paid quarterly to investors during the financial year and benchmarked against the ANZ Bank 30 Day Term Deposit rate for deposits \$10,000 and over. The investments administered by CPT on behalf of investors are predominately liquid and may be redeemed on 5 working days written notice.

Quarter Ends	Mar-19	Jun-19	Sep-19	Dec-19	2018
FIF	4.25%	4.00%	4.00%	4.00%	4.25%
ANZ	0.50%	0.50%	0.50%	0.35%	0.50%

**Reserve Fund:** CPT maintains a reserve fund as outlined in section 36 of the CPT Act. The annual income derived from investments in the reserve fund may be applied by CPT, with agreement of Standing Committee, in one or more of the following ways:

- (1) To augment the Reserve Fund
- (2) To stabilise or increase the income of the Fixed Income Fund

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

---

(3) To replace losses of capital in the Fixed Income Fund.

**Mohaka Forest Fund:** CPT has established a forestry fund in line with section 31 of the Anglican (Diocese of Christchurch) Church Property Trust Act 2003 ["The CPT Act"]. CPT participates in the Emissions Trading Scheme in accordance with Schedule 6 of the Climate Change Response (Emissions Trading) Amendment Act 2008. The cost to repay carbon credits oversold of 3,000 ETS have been recognised at Net Realisable Value in the Statement of Financial Position at \$75,000 (2018 nil).

**Insurance Proceeds Fund and the Cathedral Insurance Proceeds Fund:** CPT has established these investment funds in line with section 31 of the Act. The Ansvar [ACS] global insurance settlement [GIS] funds are invested in these funds. The GIS funds are held on the same trusts as those buildings deemed to be a total loss. The GIS funds received for the repair of buildings, not destroyed in the earthquakes, are held collectively to meet the insurance policy entitlements.

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

### **2.1 Basis of Preparation**

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

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

There have been no changes to accounting policies. 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.

Dividend/distribution income is recognised in the Statement of Financial Performance when the right to receive the dividend/distribution is established.

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**

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

#### **d) Goods and Services Tax**

Where applicable all amounts are stated exclusive of Goods & Services Tax [GST].

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

---

**e) Financial Assets**

*Classification:*

The financial instruments comprise investments and are categorised as managed funds, term deposits, private equity and forestry. They are stated at fair value with value changes recorded through the Statement of Financial Performance.

*Recognition / de-recognition:*

CPT 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.

*Measurement:*

(i) Financial assets (managed funds, term deposits and private equity funds)

Financial assets are recorded at fair value through the Statement of Financial Performance.

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.

Where available, quoted market prices, entry or exit, buy or sell or midpoint, are used as a measure of fair value.

(ii) Mortgages & Loans

Mortgages and Loans are measured at fair value.

(iii) Forestry

The value of the Forestry investment is based on the estimation of the net present value (NPV) of future cash flows at a discount rate of 7.5% (2018: 7.0%), associated with the development and future harvesting of the forest, as determined by the Forestry Manager. The valuation by the Forestry Manager was received on 21 March 2020.

Forest land is valued at the August 2018 Rating Valuation. The NPV of cash flows relating to any revenue or future liabilities arising from the sale of carbon credits under the Government's Emissions Trading Scheme have not been included in the valuation.

**f) Receivables**

Receivables may include amounts accrued for dividends, interest income and distributions. Dividends and 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.

**g) Payables**

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

**h) Cash and cash equivalent**

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

**i) Financial liabilities**

Financial liabilities include deposits from Parishes, other Anglican organisations and Estates, and are measured at year end deposit value.

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

**j) Foreign currency translation**

Items included in the funds' financial statements are measured in New Zealand dollars.

**k) Derivative financial instruments**

Foreign currency economic hedges are not recognised in the Statement of Financial Position. Any gains or losses are recognised in the Statement of Financial Performance on realisation of these hedges.

**3. NET RETURN FROM INVESTMENTS**

	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
Net return from Investments	3,479	(51 )	(179)	134	2,819	917	159	93	3,703	530	3,221	434	12	-	13,213	2,057
Hedge gain/(loss)		-	-	-		-		-	(38)	220	(141)	293	-	-	(179)	513
Net return from Investments after hedge gain/(loss)	3,479	(51 )	(179)	134	2,819	917	159	93	3,665	750	3,080	727	12	-	13,034	2,571

The hedging gains and losses are matched by equal and opposite, gains and losses to the same approximate value in the net return from investments.

**4. MANAGEMENT FEES**

Balanced Growth Fund		Mohaka Forest Fund		Fixed Income Fund		Reserve Fund		Insurance Proceeds Fund		Cathedral Insurance Proceeds Fund		Cathedral Maintenance &	
2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
%	%	\$	\$	%	%	%	%	%	%	%	%	%	%
0.55%	0.55%	\$ 12,500 per annum	\$ 12,500 p.a.	0.55%	0.55%	0.55%	0.55%	0.45%	0.55%	0.135% **	0.55%	0.100%	0.55%

A CPT management fee is deducted from funds. The internal CPT fee is used to pay for its operational expenses.

External management fees are paid on managed funds.

EriksensGlobal had charged a monthly retainer of \$7,800 up until the 31<sup>st</sup> October 2019, when it was \$6,900 after the majority of CIPF funds changed to Term Deposits, (2018: \$7,800). This cost is currently allocated between the various funds based on the value of net assets.

\*\* The management fee for the Cathedral Insurance Proceeds Fund was reduced from 0.55% to 0.135% in August 2019.

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

**5. MANAGED FUNDS & SHORT TERM DEPOSITS**

	Balanced Growth Fund		Fixed Income Fund		Reserve Fund		Insurance Proceeds Fund		Cathedral Insurance Proceeds Fund **		Cathedral Maintenance & Insurance Fund		Total Funds Under Management	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Managed Funds</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
AMPCI Global Multi-Asset Fund	7,493	9,529	6,635	6,090	-	-	7,472	6,858	-	9,001	-	-	21,600	31,477
AMPCI Fixed Interest Fund	-	-	4,779	4,546	-	-	-	2,921	-	-	-	-	4,779	7,467
AMPCI NZ Short Duration	-	-	3,164	3,249	-	-	-	-	-	4,069	-	-	3,164	7,317
Aspiring Asset Management Ltd	5,813	4,797	-	-	-	-	-	-	-	-	-	-	5,813	4,797
Castle Point 5 Oceans Fund	2,459	2,353	2,222	1,834	-	-	4,390	4,201	-	2,991	118	-	9,188	11,379
Harbour Income Fund	-	-	9,245	7,467	-	-	10,870	7,866	-	9,336	-	-	20,115	24,669
Harbour NZ Short Duration Fund	-	-	-	-	-	-	-	2,497	-	3,116	-	-	-	5,613
Harbour Australasian	-	613	-	-	-	-	-	-	-	-	-	-	-	613
Mint Trans-Tasman Equities	1,692	1,326	-	-	-	-	-	-	-	-	-	-	1,692	1,327
Mint Diversified Income Fund	1,767	1,777	10,097	8,086	759	1,200	10,920	14,197	2,680	6,688	-	-	26,223	31,947
Mint Diversified Growth Fund	-	-	-	-	-	-	-	-	-	-	123	-	123	-
Milford Active Growth	-	-	-	-	-	-	-	-	-	-	-	-	2,526	-
Milford Australasian Abs. Growth	-	1,298	-	-	-	-	-	-	-	-	-	-	1,508	1,298
Milford Diversified Income	1,632	1,967	4,442	-	-	-	-	-	-	-	-	-	6,074	1,967
Quay Street Asset Management	-	-	-	-	754	1,080	-	-	-	-	-	-	754	1,080
Schroders RRF CPI +3.5%	-	-	-	-	-	-	5,290	4,969	-	6,628	-	-	5,290	11,597
T Rowe Price Global Equity Growth	758	-	-	-	-	-	-	-	-	-	60	-	818	-
<b>Managed Funds</b>	<b>25,648</b>	<b>23,659</b>	<b>40,583</b>	<b>31,271</b>	<b>1,513</b>	<b>2,279</b>	<b>38,941</b>	<b>43,509</b>	<b>2,680</b>	<b>41,828</b>	<b>301</b>	<b>-</b>	<b>109,667</b>	<b>142,547</b>
<b>Short Term Deposits &lt; One Year</b>														
ANZ Bank	-	-	-	-	-	-	-	-	1,003	-	-	-	1,002	-
Kiwibank	-	-	-	-	-	-	-	-	3,030	-	-	-	3,030	-
<b>Total Term Deposits &gt; One Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,033</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,032</b>	<b>-</b>
<b>Total Managed Funds &amp; Short Term Deposits</b>	<b>25,648</b>	<b>23,659</b>	<b>40,583</b>	<b>31,271</b>	<b>1,513</b>	<b>2,279</b>	<b>38,941</b>	<b>43,509</b>	<b>6,713</b>	<b>41,828</b>	<b>301</b>	<b>-</b>	<b>149,739</b>	<b>142,547</b>

\*\* Cathedral Insurance Proceeds Fund includes the Cathedral settlement proceeds and donations received by Church Property Trustees.

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

**6. LONG TERM DEPOSITS > One Year**

	Balanced Growth Fund		Fixed Income Fund		Reserve Fund		Insurance Proceeds Fund		Cathedral Insurance Proceeds Fund **		Cathedral Maintenance & Insurance Fund		Total Funds Under Management	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Term Deposits &gt; One Year</b>														
ANZ Bank	-	-	-	-	-	-	-	-	10,073	-	-	-	10,073	-
ASB Bank	-	-	-	-	-	-	-	-	10,091	-	-	-	10,091	-
Kiwibank	-	-	-	-	-	-	-	-	16,150	-	-	-	16,150	-
<b>Total Term Deposits &gt; One Year</b>	-	-	-	-	-	-	-	-	<b>36,314</b>	-	-	-	<b>36,314</b>	-

**7. PRIVATE EQUITY FUNDS**

	Total Commitment	Called / Invested	Uncalled Capital	Distributions	Asset Value at 31 December 2019	Asset Value at 31 December 2018
	\$000	\$000	\$000	\$000	\$000	\$000
Private Equity Funds	3,050	2,097	893	610	1,797	1,522

**8. RECEIVABLES**

Included in Accounts Receivable is the unrealised gain on foreign currency economic hedges in respect of Australian Dollar denominated investments. Contracted amounts entered by the following funds are as follows:

- Insurance Proceeds Fund to sell AUD 5,016,908 (2018: AUD 4,709,526) to apply the policy of 100% hedging of Australian Investments and
- Cathedral Insurance Proceeds Fund to sell AUD Nil (2018: AUD 6,281,301).

**9. CONTINGENCIES**

There are no contingent assets or liabilities at 31<sup>st</sup> December 2019.

**10. CREDIT RISK**

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

---

The funds are exposed to credit risk in that the failure of external counterparties to honour the terms and conditions of a contract may result in a financial loss to the funds. The funds are exposed to credit risk primarily through its investment activities. The maximum credit risk of financial instruments is considered to be their carrying value.

For the managed funds, EriksensGlobal regularly review the credit risk and advise CPT of any suggested changes to minimise this risk. Where CPT invests directly in cash, private equity, term deposits and forestry, appropriate processes and risk controls are in place to diversify and mitigate credit risk. None of the financial assets are past due or impaired.

## **11. RELATED PARTIES**

### Diocese of Christchurch

The Diocese of Christchurch invests in the Fixed Income Fund and the Balanced Growth Fund on the same terms and conditions as other investors.

### 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.

## **12. LOANS & MORTGAGES**

The mortgages in the Fixed Income Fund relate to the following parishes:-

Christchurch-St Michael, Lyttelton (for the St Saviours Cottages Licence to Occupy), Northwest Christchurch and Opawa-St Martins.

These mortgages are secured by the relevant land and buildings held in trust.

## **13. RESERVE FUND NET ASSETS**

The Reserve Fund is maintained by CPT as outlined in section 36 of the Act. The accumulated income of the Reserve Fund will ultimately be applied by CPT to stabilise or increase the income of the FIF or to replace losses of capital in the FIF.

## **14. EVENTS POST BALANCE DATE**

### **Impact of the Coronavirus (COVID-19)**

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 Funds under Management at 31st December 2019. Post balance date investment income from investments held are likely to be materially reduced.