

Social Service Council of the Diocese of Christchurch

Annual Financial Statements For the year ended 30 June 2023



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For the year ended 30 June 2023

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The completed redevelopment at 275 Hereford Street showing Thrive Café (obscured on left), Whakaora Kāinga/Transitional Housing and Pou

Social Service Council of the Diocese of Christchurch

From the Warden

For the year ended 30 June 2023

In theory Anglican Care should not exist because the social and economic conditions for our society would be such that there was no need for the myriad of services which we offer. In practice Anglican Care has met and will continue to meet many needs in society.

Across communities in Canterbury, the largest region of our Diocese, we have been responding through the past year to needs as basic as food and as complex as freedom from addictions.

Jane Evans as our new Board Chair has led the governance of Anglican Care's work. Corinne Haines has led the City Mission. Patrick Murray, until the end of 2022 when he entered a much deserved retirement, led the finance and administrative work of Anglican Care. Jolyon White has led Advocacy work. Nalini Meyer, after tireless work as City Mission Divisional Committee Chair, stepped down from that role earlier in 2023. I thank these key leaders and especially Patrick and Nalini for their long service.

Other leaders - board members and committee chairs and members, senior managers - within Anglican Care, along with paid staff and volunteers - have worked above and beyond the call of duty to ensure that our responses to needs of people in our communities have been appropriate and accessible to all who seek assistance. Thank you everyone!

I note with gratitude the work of the City Mission Foundation, chaired by Sir Gil Simpson, and give thanks for many kind donors - individuals, trusts and corporations - to the work of the Mission.

God is glorified through this collective mission of compassion and service to the last, the least and the lost.

A significant and historical moment in the past year has been the successive openings and blessings of the new buildings on the north side of Hereford Street. These premises will serve the Mission and its aims well for many years to come. It is also good to note that visible progress is being made on the Youth Hub building project on our land in Salisbury Street.

This past year has also seen the beginnings of significant change to our governance of Anglican Care, the first significant steps of which have been the merging of divisional committees into an enlarged Anglican Care Trust Board. The aim of these changes is that we govern efficiently the work which has been entrusted to us as well as relevantly to the changing shape of our ministries in this decade of the 21st century.

Enough from me - important narratives are told in this annual report and bear careful, prayerful reading - thank you for attending to them.

I want to conclude with some words from St Paul's Epistle to the Romans:

*Let love be genuine;
hate what is evil,
hold fast to what is good;
love one another with mutual
affection;
outdo one another in showing
honour ...
Contribute to the needs of the
saints;
extend hospitality to
strangers.
(Romans 12:9-10, 13)*

+Peter



The Right Reverend Dr Peter Carrell and the Reverend Puawai Swindells blessing the City Mission Pou Manaaki / Foodbank on the redeveloped 275 Hereford St site.

Acknowledgements and Thanks as at 30 June 2023

The work reported on these pages could not be done without the donations and support of many people and we sincerely thank them all. As well, thank you to the businesses and services that have supported Anglican Care and the City Mission with gifts in kind, time and services and also those organisations who assisted the City Mission with the fit-out of the new building complex.

We have also been remembered by those who have chosen to leave a gift as a memorial of their passing. In the last financial year the value of legacies received was \$1,227,282.

We gratefully acknowledge the following individuals and organisations for their support of Anglican Care and the City Mission as well as the many who prefer to remain anonymous.

A & E Weaver CT	Kiwi Gaming Trust	Pamela Webb CT
Burrow Brothers CT	Lois McFarlane CT	Perpetual Guardian
Chch Casino	Mainland Foundation	Riccarton Rotary
David Ellison CT	Margaret O Burns CT	Roger & Norah Wait CT
E & H Wilson CT	Mary E Armitage CT	Roy Owen Dixey CT
Est H S Royle	Maurice Carter CT	Tindall Foundation
Farina Thompson CT	Community Law Canterbury	Wilberforce 21 Trust
Greene CT	Marchwiell Community Op shop	
I E O McKellar CT	New Zealand Lottery Grants Board	
J & M Ferrier CT	The Community Trust of Mid and South Canterbury	

(CT = Charitable Trust)

We acknowledge the continuing and valued support of Te Whatu Ora, the Christchurch City Council, the Christchurch Community Boards, the Ministry of Social Development, the Ministry of Business, Innovation and Employment, the Ministry of Housing and Urban Development, and Pegasus Health (Charitable) Ltd.

Whilst every effort is made to ensure the accuracy of our list of acknowledgements we sincerely apologise for any omissions or inaccuracies.

Our People
as at 30 June 2023



Board of Trustees

Top Row: Jane Evans (Chair) RN MHSC (Nursing); Rt Rev'd Dr Peter R Carrell, B.Sc (Hons), BD, PhD, (Warden); Neil Shewan (Deputy Chair), BE (Chem); Chas Muir;
Middle Row: Steffi Brightwell BBus; Ven Ben Randall, B. Theol , B.A.; Rev'd Wendy Heath; Ross McQueen;
Bottom Row: Cam Moore, MNZM, CM IOD, Life FNZIM, BCom; Dr Sue Peddie, MB BS, MA(Hons); Christine Johnston, BCom, CA; Rev'd Sampson Knight, BMin, PGDipTh.

Social Service Council of the Diocese of Christchurch

Statement of Comprehensive Revenue and Expenses For the year ended 30 June 2023



	Note	2023 \$'000	2022 \$'000
Income			
<u>Revenue from Non-exchange Transactions:</u>			
Appeals and Donations	1	4,288	3,539
Grants	2	88	58
Legacies and Endowments		212	230
		<u>4,588</u>	<u>3,827</u>
<u>Revenue from Exchange Transactions:</u>			
Government Contracts		3,046	2,777
Grants	2	5,489	7,194
Opportunity Shop Sales		925	809
Fees		1	0
		<u>9,461</u>	<u>10,780</u>
<u>Other Income:</u>			
Other Income		840	499
Dividends		436	493
Gains on Investment		(22)	125
Interest	21	458	260
		<u>1,712</u>	<u>1,377</u>
TOTAL INCOME		15,761	15,984
Expenses			
Appeals and Publicity		113	202
Programme Delivery Costs		936	657
Employee Benefits Expense	18, 19	8,211	7,730
Property Costs		808	1,586
Administration and General Costs		961	1,148
Audit Fees	3	35	25
Depreciation	4	358	323
TOTAL EXPENSES		11,422	11,671
Surplus/(Deficit) for the period attributable to operations excluding movement in fair value of property		4,339	4,313
Movement in fair value of Investment Properties	10	(20)	100
Surplus for the period attributable to the Council		4,319	4,413
Other Comprehensive Income and Expenses			
Movement in fair value of financial assets at FVOCRE*	14	451	(2,191)
Total Other Comprehensive Income and Expenses		451	(2,191)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE COUNCIL		4,770	2,222

Social Service Council of the Diocese of Christchurch
Statement of Comprehensive Revenue and Expenses
For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
<u>Total Comprehensive Income is made up as follows:</u>			
Movement in fair value of Investment Properties	10	(20)	100
Movement in fair value of financial assets at FVOCRE*	14	451	(2,191)
Net income for the period attributable to members excluding the movement in fair value of investment properties		4,339	4,313
TOTAL COMPREHENSIVE INCOME (See above)		4,770	2,222

* FVOCRE refers to Fair Value through Other Comprehensive Revenue and Expenses



Some of our South Canterbury Advocacy team (past and present members) celebrating 8 years!



Social Service Council of the Diocese of Christchurch



Statement of Financial Position as at 30 June 2023

	Note	2023 \$'000	2022 \$'000
EQUITY			
Accumulated Comprehensive Revenue and Expenses	13	32,274	27,211
Available for Sale Reserve	14	451	(2,191)
Trusts and Special Funds	15	22,300	25,235
TOTAL EQUITY ATTRIBUTABLE TO THE COUNCIL		55,025	50,255
ASSETS			
Cash and Cash Equivalents	5	3,995	1,636
Short Term Deposits	6	2,532	3,018
Trade and Other Receivables	7	367	259
GST	7	19	169
Prepayments	7	109	75
Accrued Interest	21	161	149
Investments	8	38,228	39,513
Property, Plant and Equipment	9	25,195	20,237
Investment Property	10	2,830	2,850
TOTAL ASSETS		73,436	67,906
LIABILITIES			
Trade and Other Payables	11	443	784
Income in Advance	11	566	641
Employee Entitlements	19	584	673
Other Liabilities	12	16,818	15,553
TOTAL LIABILITIES		18,411	17,651
NET ASSETS		55,025	50,255

Trust Board Chair

Treasurer

Date: 03 October 2023

Statement of Service Performance For the year ended 30 June 2023

Objectives

to organise, promote, perform and evaluate all forms of Christian social service and social justice undertaken by the Social Service Council within the Diocese.

Mission

Anglican Care strives in Christian love to serve and seek justice in the community.

Vision

In Christ, Anglican Care exists to enable every person within the Diocese region of Canterbury/Westland to have the opportunity to take a just, fulfilling and appropriate part in the community according to the resources reasonably available both internal and external.

What we do and why we do it

Guided by the Gospel and respecting the Treaty of Waitangi, we will work in preventative ways and in response to crisis to support, care and advocate for people regardless of their gender, ethnicity and belief. The Mission helps anyone who needs it regardless of their circumstances. We take on the hardest cases with love and optimism. While our emergency care is vital we also provide much more than that. Through education and training we help struggling people re-join society and gain the self-esteem and happiness that comes from work, independence and permanent housing. Key areas include Foodbank, Homelessness & Housing, Alcohol & Drug Addiction, Learning & Development, Social Enterprise, Community Support & Development.

Performance Measure 1

We provide wrap around services to those seeking our help across the entire Mission. We aim to be available to anyone who comes to us for help, regardless of their circumstances. We offer the only on call social work service in Christchurch because we know the anxiety that people experience when they need help, and they cannot see someone immediately. Our services include temporary and transitional housing, day programmes, learning and development activities, AOD counselling, Social work service, community connectors who ensure our clients get the external support they need and provision of school uniforms and stationery through our Back to School programme.

During 2023 we saw a total of 10,322 (2022: 9,890) clients a total of 75,363 (2022: 75,634) times. Of these clients, 4,119 (2022: 4,881) were coming to us for the first time. In the year ended June 2023 each client came on average 7.3 times (2022: 7.6). While these figures in numbers have increased compared with the prior year, the cases we are seeing are more complex, and the time taken to solve their issues has increased.

Social Service Council of the Diocese of Christchurch

Statement of Service Performance For the year ended 30 June 2023

Performance Measure 2

One of the main ways we serve the needs of our clients is to provide food parcels. We have been providing food during our 90 year history and the need is greater than ever before. In this financial year we gave 17,615 (2022: 16,554) food parcels which equates to 634,140 (2022: 595,944) meals, and this is an increase of 6% over the previous year. With the increasing cost of food, the increase in the value of this food would be around 9%. In past years we have been given food which would cover the bulk of this food supplied to our clients, but increasingly over this year we have had to pay for food to supplement food that has been gifted to us.

Performance Measure 3

Our Alcohol and Other Drug Service which assists our clients with addiction issues had 23,140 (2022: 24,881) interactions with 1,737 (2022: 1,730) clients in the year to June 2023. Although there is a reduction in the number of clients and interactions during 2023, each client sought our help on average 13 times each during the 2023 and 2022 years. These people present with multiple issues, both drug and mental health issues and their issues are complex.

Performance Measure 4

Our financial mentors provide financial advice to clients. These people may have come to us for emergency accommodation, food parcels, AOD support, and they are passed to our financial team as the cause of their presenting issues is often financial worries. We met 213 (2022: 276) clients on average twice (2022: 1). In the earlier part of the year the average total debt that they were dealing with was on average \$12,982 (2022: \$25,000) per person and at the end of the year was \$16,508 (2022: \$11,735) per person. This increase shows the impact of the current economic situation in New Zealand and the inability of some in our city to adequately manage their financial situation.

In the year to June 2023



In the year to June 2022



Social Service Council of the Diocese of Christchurch



Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Cash flows from operating activities			
<i>Cash was received from -</i>			
Receipts from residents and tenants		841	499
Interest received		446	253
Dividends received		436	493
Donations received		4,288	3,539
Opportunity shop sales		925	809
Legacies and income from endowments		212	230
Government contract income received		3,046	2,777
Grants received		5,619	7,044
Increase/(Decrease) in funds held on behalf of City Mission Foundation		1,058	1,032
		<u>16,871</u>	<u>16,676</u>
<i>Cash was applied to -</i>			
Payments to employees		8,101	7,388
Payments to suppliers		3,386	2,275
Grants, relief and assistance paid		34	33
		<u>11,521</u>	<u>9,696</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	<u>5,350</u>	<u>6,980</u>
Cash flows from investing activities			
<i>Cash was received from -</i>			
Sale and maturity of investments		3,182	4,199
Sale of property, plant and equipment		0	0
		<u>3,182</u>	<u>4,199</u>
<i>Cash was applied to -</i>			
Increase/(Decrease) short term deposits	6	(484)	(401)
Purchase of investments		1,085	7,112
Purchase of property, plant and equipment	9, 12	5,572	5,328
Purchase of investment properties	10	0	0
		<u>6,173</u>	<u>12,039</u>
NET CASH FLOWS USED IN INVESTING ACTIVITIES		<u>(2,991)</u>	<u>(7,840)</u>
Net Increase/(Decrease) in cash		<u>2,359</u>	<u>(860)</u>
Cash and cash equivalents at 1 July		1,636	2,496
Cash and cash equivalents at 30 June	5	<u><u>3,995</u></u>	<u><u>1,636</u></u>

The notes to the accounts on pages 11 to 23 form part of and are to be read in conjunction with these accounts.

Social Service Council of the Diocese of Christchurch

Statement of Changes in Equity For the year ended 30 June 2023

Equity 2023

	Note	Accumulated Comprehensive Income and Expenses	Available for Sale Reserve	Trust and Special Funds	Total Equity
Balance as at 1 July 2022		\$'000 27,211	\$'000 (2,191)	\$'000 25,235	\$'000 50,255
Net income for the period attributable to the Council excluding movement in fair value of investment property	13	4,339			4,339
Movement in fair value of Investment Properties	10	(20)			(20)
Movement in fair value of financial assets at FVOCRE*	14		451		451
Total Comprehensive Income		4,319	451	0	4,770
<u>Fund reallocation transfers</u>					
Net income for the period attributable to the Council excluding movement in fair value of investment property transferred to Trusts and Special Funds	13	(4,339)		4,339	0
Capital grants in respect of capital expenditure	13	5,441		(5,441)	0
Amortisation of past grants	13	(358)		358	0
Transfer of 2022 revaluation of available-for-sale financial assets to Trusts & Special Funds	14		2,191	(2,191)	0
Total capital receipts/(payments)		744	2,191	(2,936)	0
Equity 30 June 2023		32,274	451	22,300	55,025

Equity 2022

	Note	Accumulated Comprehensive Income and Expenses	Available for Sale Reserve (Restated)	Trust and Special Funds	Total Equity (Restated)
Balance as at 1 July 2021		\$'000 23,004	\$'000 1,523	\$'000 23,506	\$'000 48,033
Net income for the period attributable to the Council excluding movement in fair value of investment property	13	4,313			4,313
Movement in fair value of Investment Properties	10	100			100
Movement in fair value of financial assets at FVOCRE*	14		(2,191)		(2,191)
Total Comprehensive Income		4,413	(2,191)	0	2,222
<u>Fund reallocation transfers</u>					
Net income for the period attributable to the Council excluding movement in fair value of investment property transferred to Trusts and Special Funds	13	(4,313)		4,313	0
Capital grants in respect of capital expenditure	13	4,430		(4,430)	0
Amortisation of past grants	13	(323)		323	0
Transfer of 2021 revaluation of available-for-sale financial assets to Trusts & Special Funds	14		(1,523)	1,523	0
Total capital receipts/(payments)		(206)	(1,523)	1,729	0
Equity 30 June 2022		27,211	(2,191)	25,235	50,255

* FVOCRE refers to Fair Value through Other Comprehensive Revenue and Expenses

Social Service Council of the Diocese of Christchurch

Notes to the Accounts For the year ended 30 June 2023

Reporting Entity

The Social Service Council of the Diocese of Christchurch is a body corporate incorporated under the Social Service Council of the Diocese of Christchurch Act 1952, a charity registered under the Charities Act 2005, and is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

The principal activities of the Social Service Council include operating in the Aged Care sector, City Mission and South Canterbury social services areas.

Basis of Preparation

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards and applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted. The Council qualifies as a Tier 2 reporting entity as it does not have public accountability and is not large.

There have been no changes in accounting policies.

The information is presented in New Zealand dollars, which is the Social Service Council's functional currency, rounded to the nearest thousand. There has been no change in the functional currency during the year.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and the Statement of Financial Position on a historical cost basis are followed by the Social Service Council, with the exception that certain assets as specified below have been revalued.

Critical Estimates and Judgements

In preparing these financial statements the Social Service Council was required to make estimates and assumptions. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following accounting policies and notes:

Depreciation and Impairment of Property, Plant and Equipment	Refer: Policy (f) and (g)	Note 9
Valuation of Investment Property	Refer: Policy (j)	Note 10
Valuation of Investments	Refer: Policy (p)	Note 8
Valuation of Financial Instruments	Refer: Policy (p)	Note 21

Statement of Service Performance

This report has been prepared in accordance with PBE FRS 48 Service Performance Reporting. The Board of Trustees of the Social Service Council believes that the statements contained in this report accurately reflect the overall performance of the Social Service Council for the year ended 30 June 2023 and the comparative reporting period ended 30 June 2022.

New Accounting Standards

The Social Service Council has adopted IPSAS 41 Financial Instruments in this financial year. The impact of adopting this standard is to rename categories of financial assets and reserves. There has been no financial impact following this adoption.

Specific Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The significant accounting policies are set out below:

(a) Revenue

Revenue is recognised when the amount of revenue can be reliably measured and it is probable that economic benefits will flow. Revenue is measured at the fair value of considerations received or receivable.

(i) Revenue from Exchange Transactions

Contract Income

Contract income is of a revenue nature, relating to the provision of care for the ageing and social work and is credited direct to income and is recognised to the extent that service delivery requirements are met.

Grant Income (exchange)

Grant income from exchange transactions is of a revenue nature, relating to provision of social work carried out by the Social Service Council where there are specific conditions attached to the grants. It is credited to income and is recognised to the extent that the grant conditions are met. If conditions are not met, then the related items are recognised as a liability in the Statement of Financial Position.

Opportunity Shop Income

Sales revenue comprises the amounts received for goods supplied to customers in the ordinary course of business during the financial year reported on.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts

For the year ended 30 June 2023

(ii) Revenue from Non-Exchange Transactions

Non-exchange transactions are those where the Council receives an inflow of resources but provides no (or nominal) direct consideration in return. With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- * It is probable that the associated future economic benefits or service potential will flow to the entity, and
- * Fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- * It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- * The amount of the obligation can be reliably estimated.

The following specific criteria in relation to non-exchange transaction revenue streams must also be met before revenue is recognised.

Appeals and Donations

All monetary appeals, donations and fund-raising income are recognised as they are received and are included in the Statement of Comprehensive Revenue and Expenses. Donations for general purposes are included in divisional operational income. Donations for specific purposes are allocated to special funds, from which transfers have been made, when related expenditure has been incurred.

Grant Income (non-exchange)

Grant income from non-exchange transactions is of a revenue nature, relating to provision of social work carried out by the Social Service Council where there are no specific conditions attached. This income is recognised as revenue when the grant is received.

Legacies and Endowments

All legacies and endowments are included in the Statement of Comprehensive Revenue and Expenses when it is probable that the future economic benefits will flow to the Social Service Council. Legacies are allocated to trust and special funds and distributed to areas of work in accordance with the will of the legatee.

Volunteer Services

Volunteer committee members and other workers also donate time to enable the work of the Social Service Council to be carried out. The amount of this time is estimated in the notes to the accounts, however the value of this time is not included in these accounts because it cannot be reliably measured.

(iii) Other Income

Dividend Income

Dividends are recognised to the Statement of Comprehensive Revenue and Expenses when the right to receive payment is established.

Insurance Receipts

Insurance income is only recognised when a reliable estimate of the insurance claim proceeds is able to be made.

(b) Finance Income and Finance Costs

Finance income comprises interest income on financial assets, gains on the disposal of financial assets as FVOCRE and fair value gains on financial assets at fair value through surplus or deficit. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprises interest expense on financial liabilities, unwinding of the discount on provisions, fair value losses on financial assets at fair value through surplus or deficit and impairment losses recognised on financial assets.

(c) Operating Leases

Leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are charged to the Statement of Comprehensive Revenue and Expenses on a straight line basis over the periods of expected benefit.

(d) Taxation

The Social Service Council is registered as a charitable entity under the Charities Act 2005 (registration number CC27132). The charitable nature of the Social Service Council exempts it from liability to income tax.

(e) Goods and Services Tax

With the exception of accounts receivable and payable, all items are stated exclusive of goods and services tax.

(f) Property, plant and equipment

Items of property, plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

* Cost Model: Cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.

Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from the carrying amount.

Gains and losses on revaluation are recognised in other comprehensive revenue and expense and presented in the revaluation surplus reserve within net assets/equity. Gains or losses relating to individual items are offset against those from other items in the same class of property, plant and equipment, however gains or losses between classes of property, plant and equipment are not offset.

Any revaluation losses in excess of credit balance of the revaluation surplus for that item of property, plant and equipment are recognised in surplus or loss as an impairment.

All of the items of property, plant and equipment are subsequently measured in accordance with the cost model.

The cost of plant, equipment and vehicles includes all costs directly attributable to bringing the item into working condition for its intended use.

Gains and losses on disposal are determined by comparing the proceeds received with the carrying amounts. The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expenses.

The costs of regular repairs and maintenance is expensed. The costs of major upgrades or refurbishments are capitalised if it results in a material enhancement to the service potential or economic benefits of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Social Service Council, and the cost of the item can be measured reliably.

(g) Depreciation

Depreciation is provided on all property, plant and equipment other than freehold land, and is calculated using the straight line basis, assuming nil residual values and the following economic lives:

Buildings	50 years
Equipment	5-20 years
Computers	3 years
Vehicles	5 years

The depreciation methods, residual value and economic lives are reviewed and adjusted if appropriate at each reporting date.

(h) Impairment of non-financial assets

Assets subject to depreciation are reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised as an expense in the Statement of Comprehensive Revenue and Expenses unless the asset is carried at fair value, (with the exception of Investment Properties), in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years net of depreciation. A reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expenses unless the asset is carried at fair value in which case the reversal of the impairment loss is treated as a revaluation increase.

(i) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets or components of a disposal group are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group are measured at the lower of their carrying amount and fair value less costs of disposal. Any impairment loss on a disposal group is allocated to assets and liabilities on a pro rata basis. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

(j) Investment Properties

Investment properties comprise principally land, buildings and chattels employed for long term rental purposes. Investment properties are intended to be held for the long term and are valued at cost on initial recognition and subsequently at fair value each year based on a professional valuation provided by independent registered valuers, FordBaker Valuation Ltd. The fair value is determined using discounted cash flow methodology. Investment properties are not depreciated and the gain or loss on the annual revaluation of such properties is recognised in net surplus.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

(k) Trust and Special Funds

Special funds relate to funds of the Social Service Council that are restricted for use in specific areas of social service work or are funds restricted for specific purposes. The divisional structure of the Social Service Council broadly reflects the major areas of social work.

Trust accumulated funds reflect the accumulated surpluses and deficits of each division and represent the reserves of each division that are available for the respective areas of social service work.

Trust and special fund income and expenses are included in net income and then allocated to trusts and special funds out of retained earnings.

Investment income is allocated to trust and special funds in the proportion that the balances of each trust and special fund bear to the total of trust and special funds.

Where the use of trust and special funds to fund areas of social work is limited to the income in the fund (but not the capital) distributions are restricted to maintain the value of capital in the fund.

(l) Employee Entitlements

Liabilities for wages and salaries, annual leave and long service leave are accrued and recognised in the Statement of Financial Position. Annual leave and long service leave are recorded at the undiscounted amount expected to be paid for the entitlement earned. Sick leave entitlements accumulate over periods, and up to a maximum number of days, specified in employment contracts. Sick leave entitlements are only paid to employees when sick leave is taken and are not paid on termination and accordingly sick leave entitlements are not accrued.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees.

(m) Provisions

Provisions are recognised when the Social Service Council has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

(n) Borrowings

Borrowings are initially recorded at fair value plus directly attributable transaction costs and subsequently at amortised cost using the effective interest method.

Borrowing costs are recognised in net income in the period in which they are incurred.

(o) Foreign Currency

Transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets denominated in foreign currency are recognised in net income.

(p) Financial Instruments

Financial assets and financial liabilities are recognised and de-recognised in the Statement of Financial Position when the Social Service Council becomes party to, and is released from, the contractual provisions of the instrument.

At each reporting date the carrying amount of financial assets are reviewed to determine whether there is any indication those assets have suffered an impairment loss. Any impairment losses are recognised immediately in net income.

Cash, cash equivalent and short term bank deposits

Cash and cash equivalents comprise cash on hand and at the bank, on demand deposits, any other short-term highly liquid investments that are readily convertible to a known amount of cash, equivalent to fair value, and are subject to an insignificant risk of changes in value. Deposits that have an original investment term of three months or less are included as cash equivalents.

Trade and other receivables

Trade receivables are initially measured at fair value, plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method less any impairment. This is equivalent to fair value being the receivable face (or nominal) value, less appropriate allowances for estimated irrecoverable amounts, which are recognised in the Statement of Comprehensive Revenue and Expenses. The carrying amount for receivables is not materially different from the estimated realisable value.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts

For the year ended 30 June 2023

Investments in Equity and Debt Securities

Shares, bonds, debentures and government and local authority securities are stated at fair value. Other short-term investments are stated at fair value.

Investments in equity shares, bonds and debt securities have been designated as 'Available for Sale'. Changes in fair value are recognised directly in other comprehensive income and transferred to the available-for-sale revaluation reserve. Upon disposal or impairment the accumulated change in fair value in the available-for-sale reserve is transferred to income or expenditure in the Statement of Comprehensive Revenue and Expenses.

The fair value of equity investments classified as available-for-sale is determined by reference to their published price quoted on the relevant New Zealand or Australian stock exchange at reporting date.

The fair value of debt securities classified as available-for-sale is determined by reference to a certified valuation by Craigs Investment Partners share brokers at reporting date.

At each reporting date the Social Service Council assesses whether there is any objective evidence that an investment is impaired. Any impairment losses are recognised in the Statement of Comprehensive Revenue and Expenses.

Trade and other payables

Trade and other payables are measured at amortised cost using the effective interest method. This is equivalent to the face (or nominal) value of payables which is assumed to be approximate to their fair value. The amounts are unsecured and are paid according to their contract terms.

Interest bearing loans and borrowings

Loans and borrowings are initially recorded at fair value, plus directly attributable transaction costs. Subsequent to initial recognition, loans and borrowings are measured at amortised costs using the effective interest method.



Waimate Grief Café and Conversation. Left is Alexia Bensemann, Anglican Care South Canterbury Ocean's Grief and Loss Facilitator. Right is Sue Dickson, Priest in charge of Waimate Mission District who supports the Grief and Death Cafés in Timaru and Waimate.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts

For the year ended 30 June 2023

1. DONATIONS AND VOLUNTEER SERVICES

In addition to donations received in cash, which are disclosed in the financial statements of \$4.288m (2022: \$3.539m), the City Mission division received donations of food for redistribution. In 2023, 17,615 food parcels were distributed (2022: 16,554) and the estimated average value per food parcel at wholesale price was \$156.52 (2022: \$150.09). Using these estimated average wholesale prices per food parcel, and after deducting purchased food-stuffs, the estimated value of the donated food during the year was \$2.75m (2022: \$2.49m). These estimated non-monetary and non-exchange transaction costs are not included in these financial statements.

City Mission opportunity shop inventories are acquired via non-exchange donations of goods in kind. The Social Service Council consider that it is not practicable to reliably measure the fair value of the opportunity shop inventories on hand as at 30 June 2023 and therefore those inventories are not recognised in these financial statements.

Volunteers donate time to serve on committees, perform social work services and undertake fund raising activities. The volunteer time donated during the financial year is estimated at 25,056 hours (2022: 27,500 hours). These non-exchange transactions are not recognised in these financial statements.

In January 2023 Elm Tree Lodge Charitable Trust was wound up and gifted the property at 16 Bishop Street to the Christchurch City Mission to carry on the purpose of the charitable trust being residential alcohol and other drug rehabilitation. The property was valued by FordBaker Valuation Ltd at \$1,150,000 and is recorded in these statements as a donation.

2. ANALYSIS OF GRANTS RECEIVED

Grants have been received to part fund expenses of areas of work and expenditure of grants money is accordingly integrated into the costs shown in the Statement of Comprehensive Revenue and Expenses. The Grants total of \$5.577m (non-exchange grants \$88k and exchange grants \$5.489m) (2022: \$7.252m, non-exchange grants \$58k and exchange grants \$7.194m) includes grants from the following organisations:

	2023	2022
	\$'000	\$'000
Rata Foundation	0	360
Christchurch City Council	460	343
Lottery Grants Board	1,620	1,600
Ministry of Business, Innovation and Employment	24	139
Ministry of Housing and Urban Development	2,300	0
Ministry of Social Development	498	440
Other Grants	675	4,370
	<u>5,577</u>	<u>7,252</u>

3. REMUNERATION OF INDEPENDENT AUDITORS

Consultant expenses include remuneration of auditors. During the year the following fees were paid or payable for services provided by the auditor.

	2023	2022
	\$'000	\$'000
Audit services - audit of financial statements	35	25
Total	<u>35</u>	<u>25</u>

4. DEPRECIATION

	Note	2023	2022
		\$'000	\$'000
Buildings	9	245	217
Equipment	9	86	68
Vehicles	9	27	38
Total		<u>358</u>	<u>323</u>

5. CASH AND CASH EQUIVALENTS

	2023	Interest rate *	2022	Interest rate *
	\$'000		\$'000	
Cash balances and bank accounts	3,901	2.00% - 4.80%	1,632	1.40% - 1.65%
Bank - Australia	94	0.01%	4	0.01%
Total cash and cash equivalents in statement of cash flows	<u>3,995</u>		<u>1,636</u>	

* Interest rates are across the relevant cash balances and bank accounts
These funds are held in immediately available and on-call accounts.
There are no restrictions over any of the cash and cash equivalent balances held.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts For the year ended 30 June 2023

6. SHORT TERM DEPOSITS

Funds are invested in various short term deposits across different retail banks and finance companies. Interest rates range between 4.15% and 5.50%. The investments have differing maturity terms of up to 12 months.

	Less than one year \$'000	Total \$'000
as at 30 June 2023		
Term deposits	<u>2,532</u>	<u>2,532</u>
as at 30 June 2022		
Term deposits	<u>3,018</u>	<u>3,018</u>

There are no restrictions over any of the short term deposits held.

7. TRADE AND OTHER RECEIVABLES

	2023 \$'000	2022 \$'000
Trade debtors from exchange transactions	367	259
GST	19	169
Prepayments	109	75
Total receivables	<u>495</u>	<u>503</u>

Debtors are non-interest bearing. Debtors principally comprise of invoices for services provided to various government agencies. Government agency payment terms vary, but are typically paid on the 20th of the month following date of invoice. There is no significant concentration of credit risk as trade debtors are either other entities or government agencies. No allowance for doubtful debts has been made (2022: nil). All of the above trade receivables are current.

8. INVESTMENTS

	2023 \$'000	2022 \$'000
Equity shares in New Zealand listed companies	8,190	7,423
Equity shares in Australian listed companies	4,430	4,425
Exchange Traded Funds (NZSE Listed)	3,778	3,174
Equity shares in Property based listed companies	1,313	1,315
Bonds and debentures	15,670	17,761
Government and local authorities securities	4,847	5,415
Total	<u>38,228</u>	<u>39,513</u>

Investments have been classified as financial assets at FVOCRE.

Equity investments are valued at fair value as determined by the various stock exchanges that the investments are held on, e.g. NZX, ASX. Fixed interest bond, debentures, government and local authority securities are valued at fair value by the share brokers, Craigs Investment Partners, based on attributable yields entered into the standard bond pricing formula. Attributable yields are obtained from the NZDX for listed securities and financial information systems such as IRIS or Bloomberg for unlisted securities.

Included in the above are investments held in trust for the City Mission Foundation of \$16,817,716 (2022: \$15,417,698) (see also Note 12 and Note 17) as well as trust and special funds held for specific purposes or allocated for divisional purposes (see Note 15).

9. PROPERTY, PLANT AND EQUIPMENT

Note	Land	Buildings	Work in Progress	Equipment	Vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2023						
Cost						
Balance 1 July 2022	4,992	9,934	6,750	701	284	22,661
Additions	930	220	3,892	395	0	5,437
Transfers	0	10,642	(10,642)	0	0	0
Disposals	0	(10)	0	(128)	(32)	(170)
Balance 30 June 2023	<u>5,922</u>	<u>20,786</u>	<u>0</u>	<u>968</u>	<u>252</u>	<u>27,928</u>
Accumulated Depreciation and Impairment						
Balance 1 July 2022	0	1,767	0	434	222	2,423
Depreciation expense	0	245	0	86	27	358
Depreciation on disposals	0	(0)	0	(37)	(11)	(48)
Balance 30 June 2023	<u>0</u>	<u>2,012</u>	<u>0</u>	<u>483</u>	<u>238</u>	<u>2,733</u>
Net Carrying Value 30 June 2023	<u>5,922</u>	<u>18,774</u>	<u>0</u>	<u>485</u>	<u>14</u>	<u>25,195</u>
Net Carrying Value 30 June 2022	<u>4,992</u>	<u>8,166</u>	<u>6,750</u>	<u>266</u>	<u>62</u>	<u>20,236</u>

The City Mission building has a mortgage in favour of the Christchurch City Council against it - see Note 22 for further detail. The City Mission redevelopment at 269-275 Hereford Street was completed in June 2023 and transferred from Work in Progress to Buildings with a total build cost of \$10.642m. Equipment for the new buildings cost \$337k which is included in Equipment above.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts For the year ended 30 June 2023

10. INVESTMENT PROPERTIES

	Fair Value 2023 \$'000	Fair Value 2022 \$'000
38-40 Guild Street site	2,410	2,440
Stanmore Road Flat	420	410
Total	<u>2,830</u>	<u>2,850</u>

There were no investment properties where, due to fair value not being readily determinable, the cost model was applied.

	2023 \$'000	2022 \$'000
Carrying amount at start of year	2,850	2,750
Additions	0	0
Fair value movement for year	(20)	100
Carrying amount at end of year	<u>2,830</u>	<u>2,850</u>

The valuers, FordBaker Valuation Ltd, have advised that the market is now slowing following a period of unprecedented value growth and sales activity and from the early part of 2022 there has been a significant reduction in market activity. There are fewer qualified buyers in the market and softening prices for new builds along with increasing prices for new builds as a result of material and labour shortages. The Russia/Ukraine conflict is contributing to international uncertainty and worldwide high inflationary trends. Interest rates are increasing affecting investors along with recent changes to the Residential Tenancies Act and the phasing out of mortgage interest deductibility.

11. TRADE AND OTHER PAYABLES

	2023 \$'000	2022 \$'000
Trade payables from exchange transactions	359	766
Other payables	84	18
Income in Advance	566	641
Total trade and other payables	<u>1,009</u>	<u>1,425</u>

Trade payables are paid according to their contract terms which is generally 20th of the month following invoice date. Other payables are paid as they fall due. All of the amounts shown above are current.

Income in advance is for contract/grant monies received annually, six monthly or quarterly for services not yet complete or provided. The revenue is recognised when the services are complete or provided and therefore the liability is reduced.

12. OTHER LIABILITIES

Funds held in trust on behalf of other organisations	2023 \$'000	2022 \$'000
City Mission Foundation	16,818	15,418

The Social Service Council holds investments in trust for the City Mission Foundation and provides investment management services on its behalf. See also Note 8 Investments and Note 17 Related Parties.

Retentions on City Mission Redevelopment 269-275 Hereford St	0	135
For retentions on construction completed to date on the City Mission redevelopment at 269-275 Hereford St.		

Total Loans and Borrowings	<u>16,818</u>	<u>15,553</u>
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13. ACCUMULATED COMPREHENSIVE REVENUE AND EXPENSES

	2023 \$'000	2022 \$'000
Balance at 1 July	27,211	23,004
- Add net income attributable to the Council before movement in fair value of investment properties	4,339	4,313
- Add movement in fair value of investment properties (see (i) below)	(20)	100
- Less net income attributable to the Council before movement in fair value of investment properties transfer to Trusts and Special Funds	(4,339)	(4,313)
- Add capital grants in respect of capital expenditure	5,441	4,430
- Less amortisation of past grants	(358)	(323)
Balance at 30 June	<u>32,274</u>	<u>27,211</u>

(i) The fair valuation of investment property has been determined by the independent registered valuers FordBaker Valuation Limited based on forecasted cash flows from the sites, apportioned between land and buildings.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts

For the year ended 30 June 2023

14. AVAILABLE FOR SALE RESERVE

	2023 \$'000	2022 \$'000
Balance at 1 July	(2,191)	1,523
Transfer of revaluation of financial assets at FVOCRE to Trusts & Special Funds	2,191	(1,523)
Transfer of revaluation of financial assets at FVOCRE to CM Foundation liability	0	0
Revaluation of financial assets at FVOCRE	451	(2,191)
Balance at 30 June	<u>451</u>	<u>(2,191)</u>

Financial assets at FVOCRE consist of the investments in shares, bonds, debentures and other financial securities listed in Note 8.

15. TRUSTS AND SPECIAL FUNDS

This note sets out the attribution from retained earnings to the trusts and special funds. It shows net income/(expenditure) as well as the grants and transfers that are considered attributable to the trust or special fund. This is a detailed breakdown of the trusts and special funds from the Statement of Changes in Equity.

<u>GENERAL</u>	Balance 1 July 2022 \$'000	Net Income \$'000	Grants and Transfers \$'000	Balance 30 June 2023 \$'000
Youth Hub	(194)	(7)	201	0
Insurance Proceeds Fund	9,822	38	(833)	9,027
Rental Maintenance Fund	73	25	(6)	92
<u>Trust Accumulated Fund</u>				
Opening balance	2,517			
Capital surplus for year		(72)	(82)	
Operating surplus for year		134		
Closing Balance				2,497
TOTAL GENERAL	12,218	118	(720)	11,616

The General Trust funds are funds that have been donated or set aside for specific purposes or are available for general use at the discretion of the Trust Board of the Social Service Council.

<u>CITY MISSION</u>	Balance 1 July 2022 \$'000	Net Income \$'000	Grants and Transfers \$'000	Balance 30 June 2023 \$'000
Maintenance Reserve	65	0	(65)	0
Street Work Fund	202	0	(202)	0
Children's Social Service and Educational Fund	239	(98)	(20)	121
Earthquake Fund	14	0	(14)	0
Short Term Accommodation Fund	1	0	(1)	0
Medium Term Operations Fund	4,276	1,487	(1,218)	4,545
City Mission Building Fund	1,089	(996)	(93)	0
City Mission Foundation Reserve Fund	0	3	(3)	0
<u>Trust Accumulated Fund</u>				
Opening balance	798			
Capital surplus for year		(31)	(65)	
Operating surplus for year		34		
Closing Balance				736
TOTAL CITY MISSION	6,684	399	(1,681)	5,402

The City Mission trust and special funds consist of funds donated or set aside, either for the specific or general purposes of the Christchurch City Mission.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts

For the year ended 30 June 2023

AGED CARE	Balance 1 July 2022	Net Income	Grants and Transfers	Balance 30 June 2023
	\$'000	\$'000	\$'000	\$'000
S G Archbold Trust	1	0	0	1
Mary Armitage Trust	116	0	(10)	106
WM Brook (Aged Care)	416	2	(35)	383
Elworthy Trust Fund	2	0	0	2
Bishopspark Lifecare	57	0	(5)	52
M O Burns Charitable Trust	9	8	(1)	16
Estate M A F Mussen	16	0	(1)	15
Estate K Petrie	121	0	(10)	111
PM Leeny Bequest	63	0	(5)	58
P G Hindle Trust	69	0	(6)	63
Aged Care Bequests less than \$10K	21	9	(2)	28
Elder Care Fund	693	(29)	(59)	605
TOTAL AGED CARE	1,584	(10)	(134)	1,440

The Aged Care special funds consist of funds donated or set aside, either for the specific or general purposes of aged care.

FAMILY AND CHILD CARE	Balance 1 July 2022	Net Income	Grants and Transfers	Balance 30 June 2023
	\$'000	\$'000	\$'000	\$'000
J & L Storry Bequest (i)	328	(2)	(28)	298
Wells Estate Fund (ii)	88	(15)	(7)	66
Trust Accumulated Fund				
Opening balance (iii)	3,479			
Capital surplus for year		(119)	(294)	
Operating surplus/Net funding for year				
Closing Balance				3,066
TOTAL FAMILY AND CHILD CARE	3,895	(136)	(329)	3,430

(i) The purpose of the J & L Storry scholarship bequest fund is to provide financial assistance towards the educational costs of gifted young persons under the age of 20. The scholarships are awarded annually from the income of the fund by a sub-committee of the Trust Board of the Social Service Council.

(ii) The Wells Estate fund represents the portion of income distributed from the Wells Trust to the Social Service Council by the Church Property Trustees not yet allocated to areas of social service work.

(iii) The purpose of the Trust Accumulated Fund of the Family and Childcare Trust is to provide social services to at-risk children, young people and their families in the Diocese of Christchurch. The distributions from the Trust are at the discretion of the Trust Board of the Social Service Council and are restricted to income, subject to an allowance for maintenance of capital, and are made available to the City Mission, Community Development and South Canterbury divisions in varying proportions.

SOUTH CANTERBURY	Balance 1 July 2022	Net Income	Grants and Transfers	Balance 30 June 2023
	\$'000	\$'000	\$'000	\$'000
McPherson Bequest	270	(7)	(23)	240
Est JF Johnson	90	(2)	(8)	80
Sale of Dee Street	494	2	(404)	92
TOTAL SOUTH CANTERBURY	854	(7)	(435)	412

The South Canterbury special funds consist of funds that are donated or set aside either for the specific or general purposes of Anglican Care South Canterbury.

Capital surplus for year	364			
Operating surplus for year	166			
Loss on sale of Anglican Living	0			
TOTAL TRUST AND SPECIAL FUNDS	25,235	364	(3,299)	22,300

Social Service Council of the Diocese of Christchurch

Notes to the Accounts

For the year ended 30 June 2023

16. COMMITMENTS

Capital Expenditure Commitments

At 30 June 2023 the Social Service Council had \$0 in capital commitments (2022: \$3.41m) relating to the redevelopment of the Christchurch City Mission 269-275 Hereford St campus that commenced in 2021 which includes a new foodbank area, transitional housing, café and offices.

Operating Lease Commitments

Commitments in respect of operating leases, for properties occupied, but not recognised in the financial statements are:

	2023	2022
	\$'000	\$'000
Less than one year	349	197
More than one year and less than two years	332	118
More than two years and less than five years	723	216
More than five years	0	0
Total Operating Lease Commitments	1,404	531

17. RELATED PARTIES

There have been no transactions with any of the Officers of the Social Service Council during the year apart from minor expense reimbursements and there were no balances with them at 30 June 2023. (2022: \$nil)

The Social Service Council, the Church Property Trustees (CPT) and the Diocese of Christchurch shared staff, premises, fixtures and fittings and office equipment through the Anglican Centre partnership. A portion of the Anglican Centre operating costs were charged to the Social Service Council by the Anglican Centre based on a negotiated service level agreement. The Anglican Centre partnership was dissolved at 31 December 2021 and the Anglican Centre functions have been transferred to a separate entity, Anglican Diocesan Ministry Support Centre (ADMSC). The remaining net assets of the Anglican Centre have been divided across the three partners on a pro-rata basis.

There is an annual service level agreement in place with the new entity, ADMSC, which is invoiced to CPT and the Social Service Council on a monthly basis.

	2023	2022
	\$'000	\$'000
Anglican Centre partnership net assets receivable	0	47
ADMSC service level charges for year	173	131
<u>Anglican Diocese Current Account</u>		
Balance owing in Accounts Receivable at year end	0	0
Balance owing in Accounts Payable at year end	0	0

Investment in Church Property Trustees

Investment in term deposits	112	112
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Included in term deposits is the above deposit in the Church Property Trustees Fixed Interest Fund which earns interest at the Parish deposit rate and is unsecured and repayable on demand.

No related party debts have been written off or forgiven during the year.

<u>The Christchurch City Mission Foundation Liability</u>	<u>16,818</u>	<u>15,418</u>
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See also Note 8 Investments and Note 12 Other Liabilities

The Christchurch City Mission Foundation made grants to the Christchurch City Mission totalling \$431,663 (2022: \$4,058,189).

18. KEY MANAGEMENT PERSONNEL COMPENSATION AND EMPLOYEE REMUNERATION

	2023	2022
	\$'000	\$'000
Salaries and other short term employee benefits	430	527

Key management personnel comprises the senior management team of the Social Service Council.

The number of individuals considered to be key management personnel is 3 (2022: 3).

In addition, governance and other managerial activities are provided to the Social Service Council by other individuals on a voluntary basis. An estimate of voluntary hours donated to the Social Service Council is provided in Note 1.

Social Service Council of the Diocese of Christchurch

Notes to the Accounts For the year ended 30 June 2023

19. EMPLOYEE ENTITLEMENTS

		2023 \$'000	2022 \$'000
Key management personnel	Long service leave	0	0
	Other entitlements	34	17
		34	17
Other employees	Long service leave	23	33
	Other entitlements	527	623
		550	656
Total employee entitlements		584	673

Kiwisaver employer contributions for the financial year were \$208,774 (2022: \$188,198).
Employee termination payments for the financial year were \$8,000 (2022: \$101,000).

20. RECONCILIATION OF NET SURPLUS WITH NET CASH FLOWS FROM OPERATING ACTIVITIES

	2023 \$'000	2022 \$'000
Net surplus for year	4,319	4,413
<u>Non-cash items:</u>		
Depreciation expense	358	323
	358	323
<u>Items classified as investing or financing activities</u>		
Movement in fair value of Investment Properties	20	(100)
(Gain)/Loss on disposal of Property, Plant and Equipment	83	965
(Gain)/Loss on sale of investments	22	(125)
	125	740
<u>Changes in net assets and liabilities</u>		
Trade receivables	42	(208)
Prepayments	(34)	(1)
Accrued interest	(12)	(7)
Accounts payable	(416)	553
Employee entitlements	(90)	135
Funds held on behalf of City Mission Foundation	1,058	1,032
	548	1,504
Net cash flows from operating activities	5,350	6,980

21. FINANCIAL INSTRUMENTS

Financial instruments consist of cash and bank balances, trade and other receivables, investments, accounts payable, employee entitlements, residents funds and loans.

Categories of financial instruments

	2023		2022	
<u>Financial Assets</u>	\$'000	Interest Received \$'000	\$'000	Interest Received \$,000
Amortised Cost				
Cash and cash equivalents	3,995	84	1,636	10
Short term bank deposits	2,532	65	3,018	38
Trade accounts receivable	386	0	428	0
Accrued interest	161	12	149	7
Total loans and receivables	7,074	161	5,231	55
Fair value through Other Comprehensive Revenue and Expenses	38,228	297	39,513	205
Total financial assets	45,302	458	44,744	260
<u>Financial Liabilities at Amortised Cost</u>				
Trade and other payables	443		1,425	
Borrowing	0		135	
Total financial liabilities at amortised cost	443		1,560	

Social Service Council of the Diocese of Christchurch

Notes to the Accounts

For the year ended 30 June 2023

Fair Value Hierarchy

It is considered by the Social Service Council that the carrying value of financial instruments in the Statement of Financial Position and detailed in the notes to the accounts is the same as their fair value in all material aspects. The fair value of available-for-sale financial assets is calculated using quoted prices in active markets. Therefore the Social Service Council has categorised available-for-sale financial assets as Level 1 under the fair value hierarchy contained within the amendments to IPSAS 30.32.

Capital Management

The Social Service Council's capital includes accumulated comprehensive revenue and expenses, reserves, trust and special funds.

The Social Service Council is managed with the objectives of maintaining a strong capital base and to maintain adequate working capital so that all obligations can be met on time and keeping the risks of high gearing to a moderate level. The Social Service Council's policies in respect of capital management are reviewed regularly by the Board. There have been no material changes in the Social Service Council's management of capital during the period.

The Social Service Council is not subject to any externally imposed capital requirements.

22. CONTINGENT LIABILITIES

2023: nil (2022 nil).

The Social Service Council is subject to the ongoing Royal Commission of Inquiry into Abuse in Care in Faith Based Institutions. The public hearings into claims for redress relating to faith based institutions commenced in November 2020. The Social Service Council has made two payments for redress arising from the inquiry during this financial year. The Social Service Council is not aware of any other claims for redress.

The funding for the new City Mission building at 276 Hereford St included a grant of \$2m from the Christchurch City Council (CCC) which was received in November 2011. The grant was paid on condition that the City Mission does not sell, gift, settle or otherwise dispose of the building within a period of 30 years from the payment date or the grant, plus an allowance for inflation for the relevant period, would have to be repaid to the CCC. The Social Service Council's obligations to the CCC under this agreement are secured by way of a mortgage of \$5m, registered against the property, as a first charge and the CCC are required to discharge the mortgage after the expiry of 30 years.

23. EVENTS SUBSEQUENT TO REPORTING DATE

There are no events that have occurred subsequent to the reporting date that would significantly affect the financial results of the Social Service Council at 30 June 2023 (2022: nil).

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOCIAL SERVICE COUNCIL OF THE DIOCESE OF CHRISTCHURCH**

Report on the Audit of the General-Purpose Financial Report

Opinion

We have audited the general-purpose financial report of Social Service Council of the Diocese of Christchurch ("the entity"), which comprise the financial statements and the service performance information. The complete set of financial statements comprise the statement of financial position as at 30 June 2023, the statement of comprehensive revenue and expense, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the entity as at 30 June 2023, and (of) its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 30 June 2023, in accordance with the entity's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information* (NZ). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General-Purpose Financial Report section of our report. We are independent of the Entity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Entity.

Other Information

The Board are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the general-purpose financial report but does not include the service performance information and the financial statements and our auditor's report thereon.

Our opinion on the service performance information and financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the service performance information and financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the service performance information and the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board' Responsibilities for the General-Purpose Financial Report

Those charged with governance are responsible on behalf of the Entity for:

- (a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general-purpose financial report those charged with governance are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General-Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general-purpose financial report.

A further description of the auditor's responsibilities for the audit of the general-purpose financial report is located at the XRB's website at

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Entity's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity and the Entity's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Christchurch Audit Limited

BDO Christchurch Audit Limited
Christchurch
New Zealand
3 October 2023

Anglican Care Canterbury/Westland (Social Service Council of the Diocese of Christchurch)



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New Zealand Business Number	9429047812741



Front Cover - clockwise from top left

Calculating points in the Pou Manaaki/Foodbank,
the Anglican Care South Canterbury Advocacy team celebrating eight years of operation,
City Mission opportunity shop on the corner of Barbadoes and Cashel Streets,
Thrive Café at 275 Hereford Street after completion of the site redevelopment in June
2023.

Back cover

The completed redevelopment at 275 Hereford Street showing Thrive Café, Whakaora
Kāinga/Transitional Housing and Pou Manaaki/Foodbank