



# 15

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With thanks to the Christchurch Diocesan Catholic Youth Team for permission to use images from their events throughout this report.

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# Foreword



September 2015

Dear Friends in Christ,

It is my pleasant duty to introduce the Annual Financial Report of the Diocese of Christchurch for the year 1 July 2014 to 30 June 2015. This Annual Report sets out the description of how financial resources supported the mission of the Church in the last financial year.

Just recently, I was able to set out in a long Pastoral Letter the single recovery plan for the diocese in terms of the repairs and replacement of church buildings and the progress that had been made on quite a number of projects. As well as these concerns, the life of the diocese has gone on in essential ways, just as it did before the ongoing disaster of the earthquakes.

I thank every person who has contributed in any way to the financial support of the Church. As we know well, the Church is able to function because of the charity which the Holy Church grants to all believers. It is all a work of God's love and the involvement of countless people in the life of the Church is a sign of that love. I thank those who have given of their time and competence by their membership of diocesan councils and advisory boards. I thank the respective chairs of those councils and boards; Geoff Bailey of the Diocesan Finance and Management Board; Rex Lynch of the Diocesan Education Council; Rachel Pitcaithly of the Diocesan Youth Council and Peter Sivertsen of the Diocesan Welfare Council.

Yours sincerely

+ Barry Jones  
Bishop of Christchurch





# Chairman's Introduction

Geoff Bailey, Chairman, Diocesan Management & Finance Advisory Board



This report covers the year ended 30 June 2015.

The Management and Finance Advisory Board meets monthly. The monthly agenda covers the following areas of diocesan activity:

- ▶ Earthquake Recovery/Management Reports
- ▶ Pastoral Planning Office
- ▶ Diocesan Education Council
- ▶ Catholic Youth Team
- ▶ Diocesan Welfare Council
- ▶ Financial Reports

## Earthquake Recovery

There has been solid progress with the individual church repair projects – five churches will be opened for Christmas 2015.

The church rebuild plans are progressing well. The Cathedral of the Blessed Sacrament “Save The Nave” project will commence in the last quarter of 2015 .

The diocese continues to face a financially challenging time during the repair and rebuild period. Fundraising will play a very important role in funding the expected shortfall.

We continue to refine our financial model incorporating all earthquake projects. This ensures we manage our financial and construction capacity in the most efficient manner.

## Financial Position

The Statement of Financial Position shows diocesan equity at 30 June 2015 at \$235 million. The total net operating surplus for the year was \$2.75 million. The detail of this surplus is set out in notes 13-18 of the financial statements.

The background detail to figures in the financial statements can be found in most cases by referring to the appropriate notes.

## Catholic Development Fund

The Annual distribution the Diocese receives from the Catholic Development Fund is a major source of income to the diocese. This year the distribution was \$684k.

The CDF result achieved by Mr Des Boyle chairman, his trustees and the diocesan administration team was very good.

## Diocesan Administration Staff

The diocesan advisory boards are extremely well served by the management and administration staff at Cathedral House

The offices are always a very pleasant venue for our many meetings.

## Conclusion

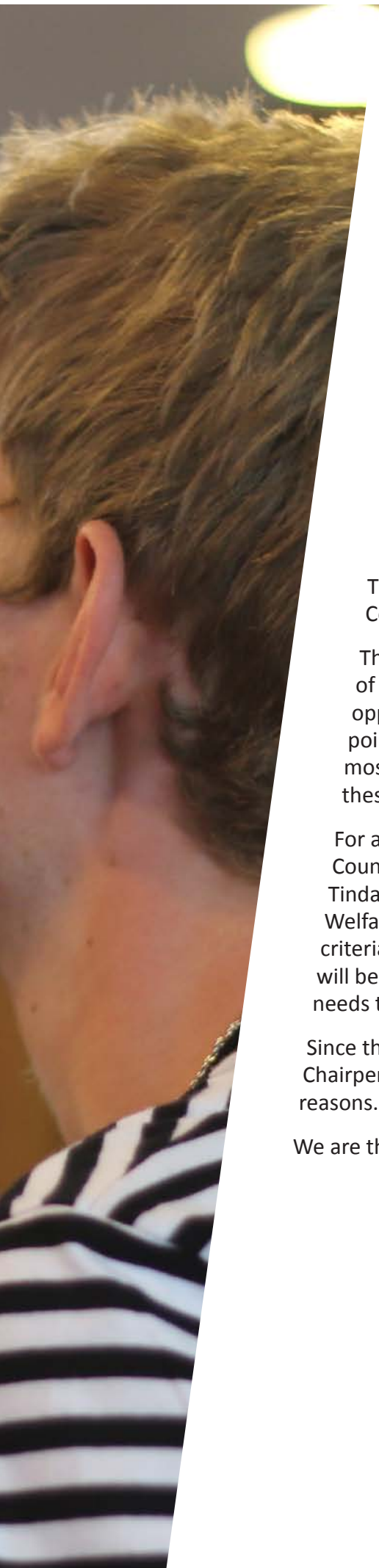
I thank each member of the Management and Advisory Board for their contribution to the Diocese during this year. The Board members possess a wide range of skills and together with the support of the diocesan management and administration team we have been able to fulfil our advisory role for the Bishop.

A handwritten signature in blue ink, appearing to read 'Geoff Bailey'.

Geoff Bailey - Chairman  
Diocesan Management & Finance Advisory Board







## The Diocesan Welfare Council

Charlotte Cummings, Council Member

This has been a year of continuing development for the Diocesan Welfare Council.

The Diocesan Welfare Council has continued to facilitate quarterly meetings of Catholic welfare agencies. These meetings have provided valuable opportunities for the groups to connect with one another, and a central point of contact back to the Diocese and Bishop Barry. We are continually most impressed by the sense of mission held by the people who make up these agencies, and the contribution they make in our community.

For a number of years, a core piece of business for the Diocesan Welfare Council has been assisting Bishop Barry in allocating funds received by The Tindall Foundation, through the NZ Catholic Bishop's Conference. The Diocesan Welfare Council has focused on providing assistance to help groups meet the criteria to receive funding. Around \$60,000 was distributed this year. The funds will be used by hard working groups delivering very worthwhile services to meet needs through our community. We wish them every blessing in their work.

Since the beginning of 2015, Peter Sivertsen has ably fulfilled the role of Chairperson of the Diocesan Welfare Council, after I vacated the role for family reasons. We farewell Brian Dilger after many years of faithful service.

We are thankful we get to serve the Diocese as members of this Council.



## The Diocesan Youth Council

Rachel Pitcaithly, Chairperson

The Diocesan Youth Council meets bi-monthly, overseeing and supporting the Diocesan Youth team and the Tertiary Chaplaincy.

Throughout this year we have seen changes and improvements in the Youth Team, Young Adults and Mission Team programmes due to their reflection and analysis of events and their desire to evangelise in many different ways. Their enthusiasm is palpable and their hard work is evident.

The Mission Team has been very visual throughout the year visiting many schools and running retreats. The team was larger this year with some members from outside of the diocese. This in itself meant a gathering together of new ideas and different experiences which is always healthy.

Fr Clement, as Tertiary Chaplain, continues his active ministry and his presence on campus at both Canterbury and Lincoln Universities is important and fruitful.

Embracing technology and using it to promote events and evangelise is a strength of both the Diocesan Youth Team and Tertiary Chaplaincy. This is vital for connecting with our young people and it is exciting to see what they can do.

This year we farewelled Sinead Gilgunn on maternity leave and Delbert Castillo and welcomed Dan Ingle and Thomas Saywell. As a council we also acknowledged the retirement of our wonderful minutes secretary, Mrs Donna Malone.

My thanks to the members of Youth and Tertiary teams and the Council.





## The Diocesan Education Council

Rex Lynch, Chairperson

Property matters remain high on the list of priorities during this year. Last year I mentioned two schools St Paul's Dallington and Marian College as requiring particular attention. We now know that St Paul's and Our Lady of Fatima School, Mairehau have come together to form the new St Francis of Assisi School at Mairehau. Building work is well underway on this project. Marian College remains sharing the Barbadoes Street site with Catholic Cathedral College, although the two colleges are completely separate entities. We know now that the Marian College North Parade site has been compromised by the earthquakes to the extent it cannot be used again for a school.

All Diocesan Schools are part of the overall Property Plan which is updated each year. It looks five and ten years into the future. This plan provides some surety to boards of trustees that their work is scheduled and will be attended to

at the dates set. During the aftermath of the earthquakes the Property Plan was put on hold as all available funds were used to remedy the enormous damage faced by many schools. We are grateful for the consideration shown by Principals and Boards as those more worse off were attended to first.

It is interesting to note that the number of students attending the 238 Catholic Schools in New Zealand increased by 0.42% over the last 12 months and by 3.13% over the last 10 years. In the Christchurch Diocese over the last 10 years the overall growth rate was 3.82%.

An initiative being explored by the Catholic Education Office is that of an Online Religious Education Assessment for individual pupils and classes. Work done thus far suggest it has a place in Catholic Education.



*St Francis of Assisi School property development*

# Bishop's Pastoral Office

Mike Stopforth, Director



*The Bishop's Pastoral Office supports the Bishop by coordinating various pastoral ministries on his behalf. The Office provides guidance, support and resources to parishes and individuals.*

## Parish Amalgamations

In 2010, prior to the earthquakes, Bishop Barry undertook a process to look at the *Provision of Sunday Mass in the Diocese*. This has resulted in significant diocesan restructuring of parishes, reducing the number of parishes by almost half. Over the past year, two further parishes have undergone amalgamation – Addington and Beckenham.

## Orientation Committee

The Orientation Committee comprising of Fr Simon Eccleton, Sr Raylene Dwyer and Mike Stopforth provided support for priests on loan from overseas and the Vietnamese seminarians on behalf of the Bishop.

In May 2015 a three day orientation programme was again held for priests new to the Christchurch Diocese. This covers material such as New Zealand culture, expectations for a priest ministering in



*Orientation Programme attendees with Bishop Jones:  
Fr Francis Fernandez, Fr Bala Allam, Bishop Jones,  
Mike Stopforth, Fr Benito Velasco, Fr Joaquín Comano  
Absent: Fr Simon Eccleton*

New Zealand, the Sacraments, Catholic schools and the place of Maori in New Zealand in church and in society.

Two further Vietnamese men have arrived in the diocese to learn English prior to beginning formation at Holy Cross Seminary.

## Oceania Catholic Bishops' Conference

During the year a presentation on Pastoral Planning and Earthquakes was made to the Oceania Catholic Bishops' Conference.

## Fit for Future

During the year an external consultant was engaged to implement a standardised parish software system (XERO). The purpose of this was to ensure compliance with financial reporting requirements. XERO has now been implemented in all parishes in the diocese.

## The House of God

The diocese is in the unique situation where a number of new churches need to be built. A short document called *'The House of God'* has been produced to provide the theological principles for building a church in the diocese. It also includes the Bishop's vision of what a church should be in our diocese.

## Proclaim Conference 2014

The Australian Catholic Bishops' Conference hosted for the second time the Proclaim Conference on evangelisation in Sydney. There were 18 people from the diocese who attended the conference with the diocese providing a subsidy as an incentive for parishes to send people. Five parishes sent people to the conference as well as two diocesan staff attending.

The conference was on the theme of 'Rebuilt – the story of one parish'. The keynote speakers were from the parish of the Nativity, USA. They presented the transformation in their parish that happened over a period of 10 years, taking their Sunday Mass attendance from 1,800 to 4,000.

The keynote addresses from the conference are online and can be viewed at [www.proclaimconference.com.au/resources](http://www.proclaimconference.com.au/resources)

Rebuilt – the story of one parish, provided some key concepts for parishes at the Proclaim Conference 2014

- ▶ "From consumers to contributors"
- ▶ Reviewing all we do by asking the 'why' question. "Why are we doing this and is it changing the lives of people?"
- ▶ Programmes were creating religious consumers – not disciples
- ▶ The "3 m's" are important – music, message, minister
- ▶ The weekend experience is the essence of impacting people

## St Mary's Pro-Cathedral Property Development

Planning for one significant building development post earthquake that began this year was the complex at St Mary's Pro-Cathedral. The loss of facilities at the Cathedral of the Blessed Sacrament site and the reality that returning to the Cathedral site will take some years means that a facility is required on the St Mary's Pro-Cathedral site. The new parish complex includes offices for use by the parish, an expanded space that will include the former Catholic Shop in Chancery Arcade and facilities for the Cathedral of the Blessed Sacrament Choir, other music groups and the wider community.

## Services of Thanksgiving for a Church

Since the earthquake eight churches have been demolished; with each community holding a service of thanksgiving for the church. Two further services were held this year for the churches at Lincoln and Papanui. A similar service was held for the Templeton church prior to it being sold.

## Catholics Returning Home

The programme is held annually after Easter and invites people to rejoin the parish faith community. It is held simultaneously in two parishes in Christchurch as well as Geraldine and Timaru. A training night for new parish leaders and a review and planning meeting were held.



*St Mary's Pro-Cathedral property development*



## Sounds Catholic

Catholic life continues to be presented through the weekly radio programme on Plains FM community radio. This can also be heard online via the diocesan website.

## St John the Baptist Scholarship

The St John the Baptist Scholarship has been established by the Bishop to support people undertaking formation at either the Catholic Discipleship College or Good Shepherd College – both located in Auckland. The Scholarship named after the patron saint of our diocese provides some financial support towards a recipient's formation. This year it was awarded to five students to study courses by distance at Good Shepherd College.

## Thanksgiving Programme

The Thanksgiving Programme is available to all parishes of the diocese. The programme provides an opportunity for parishioners to review and renew the way they support, participate in, and carry out their faith in the parish community.

The programme has a threefold approach – how we share and use our 'Time', our 'Talent' and our 'Treasure'. The beneficiaries of the programme are the individual parishioners, the parish, the diocese and the wider church. It is through the Thanksgiving Programme that we deepen our own faith, support the faith of other parishioners, support the clergy of our diocese, the Bishop in his works and the wider community. Programmes this year were held in Papanui, Ferrymead and Greymouth Parishes.

The Thanksgiving Director assists other organisations connected to the diocese by way of fundraising advice. The Diocesan Foundation is one of those organisations and the Director supports the Foundation by promoting them and seeking bequests.

The Director also assisted the John Paul II Centre for Life through the inaugural "Race Night" event, with the purpose of raising the profile and funds for the Centre. Over 300 predominantly Catholic people converged on Addington Raceway, Christchurch, on Friday 16th October 2014 for the event. The night was full of fun as the priests participated in a "Parish Priest Punter



*Fr Dan Doyle receiving the inaugural Parish Priest Punter of the Year.*

of the Year" contest spending hypothetical dollars. Bishop Barry Jones spoke of the Centre's work as being close to his heart, supporting the Gospel of Life so powerfully preached by St John Paul II. He said that the Centre which is available to the whole community, puts time, effort and resources into honouring the dignity of persons when they are under threat. Bishop Barry is patron of the Centre.

## Earthquake Recovery Fund

The Bishop's Earthquake Recovery Fund closed in March 2015 when the fund had allocated all the money that had been donated. During the life of the fund, 184 projects were approved and over 20,000 people participated in, or were impacted by, one or more projects.

Most of the parishes and primary schools in the diocese ran at least one project along with many other organisations, Catholic and non-Catholic alike.

During this year there were a number of significant events and happenings.

The Earthquake Recovery Coordinator in conjunction with St Teresa's Catholic Primary School, Riccarton organised a seminar for all Catholic primary school teachers about the effects of the earthquakes on young children and what teachers can do to assist, especially the young ones just starting school who were babies at the time of the earthquakes. The seminar was run by Nathan Mikaere-Wallis of Brainwave Trust who is an expert in this area. Over 120 teachers attended this session.

Two spiritual retreats were held during the year with approximately 25 people attending each retreat. These retreats offered people, still struggling with the after effects of the earthquakes, a chance to reflect, discuss, question and process in light of the Catholic Faith and our spiritual life.

The Earthquake Recovery Coordinator spent time during the year promoting the material of Dr Rob Gordon, who is a specialist in disaster psychology. He has been to Christchurch multiple times since the earthquakes to speak to many different groups and communities about how to recover from the earthquakes. Dr Rob Gordon is from Australia and has supported people affected by more than 30 disasters all around the world.

There were many interesting projects and initiatives run by the Ecumenical Inter-Church Earthquake Forum during the year. This group continues to work well together.

The total for the Earthquake Fund for the four years is as follows:

Total Donations Received	919,848
Interest	153,581
<b>Total in</b>	<b>\$1,073,429</b>
Donations Payments Made	992,135
Pastoral EQ Office expenses	81,294
<b>Total out</b>	<b>\$1,073,429</b>

A full list of those who have been allocated funds from the Fund can be viewed online at [www.chch.catholic.org.nz/eqrecovery](http://www.chch.catholic.org.nz/eqrecovery)

## Perpetual Adoration

The perpetual adoration chapel entered its second year in June 2014. The chapel continues to go very well with a stable roster of 320 adorers and many visitors. The team continue to promote the chapel through regular newsletters, advertising material and an annual retreat. The retreat during the year gathered 80 people for a day of teaching, prayer and reflection. The team are also promoting the 40 hour devotion throughout the diocese to all parishes as a way of promoting adoration of the Blessed Sacrament. At the end of each year a holy hour and a social is held for all rostered adorers.

## Chaplaincies

### Hospital Chaplaincy

The Interchurch Council for Hospital Chaplaincy (IHC) is the national provider of hospital chaplaincy services in New Zealand under a shared funding arrangement between the Government's Ministry of Health and the member churches. The New Zealand Catholic Bishops' Conference receives a portion of this funding to enable each diocese to employ hospital chaplains.

Hospital Chaplaincy is primarily to ensure that people have the opportunity to receive the Sacraments. It is also seen as an expression of the care of the Church for those in need in terms of health. The presence of the Chaplaincy Team is often a source of inspiration and solace to people when they are unwell. They are also a support for whānau, relatives and staff of the hospital.

The Bishop's Pastoral Office provides the overall coordination, administration and support for the hospitals in Christchurch city. Parishes outside Christchurch provide the pastoral coordination for hospitals within their parish.



*Sr Mary Hanrahan retired as Hospital Chaplain at Christchurch Hospital after eight years of service.*

### Prison Chaplaincy

The Prison Chaplaincy Service of Aotearoa New Zealand Trust Board (PCSANZ) is contracted to the Department of Corrections to provide chaplaincy services in our prisons. The Bishop in each diocese employs chaplains according to the needs of the diocese and is partly funded out of the national agreement according to a set formula.

Catholic Chaplains work within the Christchurch Men's, Rolleston and Christchurch Women's Prisons, providing pastoral, spiritual and practical help, group work, teaching bible study and church services.

# Pastoral Activities



## Antarctica Chaplaincy

The National Science Foundation, which manages the U.S. Antarctic Programme, has announced that a steady decline in church-going at U.S. Antarctic stations means the Programme can no longer support the services of Catholic priests through New Zealand's Catholic Diocese of Christchurch's Antarctic Chaplaincy Programme.

The diocese has been informed that McMurdo Station will continue to have the services of a Military Chaplaincy who will provide interdenominational religious services and personal support to the population.

NSF has worked with Father Dan Doyle, Antarctic Chaplaincy Co-ordinator on the transition that will bring an end to a 57-year relationship between the diocese and the programme. For 57

years a Protestant Chaplain from the U.S. Military and a Catholic priest provided by the Diocese of Christchurch have offered religious services, personal counselling and individual support for as many as 2000 men and women stationed at McMurdo and Amundsen-Scott Stations and Scott Base at any one time.



The diocese has been proud to be able to support this mission to the "ends of the earth", and is grateful for the services of many priests who have had the privilege to serve the men and women of Antarctica. The Catholic priests who served in Antarctica have enjoyed the working relationship with the National Science Foundation, the U.S. Antarctic Programme, and the U.S. Military. Many blessings have been received and shared, and the Catholic Church has been much enriched by the opportunities that this mission has offered.



## Diaconate Ordination

In June Bishop Barry ordained three men to the diaconate. The men Do Nguyen, Tien Cao and Thanh Tran, three of the four original Vietnamese who arrived in Christchurch seven years ago, are now ordained as deacons for the Diocese of Christchurch.





# Acknowledgements

The Bishop acknowledges, and is grateful for, the goodwill of his parishes and the wider community through their generosity in giving of legacies, grants, trusts and donations. These are an important part of the income he receives, and help to support and compliment his pastoral mission.

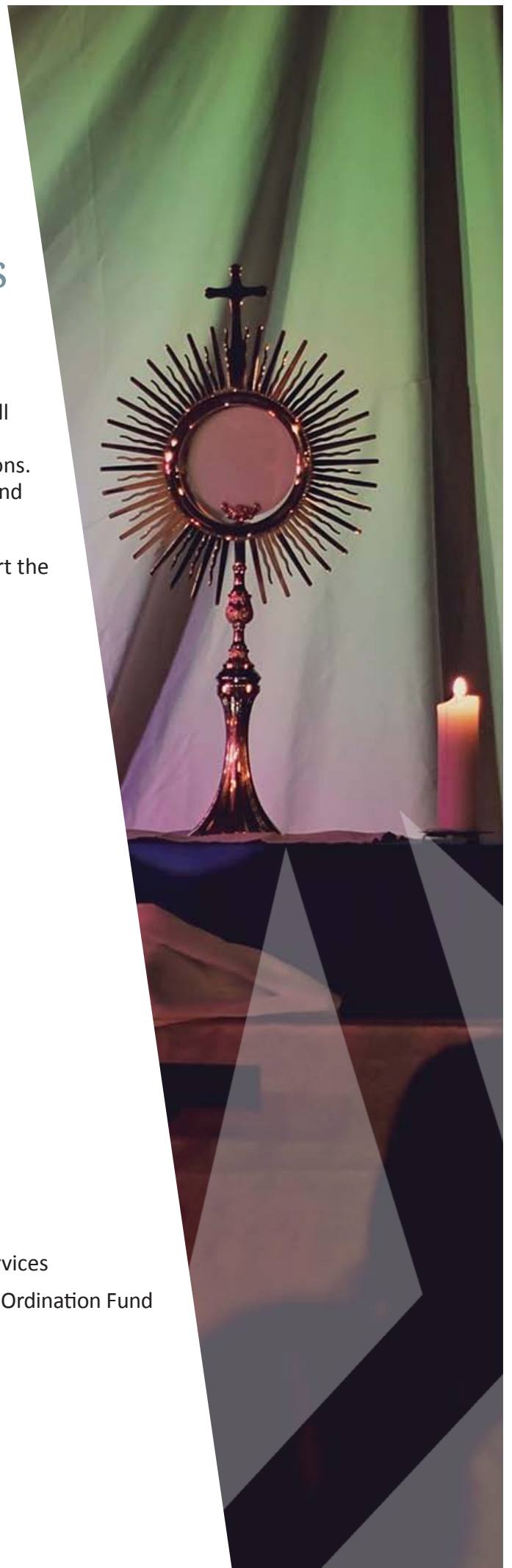
To those who share in his mission and continue to support the work of his priests, his most sincere thanks.

## Donations and Grants

- ▶ Z M Armstrong Estate
- ▶ Burrows Brothers
- ▶ Blackaby Estate
- ▶ The Canterbury Community Trust
- ▶ Maurice Carter Charitable Trust
- ▶ The Christchurch Diocesan Foundation
- ▶ Donohue Charitable Trust
- ▶ Jones Foundation
- ▶ Peter Kelly Trust
- ▶ Edith Kennedy Estate
- ▶ Little Company of Mary
- ▶ The Lottery Grants Board
- ▶ R & B Stewart Charitable Trust
- ▶ The Tindall Foundation
- ▶ Parishes of the Diocese by way of the Parish Allocation
- ▶ Those regular donors to the work of Catholic Social Services
- ▶ Those donors who have contributed to the Seminarians Ordination Fund

## Bequests

- ▶ Reverend B Goulding Estate
- ▶ M E McKenzie Estate
- ▶ J S Sullivan Estate



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# Annual Financial Report

for the year ended 30 June 2015



# Directory

## Bishop

Most Reverend Barry Jones DD

## Bishop Emeritus

Most Reverend Basil Meeking DD

## Vicar General

Reverend Rick Loughnan

## Chancellor

Reverend Geoff Gray

## College of Consultors

Reverend John Adams  
Reverend Simon Eccleton  
Reverend Geoff Gray  
Reverend Frank Kelly  
Reverend Rick Loughnan  
Reverend John Noonan

## Diocesan Management and Finance Board

Geoff Bailey, Chairman  
Greg Bevin  
Most Reverend Barry Jones DD  
Rex Lynch  
George Macfarlane  
Barbara Matthews  
Brian Phillips

## Diocesan Education Council

Rex Lynch, Chairman  
Reverend John Adams  
Robin Kilworth

## Diocesan Welfare Council

Peter Sivertsen, Chairperson  
Charlotte Cummings, Chairperson (*to 19 October 2014*)  
Mary Caldwell  
Brian Cowan  
Brian Dilger (*resigned 16 February 2015*)  
Joan Doocey  
Francis Sullivan

## Diocesan Youth Council

Rachel Pitcaithly, Chairperson  
Reverend Rick Loughnan  
Janice Rennell  
Sergio Ruiz  
Jacinta Stopforth  
Makafalani Tatafu (*resigned 5 September 2014*)  
Sarah Waggott

# Executive Directory

## Managers

Diocesan Financial Administrator  
Catholic Education Office  
Diocesan Youth Team  
Catholic Social Services  
Finance & Support Services  
Bishop's Pastoral Office  
Property & Development

Paddy Beban  
Mike Nolan  
Chris Lysaght  
Jon Brian  
Janice Rennell  
Mike Stopforth  
Keith Beal

## Auditor

Ernst & Young  
20-22 Twigger St, Addington  
P O Box 2091  
Christchurch 8104

## Solicitors

Cavell Leitch Law  
Ground Floor  
6 Hazeldine Road  
Addington  
Christchurch

## Investment Advisors

JB Were Pty. (NZ) Ltd  
Level 6  
HSBC Tower  
62 Worcester Boulevard  
Christchurch

## Bankers

Westpac  
Level 2  
2 Show Place  
Christchurch

## Engineers

Eliot Sinclair & Partners Ltd  
Level 5  
Transport House  
151 Kilmore Street  
Christchurch

Opus International Consultants Ltd  
20 Moorhouse Avenue  
Christchurch

## Location

Cathedral House on Washington  
2, 9 Washington Way  
Christchurch

# Statement of Financial Position

- as at 30 June 2015

	Notes	30 June 2015 '000	30 June 2014 Restated * '000
<b>Current Assets</b>			
Cash and Cash Equivalents		22,944	1,385
Trade and Other receivables	3	2,266	2,504
Inventories		13	13
Other Financial Assets	5	46,690	82,274
<b>Total Current Assets</b>		<b>71,913</b>	<b>86,176</b>
<b>Non Current Assets</b>			
Other Financial Assets	5	53,215	42,382
Property, Plant and Equipment	6	116,246	107,897
Intangible Assets	7	41	38
<b>Total Non Current Assets</b>		<b>169,502</b>	<b>150,317</b>
<b>Current Liabilities</b>			
Trade and Other Payables	8	2,641	1,308
Income in Advance		371	354
Borrowings	9	632	598
<b>Total Current Liabilities</b>		<b>3,644</b>	<b>2,260</b>
<b>Non Current Liabilities</b>	9	<b>2,521</b>	<b>2,686</b>
<b>Net Assets</b>		<b>235,250</b>	<b>231,547</b>
<b>Total Equity</b>	10	<b>235,250</b>	<b>231,547</b>

For and on behalf of the Management and Finance Board, which authorised the issue of the financial report on 30 September 2015.



+ Barry Jones  
Roman Catholic Bishop of Christchurch



H G Bailey  
Chairman



# Statement of Changes in Equity

- for the year ended 30 June 2015

		2015 Actual	2014 Actual Restated *
	Notes	'000	'000
Opening Equity		231,547	231,760
Net Operating Surplus for the period (deficit)		2,751	(1,188)
Other Comprehensive Income		952	975
Total Comprehensive Income for the Period (loss)		3,703	(213)
Closing Equity	10	<u>235,250</u>	<u>231,547</u>

\*Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.  
(The attached notes form part of and should be read in conjunction with these financial statements)

# Statement of Comprehensive Income

- for the year ended 30 June 2015

2014 Actual Restated * '000		Notes	2015 Budget (Unaudited) '000	2015 Actual '000	2016 Budget (Unaudited) '000
<b>Operating Income</b>					
1,025	Grants and Donations		510	972	506
560	Allocations		562	562	547
3,418	Government Grants	13	3,384	3,431	3,383
6,608	Investment Income		6,487	8,209	5,686
2,414	Other Income	14	2,081	2,313	1,996
<b>14,025</b>	<b>Total</b>		<b>13,024</b>	<b>15,487</b>	<b>12,118</b>
<b>Less Expenditure</b>					
2,432	Employee Benefits & Expenses		2,650	2,628	2,960
1,018	Consultancy		365	1,320	548
1,698	Depreciation & Amortisation		1,738	1,791	1,780
3,227	School Maintenance		200	766	200
90	Finance Costs		95	91	90
7,082	Other Expenses		11,763	6,429	3,460
<b>15,547</b>	<b>Total</b>		<b>16,811</b>	<b>13,025</b>	<b>9,038</b>
(1,522)	<b>Net Operating Surplus (deficit)</b>		(3,787)	2,462	3,080
334	Non Operating Revenue	15	385	289	275
<b>(1,188)</b>	<b>Total Surplus recognised for period (deficit)</b>	18	<b>(3,402)</b>	<b>2,751</b>	<b>3,355</b>
1,688	Internal Recoveries		2,200	1,742	1,835
(1,688)	Less Internal Charges		(2,200)	(1,742)	(1,835)
<b>0</b>			<b>0</b>	<b>0</b>	<b>0</b>
(1,259)	Net Transfers (to)/from Special Funds		3,181	2,814	(1,162)
<b>(2,447)</b>	<b>Net Surplus (Deficit) (after internal transfers)</b>	16	<b>(221)</b>	<b>5,565</b>	<b>2,193</b>
<b>Other Comprehensive Income</b>					
Fair Value gains/(losses) on Available for Sale Assets					
154	Unrealised Gains/(losses) Reserve on Shares		0	201	0
821	Unrealised Gains/(losses) Reserve on Bonds		0	751	0
<b>975</b>	<b>Total Other comprehensive Income</b>		<b>0</b>	<b>952</b>	<b>0</b>
(2,499)	Capital Expenditure	17	(3,520)	(9,968)	(7,003)
0	Loan Principal Receipts		500	500	0
(286)	Loan Principal Repayments		(310)	(315)	(355)
<b>(4,257)</b>	<b>Total Comprehensive Income</b> <i>(after internal transfers and capital expenditure)</i>		<b>(3,551)</b>	<b>(3,266)</b>	<b>(5,165)</b>
<b>Net Cost by Activity</b>					
(835)	Ministry of Liturgy		(1,235)	(896)	(1,250)
271	Ministry of the Word		927	84	1,081
(703)	Ministry of Charity		(964)	(896)	(981)
(1,180)	Overheads		1,051	7,273	3,343
<b>(2,447)</b>	<b>Total Net Cost</b>		<b>(221)</b>	<b>5,565</b>	<b>2,193</b>

\*Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.  
(The attached notes form part of and should be read in conjunction with these financial statements)

# Statement of Cashflows

- for the year ended 30 June 2015

	Note	2015 '000	2014 Restated *
<b>Cash Flows From Operating Activities</b>			
<i>Cash was provided from:</i>			
Grants and Donations Received		972	1,025
Allocations Received		562	560
Government Grants Received		3,431	3,418
Investment Income Received		9,155	6,845
Net GST Received		0	1
Other Income Received		2,420	2,141
		<u>16,540</u>	<u>13,990</u>
<i>Cash was applied to:</i>			
Payments to employees and suppliers		10,987	13,089
Interest Paid		91	90
Net GST Payments		26	0
		<u>11,104</u>	<u>13,179</u>
<b>Net Cash Inflow (Outflow) From Operating Activities</b>	18	<b>5,436</b>	<b>811</b>
<b>Cash Flows From Investing Activities</b>			
<i>Cash was provided from:</i>			
Disposal of Property, Plant & Equipment		0	19
Decrease in Investments		24,748	0
		<u>24,748</u>	<u>19</u>
<i>Cash was applied to:</i>			
Acquisition of Property, Plant & Equipment		8,809	2,551
Increase in Investments		0	4,336
		<u>8,809</u>	<u>6,887</u>
<b>Net Cash Inflow (Outflow) From Investing Activities</b>		<b>15,939</b>	<b>(6,868)</b>
<b>Cash Flows From Financing Activities</b>			
<i>Cash was provided from:</i>			
Advance of Term Liabilities		500	0
		<u>500</u>	<u>0</u>
<i>Cash was applied to:</i>			
Repayment of Term Liabilities		316	287
		<u>316</u>	<u>287</u>
<b>Net Cash Inflow (Outflow) From Financing Activities</b>		<b>184</b>	<b>(287)</b>
<b>Net Increase (Decrease) In Cash Funds</b>		<b>21,559</b>	<b>(6,344)</b>
<b>Cash balance as at 1 July 2013</b>		<b>1,385</b>	<b>7,729</b>
<b>Cash balance as at 30 June 2014</b>		<b>22,944</b>	<b>1,385</b>
<i>This total is recorded in the financial statements as:</i>			
Cash and Cash Equivalents		22,944	1,385

\*Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.  
(The attached notes form part of and should be read in conjunction with these financial statements)



# Statement of Cost of Services

## Ministry of Liturgy - "To Sanctify"

- for the year ended 30 June 2015

2014 Actual Restated * '000		2015 Budget (Unaudited) '000	2015 Actual '000	2016 Budget (Unaudited) '000
	<b>Operating Income</b>			
160	Grants and Donations	83	111	76
235	Other Income	212	212	139
<b>395</b>	<b>Total</b>	<b>295</b>	<b>323</b>	<b>215</b>
	<b>Less Expenditure</b>			
582	Personnel Costs	637	587	628
6	Consultancy	8	3	8
38	Depreciation	42	48	51
948	Other	852	980	802
<b>1,574</b>	<b>Total</b>	<b>1,539</b>	<b>1,618</b>	<b>1,489</b>
(1,179)	<b>Net Operating (Deficit)</b>	<b>(1,244)</b>	<b>(1,295)</b>	<b>(1,274)</b>
0	Non Operating Revenue	0	0	0
<b>(1,179)</b>	<b>Total (Deficit) recognised for period</b>	<b>(1,244)</b>	<b>(1,295)</b>	<b>(1,274)</b>
14	Internal Recoveries	45	38	26
(141)	Less Internal Charges	(150)	(154)	(133)
<b>(127)</b>		<b>(105)</b>	<b>(116)</b>	<b>(107)</b>
471	Net Transfers (to)/from Special Funds	114	515	131
<b>(835)</b>	<b>Net (Deficit)</b>	<b>(1,235)</b>	<b>(896)</b>	<b>(1,250)</b>
(91)	Capital Expenditure	(10)	(1)	(13)
0	Loan Principal Receipts	0	0	0
0	Loan Principal Repayments	0	0	0
<b>(926)</b>	<b>Net Operating (Deficit)</b> <i>(after internal transfers and capital expenditure)</i>	<b>(1,245)</b>	<b>(897)</b>	<b>(1,263)</b>
	<b>Net Cost by Activity</b>			
(23)	Archives	(50)	(47)	(54)
(129)	Bishop's Pastoral Office	(107)	(107)	(122)
0	Pastoral Earthquake Recovery	(53)	(52)	(84)
(4)	Perpetual Adoration	(5)	(3)	(5)
(19)	Communication	(68)	(28)	(71)
(96)	ThanksGiving Programme	(97)	(96)	(109)
(182)	Chaplaincy	(214)	(169)	(227)
(324)	Priestly Formation	(521)	(272)	(445)
38	Cathedral	(25)	(27)	(25)
(96)	Cathedral Music	(95)	(96)	(108)
<b>(835)</b>	<b>Total Net Cost</b>	<b>(1,235)</b>	<b>(897)</b>	<b>(1,250)</b>

# Statement of Cost of Services

## Ministry of the Word - "To Teach"

- for the year ended 30 June 2015

2014 Actual Restated * '000		2015 Budget (Unaudited) '000	2015 Actual '000	2016 Budget (Unaudited) '000
	<b>Operating Income</b>			
143	Grants and Donations	10	3	13
3,322	Government Grants	3,297	3,346	3,312
32	Investment Income	18	27	42
1,402	Other Income	1,321	1,470	1,609
<b>4,899</b>	<b>Total</b>	<b>4,646</b>	<b>4,846</b>	<b>4,976</b>
	<b>Less Expenditure</b>			
792	Personnel Costs	742	759	742
557	Consultancy	150	890	144
1,564	Depreciation	1,579	1,609	1,586
3,227	School Maintenance	200	766	200
90	Interest on Loans	95	91	90
1,449	Other	923	924	993
<b>7,679</b>	<b>Total</b>	<b>3,689</b>	<b>5,039</b>	<b>3,755</b>
<b>(2,780)</b>	<b>Net Operating Surplus</b>	<b>957</b>	<b>(193)</b>	<b>1,221</b>
0	Non Operating Revenue	0	0	0
<b>(2,780)</b>	<b>Total Surplus recognised for period</b>	<b>957</b>	<b>(193)</b>	<b>1,221</b>
580	Internal Recoveries	576	577	567
(659)	Less Internal Charges	(640)	(652)	(624)
(79)		(64)	(75)	(57)
3,130	Net Transfers (to)/from Special Funds	34	352	(83)
<b>271</b>	<b>Net Operating Surplus/(Deficit)</b>	<b>927</b>	<b>84</b>	<b>1,081</b>
(2,311)	Capital Expenditure - Diocesan Schools	(3,309)	(2,412)	(2,723)
(19)	Capital Expenditure - Other	(20)	(29)	0
(2,330)	Total Capital Expenditure	(3,329)	(2,441)	(2,723)
0	Loan Principal Receipts	500	500	0
(286)	Loan Principal Repayments	(310)	(315)	(355)
<b>(2,345)</b>	<b>Net (Deficit)</b> <i>(after internal transfers and capital expenditure)</i>	<b>(2,212)</b>	<b>(2,172)</b>	<b>(1,997)</b>
	<b>Net Cost by Activity</b>			
133	Catholic Education Office	26	101	39
127	Attendance Dues	112	271	264
454	Diocesan Schools	1,225	203	1,247
(443)	Youth and Young People	(436)	(491)	(470)
0	CCJP	0	0	0
<b>271</b>	<b>Total Net Cost</b>	<b>927</b>	<b>84</b>	<b>1,080</b>

\*Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.  
(The attached notes form part of and should be read in conjunction with these financial statements)

# Statement of Cost of Services

## Ministry of Charity - "To Care For"

- for the year ended 30 June 2015

2014 Actual Restated * '000		2015 Budget (Unaudited) '000	2015 Actual '000	2016 Budget (Unaudited) '000
	<b>Operating Income</b>			
423	Grants and Donations	292	414	293
96	Government Grants	87	85	71
216	Other Income	193	216	198
<b>735</b>	<b>Total</b>	<b>572</b>	<b>715</b>	<b>562</b>
	<b>Less Expenditure</b>			
453	Personnel Costs	522	515	527
53	Consultancy	26	58	23
43	Depreciation	42	36	35
754	Other	806	716	722
<b>1,303</b>	<b>Total</b>	<b>1,396</b>	<b>1,325</b>	<b>1,307</b>
<b>(568)</b>	<b>Net Operating Surplus</b>	<b>(824)</b>	<b>(610)</b>	<b>(745)</b>
0	Non Operating Revenue	0	0	0
<b>(568)</b>	<b>Total Surplus recognised for period</b>	<b>(824)</b>	<b>(610)</b>	<b>(745)</b>
43	Internal Recoveries	63	44	66
(371)	Less Internal Charges	(337)	(333)	(339)
<b>(328)</b>		<b>(274)</b>	<b>(289)</b>	<b>(273)</b>
193	Net Transfers (to)/from Special Funds	134	3	37
<b>(703)</b>	<b>Net Operating Surplus/(Deficit)</b>	<b>(964)</b>	<b>(896)</b>	<b>(981)</b>
(40)	Capital Expenditure	(26)	(14)	(25)
0	Loan Principal Receipts	0	0	0
0	Loan Principal Repayments	0	0	0
<b>(743)</b>	<b>Net Operating Surplus/(Deficit)</b> <i>(after internal transfers and capital expenditure)</i>	<b>(990)</b>	<b>(910)</b>	<b>(1,006)</b>
	<b>Net Cost by Activity</b>			
65	Welfare - Catholic Social Services	(120)	(114)	(186)
(2)	Welfare - Other	12	(2)	(2)
(289)	Governance	(242)	(303)	(271)
(260)	Pastoral Initiatives	(395)	(293)	(333)
(182)	Bishop's Conference	(185)	(142)	(155)
(24)	Catholic Shop	(23)	(31)	(28)
(11)	Tribunal	(11)	(11)	(6)
<b>(703)</b>	<b>Total Net Cost</b>	<b>(964)</b>	<b>(896)</b>	<b>(981)</b>



# Statement of Cost of Services

## Overhead Activities

- for the year ended 30 June 2015

2014 Actual Restated * '000		2015 Budget (Unaudited) '000	2015 Actual '000	2016 Budget (Unaudited) '000
	<b>Operating Income</b>			
299	Grants and Donations	125	444	124
560	Allocations	562	562	547
6,576	Investment Income	6,469	8,182	5,644
561	Other Income	355	415	50
<b>7,996</b>	<b>Total</b>	<b>7,511</b>	<b>9,603</b>	<b>6,365</b>
	<b>Less Expenditure</b>			
605	Personnel Costs	749	767	1,063
402	Consultancy	181	369	373
53	Depreciation	75	98	108
3,931	Other	9,182	3,809	943
<b>4,991</b>	<b>Total</b>	<b>10,187</b>	<b>5,043</b>	<b>2,487</b>
<b>3,005</b>	<b>Net Operating Surplus</b>	<b>(2,676)</b>	<b>4,560</b>	<b>3,878</b>
334	Non Operating Revenue	385	289	275
<b>3,339</b>	<b>Total Surplus (Deficit) recognised for period</b>	<b>(2,291)</b>	<b>4,849</b>	<b>4,153</b>
1,051	Internal Recoveries	1,516	1,083	1,176
(517)	Less Internal Charges	(1,073)	(603)	(739)
534		443	480	437
(5,053)	Net Transfers (to)/from Special Funds	2,899	1,944	(1,247)
<b>(1,180)</b>	<b>Net Surplus (after internal transfers)</b>	<b>1,051</b>	<b>7,273</b>	<b>3,343</b>
(38)	Capital Expenditure	(155)	(7,512)	(4,242)
0	Loan Principal Receipts	0	0	0
0	Loan Principal Repayments	0	0	0
<b>(1,218)</b>	<b>Net Surplus (Deficit) (after internal transfers and capital expenditure)</b>	<b>896</b>	<b>(239)</b>	<b>(899)</b>
	<b>Net Cost by Activity</b>			
0	Diocesan Financial Administrator	0	0	0
0	Cathedral House Building	0	0	0
(61)	Other Diocesan Properties	(39)	1,977	(87)
0	Administration	0	0	0
25	Insurance	0	0	0
1,266	Other Income	1,412	2,496	1,976
910	Investment Income	1,574	2,010	204
(3,320)	Earthquake Recovery	(1,896)	790	1,250
<b>(1,180)</b>	<b>Total Net Cost</b>	<b>1,051</b>	<b>7,273</b>	<b>3,343</b>

\*Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.  
(The attached notes form part of and should be read in conjunction with these financial statements)





# Notes to and forming part of the Financial Statements

- for the year ended 30 June 2015

## 1. Corporate Information

The Roman Catholic Bishop of the Diocese of Christchurch is a corporation sole established in civil law under the statutory authority of the Roman Catholic Bishops Empowering Act 1997. The Roman Catholic Bishop of the Diocese of Christchurch is domiciled in Christchurch, New Zealand.

These financial statements relate to the administration function and other prime responsibilities of the Roman Catholic Bishop of the Diocese of Christchurch. There are other assets which are owned by the Roman Catholic Bishop of the Diocese of Christchurch (Diocese) as a corporation sole, for example, parishes, which are not included in these financial statements.

The primary objective of the Diocese is to provide administration services for the Catholic community rather than making a financial return. Accordingly, the Diocese has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of the Diocese are for the year ended 30 June 2015. The financial statements were authorised for issue by the Management and Finance Board on 30 September 2015.

## 2. Statement of Accounting Policies

### Basis of preparation:

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. The financial statements have also been prepared on a historical cost basis, except for investments, which have been measured at fair value; and land, buildings and property under development which have been measured at deemed cost.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of the Diocese is New Zealand dollars.

### Statement of Compliance:

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities applying differential reporting.

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

There have been no new or amended NZ IFRS adopted by the Diocese as of 1 July 2014.



## Standards and interpretation issued and not yet adopted

Other Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Diocese for the annual reporting period ending 30 June 2015. These are outlined below:

Reference	Title	Summary	Application date of standard	Impact on Diocese's Financial Statements	Application date for Diocese
	<i>PBE standards for Tier 1 and Tier 2 Public Benefit Entities - enhancements for not-for-profit entities</i>	In October 2014, a revised set of PBE Standards were issued, as replacements for the PBE Standards issued in May 2013. The revised standards include enhancements for not-for-profit entities. Early adoption of PBE Standards is permitted.	1 April 2015	The new PBE Standards are based on International Public Sector Accounting Standards, which are themselves based on IFRS. Therefore major changes to accounting policies are not expected. However a comprehensive analysis of the changes has yet to be completed.	1 July 2015
PBE IPSAS 1, PBE IAS 34, PBE FRS 42, PBE FRS 43	<i>Amendments to Accounting Standards: Omnibus Amendments (Legislative Update)</i>	The following standards are amended by this standard: <ul style="list-style-type: none"> <li>Replaces the 'Financial Reporting Act 1993' with the 'Financial Reporting Act 2013' or 'legislation'</li> <li>Deletes paragraphs 31.1 and 31.2 of PBE IPSAS 1, which referred to requirements in the Financial Reporting Act 1993 that no longer exist under the new Financial Reporting Act 2013.</li> </ul>	1 April 2015	The impact on the Diocese's financial statements is expected to be minimal.	1 July 2015
NZ IFRS 9 (PBE) (2009)	Financial Instruments	NZ IFRS 9 (PBE) (2009) includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the IASB's project to replace IAS 39 <i>Financial Instruments: Recognition and Measurement</i> . These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of NZ IAS 39 (PBE). The revised Standard introduces a number of changes to the accounting for financial assets, the most significant of which includes: <ul style="list-style-type: none"> <li>Two categories for financial assets being amortised cost or fair value;</li> <li>Removal of the requirement to separate embedded derivatives in financial assets;</li> </ul>	1 January 2018	The Diocese's financial assets are currently measured at fair value, the impact on the Diocese's financial statements is expected to be minimal.	1 July 2018

Reference	Title	Summary	Application date of standard	Impact on Diocese's Financial Statements	Application date for Diocese
NZ IFRS 9 (PBE) (2009) (Continued)	Financial Instruments	<ul style="list-style-type: none"> <li>▶ Strict requirements to determine which financial assets can be classified as amortised cost or fair value. Financial assets can only be classified as amortised cost if (a) the contractual cash flows from the instrument represent principal and interest and (b) the entity's purpose for holding the instrument is to collect the contractual cash flows;</li> <li>▶ An option for investments in equity instruments which are not held for trading to recognise fair value changes through other comprehensive income with no impairment testing and no recycling through profit or loss on de-recognition;</li> <li>▶ Reclassifications between amortised cost and fair value no longer permitted unless the entity's business model for holding the asset changes; and</li> <li>▶ Changes to the accounting and additional disclosures for equity instruments classified as fair value through other comprehensive income.</li> </ul>	1 January 2018	The Diocese's financial assets are currently measured at fair value, the impact on the Diocese's financial statements is expected to be minimal.	1 July 2018
NZ IFRS 9 (PBE) (2010)	Financial Instruments	<p>NZ IFRS 9 (PBE) (2010) supersedes NZ IFRS 9 (PBE) (2009). The requirements for classifying and measuring financial liabilities were added to NZ IFRS 9 (PBE) as issued in 2009. The existing NZ IAS 39 (PBE) <i>Financial Instruments: Recognition and Measurement</i> requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities, the change in fair value is accounted for as follows:</p> <ul style="list-style-type: none"> <li>▶ The change attributable to changes in credit risk are presented in other comprehensive income (OCI)</li> <li>▶ The remaining change is presented in profit or loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</li> </ul>	1 January 2018	The Diocese's financial liabilities are low, therefore the impact on the Diocese's financial statements is expected to be minimal.	1 July 2018

## Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements.

### (a) Differential Reporting

The Catholic Diocese of Christchurch qualifies for differential reporting because it is not publicly accountable and the Roman Catholic Bishop of the Diocese of Christchurch is corporation sole under The Roman Catholic Bishops' Empowering Act 1997. The Bishop is the beneficial owner and governing body for the diocese. The Diocese has taken advantage of all differential reporting exemptions, with the exception of NZ IAS 7 Statement of Cash Flows.

### (b) Goods and Services Tax (GST)

These financial statements have been prepared on a GST exclusive basis except for Receivables and Payables in the Statement of Financial Position, which are recorded at their GST inclusive values.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to the investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### (c) Income Tax

The Catholic Diocese of Christchurch is exempt from income taxation under the provisions of section CW41 and CW42 of the Income Tax Act 2007.

### (d) Revenue Recognition

1. Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Diocese and the revenue can be reliably measured.
2. Interest income is recognised using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.
3. Dividends are recognised when received.
4. Gifts, donations and bequests are recorded as income for the year in which they are received.
5. Property Sales are recognised at the date of settlement.

### (e) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that the Diocese will not be able to collect all amounts due according to the original terms of receivables. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest rate computed at initial recognition.

### (f) Inventory

Inventory represents Catholic Shop inventory on hand as at balance date. Inventories are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the First In First Out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

The write down from cost to current replacement cost or net realisable value is recognised in the income statement.

### (g) Financial Assets

The Diocese classifies its financial assets into the following categories: loans and receivables and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determine the classification of investments at initial recognition and re-evaluate this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the income statement.

Purchases and sales of investments are recognised on trade-date, the date on which the Diocese commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Diocese has transferred substantially all the risks and rewards of ownership.

#### 1. Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition, they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the income statement. Loans and receivables are classified as 'trade and other receivables' in the balance sheet.

Currently, the Diocese has short term deposits and trade and other receivables in this category.



## (g) Financial Assets *(Continued)*

### 2. Available for sale financial assets

These are non-derivative financial assets, principally equity securities and fixed interest deposits that are designated as available for sale or are not classified as loans and receivables. After initial recognition available for sale assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised as profit or loss.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The fair value of available for sale financial assets has been determined by Goldman Sachs JB Were (NZ) Ltd. Equity investments are at market value as determined by the various stock exchanges that the assets are held on, eg NZX, ASX, FTSE, NYSE. For fixed interest deposits, market value is determined by either the NZX Debt market or the Trading Banks market spread data for those securities that do not trade on the NZ Debt market platform.

Currently, the Diocese has equity securities and fixed interest deposits in this category.

## (h) Impairment of Financial Assets

At each balance date the Diocese assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the income statement.

### (i) Available for Sale Financial Assets

For available for sale financial assets, classed as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement) is removed from equity and recognised in the income statement.

### (ii) Loans and receivables

Impairment of a loan or a receivable is established when there is objective evidence that the Diocese will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/client, probability that the debtor/client will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. Impairment losses are recognised directly against the instruments carrying amount.

## (i) Property, Plant & Equipment

Property, plant and equipment consist of:

- ▶ Land and Buildings;
- ▶ School Improvements (new buildings, additions to existing buildings, fitouts);
- ▶ Computer equipment;
- ▶ Furniture, fixtures and equipment;
- ▶ Motor vehicles and
- ▶ Work in Progress.

Property, plant and equipment are shown at cost less accumulated depreciation and accumulated impairment losses. Cost represents the value of the consideration given to acquire the asset and the value of other directly attributable costs that have been incurred in bringing the asset to the location and condition necessary for its intended use.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the income statement.

### Depreciation

Depreciation is provided on a straight line basis on all property plant and equipment excluding land and work in progress at rates that will write off the cost (or deemed cost) of the assets to their estimated residual values over their estimated useful lives. The depreciation rates are as follows

Buildings	50 years	2%
Computer Equipment	3 years	33%
Furniture, Fixtures and Equipment	10 years	10%
Motor Vehicles	4 years	25%
School improvements	5 -60 years	1.7% - 20%

The estimated useful lives and residual values are reviewed at each financial year end.

### Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

## (j) Leases

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

## (k) Impairment of non-financial assets other than goodwill

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Diocese conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or circumstances indicate that the impairment may have reversed.

## (l) Foreign Currencies

Transactions in foreign currencies are initially recorded in the functional currency by applying a rate of exchange ruling at the date of the transaction.

At balance date foreign monetary assets are translated at the closing rate, and exchange variations arising from these translations are recognised in the income statement.

## (m) Provisions

Provisions are recognised when the Diocese has a present obligation (legal or constructive) as a result of a past event, 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.

When the Diocese expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date using a discounted cash flow methodology. The risks specific to the provision are factored into the cash flows and as such a risk-free government bond rate relative to the expected life of the provision is used as a discount rate. If the effect of the time value of money is material, provisions are discounted using a current rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

## (n) Employee benefits

Provision is made for benefits accruing to employees in respect of salaries and wages, annual leave, sick leave and retirement entitlements when there is a present obligation arising from a past event.

### Short-term benefits

Employee benefits that the Diocese expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay, which are expected to approximate to the remuneration rate expected to apply at the time of settlement.

These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date and expected to be taken within the next 12 months and accumulating sick leave.

The Diocese recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year.

The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Diocese anticipate it will be used by staff to cover those future absences.

## (o) Intangible assets

### Software

Software is a finite life intangible asset and is recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives between 1 and 3 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period

Costs associated with maintaining computer software are recognised as an expense when incurred.

### Software Licenses

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use, the specific software.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the income statement

The useful lives and associated amortisation rates for software have been estimated as follows:

Software	3 years	33%
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(p) **Trade and Other Payables**

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

(q) **Borrowings**

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the borrowings.

Borrowings are classified as current liabilities unless the Diocese has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**Borrowing Costs**

Borrowing costs are recognised as an expense when incurred. The Diocese does not currently hold qualifying assets but if it did, the borrowing costs directly associated with this asset would be capitalised (including any other associated costs directly attributable to the borrowing and temporary investment income earned on the borrowing).

(r) **Government Grants**

Government Grants are recorded as income in the income statement when they are received. Any surplus/deficit remaining in the cost centre at balance date is transferred to/from equity by way of a special reserve relating to that cost centre.

The Diocese receives government grants relating to Diocesan schools and from Child Youth and Family. There is an obligation to use the grants for the purpose they were granted for.

(s) **Suspensory Loans**

Suspensory Loans in respect of diocesan schools have been recorded at their historic value less the proportion of the loan forgiven by the Government to date. Suspensory Loans are forgiven over a twenty-five year period from the date that the loans were originally advanced.

### 3. **Trade and other Receivables**

	<b>2015</b> <i>'000</i>	<b>2014</b> <i>'000</i>
Trade & Other Debtors	1,963	2,119
<i>(less Provision for Impairment of Debtors)</i>	<i>(278)</i>	<i>(201)</i>
Interest Receivable	36	45
GST Receivable	500	339
Prepayments	45	202
<b>Total</b>	<b>2,266</b>	<b>2,504</b>

### 4. **Provision for Impairment of Debtors**

	<b>2015</b> <i>'000</i>	<b>2014</b> <i>'000</i>
As at 1 July	201	122
Arising during the year	77	79
Used during the year	0	0
As at 30 June	<b>278</b>	<b>201</b>

*This provision relates to debtors where it is evident that not all amounts due will be able to be collected.*



## 5. Other Financial Assets

	2015 '000	2014 '000
Catholic Development Fund Deposits	3,136	4,084
Bonds & Notes	46,569	38,330
Bank Deposits	34,300	66,250
Offshore Bond Fund	6,102	6,133
Catholic Development Fund Equity (see Note 19)	4,913	3,958
Shares	4,885	5,901
Total	99,905	124,656
Less Current Portion	(46,690)	(82,274)
<b>Total Non Current Investments</b>	<b>53,215</b>	<b>42,382</b>

For details of impairment of Financial Assets refer to Note 12.

## 6. Property Plant & Equipment

30 June 2015	Cost '000	Current Yr Depn. '000	Accum Depn '000	Book Value '000
Land	43,647	0	0	43,647
Buildings	11,667	258	2,029	9,638
Buildings (Work in Progress)	593	0	0	593
Furniture & Equipment	1,203	110	829	374
Motor Vehicles	421	38	322	99
School Improvements	66,943	1,368	11,567	55,376
School Improvements (Work in progress)	6,519	0	0	6,519
<b>Total</b>	<b>130,993</b>	<b>1,774</b>	<b>14,747</b>	<b>116,246</b>

30 June 2014	Cost '000	Current Yr Depn. '000	Accum Depn '000	Book Value '000
Land	41,644	0	0	41,644
Buildings	12,275	246	1,920	10,355
Buildings (Work in Progress)	24	0	0	24
Furniture & Equipment	1,068	82	719	349
Furniture & Equipment (Work in Progress)	1	0	0	1
Motor Vehicles	384	33	284	100
School Improvements *	64,337	1,337	10,052	54,285
School Improvements (Work in progress)*	1,139	0	0	1,139
<b>Total</b>	<b>120,872</b>	<b>1,698</b>	<b>12,975</b>	<b>107,897</b>

Land and buildings contained in fixed assets to the value of \$338,000 have been donated for specific use as a tertiary chaplaincy centre. Should the Diocese cease to use the building for the purpose specified in the original terms of the donation, ownership of the building will revert to the previous owners. Diocesan management consider the likelihood of this occurring to be remote.

\* Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.

## 7. Intangible Assets

	Cost or Revaluation '000	Current Yr Depn. '000	Accum Depn '000	Book Value '000
<b>30 June 2015</b>				
Software	155	17	131	24
(Work in Progress)	17	0	0	17
	<b>172</b>	<b>17</b>	<b>131</b>	<b>41</b>
<b>30 June 2014</b>				
Software	116	0	114	2
(Work in Progress)	36	0	0	36
	<b>152</b>	<b>0</b>	<b>114</b>	<b>38</b>

## 8. Trade and Other Payables

	2015 '000	2014 '000
Creditors & Accruals	2,346	950
Employee Entitlements	219	182
Other Current Liabilities	76	176
<b>Total</b>	<b>2,641</b>	<b>1,308</b>

## 9. Borrowings

Pre-suspensory and Suspensory Loans are secured over school land and buildings. The majority of the Other Loans and Mortgages are unsecured, being in respect of properties owned by the Catholic Diocese.

Suspensory Loans are forgiven by the Government over a twenty-five year period; these loans are interest free and will be forgiven by the year 2023. Loans forgiven in 2015 amounted to \$289,000 (2014: \$334,000).

Other Loans (\$1,708,000) are held with the Catholic Development Fund. The current interest rates on these loans are 5.50% p.a.

	2015 '000	2014 '000
Suspensory Loans	1,311	1,605
Other Loans	1,708	1,523
Future GST Liability	134	156
<b>Total</b>	<b>3,153</b>	<b>3,284</b>
Less Current Portion	632	598
<b>Total Non Current Liabilities</b>	<b>2,521</b>	<b>2,686</b>

## 10. Equity

Equity is made up of general equity, special purpose funds and unrealised gain reserves.

The special purpose funds result from:

- ▶ bequests that have restrictions over their use;
- ▶ contractual funding for specific purposes;
- ▶ decisions taken by the Diocesan Management and Finance Board to set funds aside for a specific purpose.

Sufficient cash and investment balances are retained to cover these special purpose funds.

The unrealised gains reserves are used to record increments and decrements in the fair value of available for sale assets.

<b>Equity</b>	<b>2015</b> <i>'000</i>	<b>2014</b> <i>'000</i>
General Equity*	113,889	107,303
Special Purpose Funds	118,370	122,204
Unrealised Gains Reserves	2,991	2,040
<b>Total Equity</b>	<b>235,250</b>	<b>231,547</b>

<b>Special Purpose Funds</b>	<b>2015</b> <i>'000</i>	<b>2014</b> <i>'000</i>
Education – Diocesan School Capital & Maintenance Programme	1,033	846
Education – Attendance Dues	(434)	(22)
Education – General	681	638
Education – Dallington School	108	97
Youth	271	255
Youth & Education	146	140
Catholic Social Services	869	845
Pastoral – Missionary	428	292
Pastoral – Ongoing Formation, Education & Seminary	1,709	1,642
Aged Care	1,171	896
Bishop's Capital Health Fund <i>(90% Income distributed to Clergy Trust Fund)</i>	230	226
Gamblins Rd <i>(Income distributed to Cathedral College Proprietors Trust Board)</i>	0	1,019
CCJP	16	15
Darfield Parish <i>(Income distributed to Darfield Parish)</i>	100	100
Chatham Island Parish	1	7
Property Reserve	12,687	12,687
Dallington Land Settlement Reserve	1,413	1,280
Earthquake Recovery	97,737	101,049
Other	204	192
<b>Total Special Purpose Funds</b>	<b>118,370</b>	<b>122,204</b>

<b>Unrealised Gains Reserves</b>	<b>2015</b> <b>'000</b>	<b>2014</b> <b>'000</b>
<i>Unrealised Gains Reserve on Shares</i>		
Opening Balance	859	705
Movement during the year	200	154
Closing Balance	<b>1,059</b>	<b>859</b>
<i>Unrealised Gains Reserve on Bonds</i>		
Opening Balance	1,181	360
Movement during the year	751	821
Closing Balance	<b>1,932</b>	<b>1,181</b>
<b>Total Unrealised Gains Reserves</b>	<b>2,991</b>	<b>2,040</b>

\* Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.

## 11. Capital Management

The Diocese capital is its equity, which comprises retained earnings and reserves. Equity is represented by net assets. When managing capital, management's objective is to ensure the entity continues as a going concern. It is the policy of the Diocese to fund operational expenses from operational income each year. Some non operational expenditure is funded from reserves. Special purpose reserves may be used to fund or partially fund activities that meet the criteria (special purpose) of the reserve.

Capital is also managed in terms of the Diocese's Treasury Policy which is reviewed from time to time by the Bishop's advisors.

The Diocese is not subject to any external capital requirements.

## 12. Financial Instruments

Detail of the significant accounting policies and method adopted, including the criteria for recognition and the basis in which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in the Statement of Accounting Policies.

<b>30 June 2015</b>	<b>Cash &amp; Cash Equivalents</b>	<b>Trade &amp; Other Receivables</b>	<b>Other Financial Assets</b>	<b>Total Financial Assets</b>
Loans and Receivables	22,944	2,266	0	25,210
Available For Sale	0	0	99,905	99,905
<b>Total Financial Assets</b>	<b>22,944</b>	<b>2,266</b>	<b>99,905</b>	<b>125,115</b>

<b>30 June 2015</b>	<b>Trade &amp; Other Payables</b>	<b>Borrowings</b>	<b>Total Financial Liabilities</b>
Recorded at Amortised Cost	2,640	3,153	5,793
<b>Total Financial Liabilities</b>	<b>2,640</b>	<b>3,153</b>	<b>5,793</b>
<b>Net Exposure</b>	<b>22,944</b>	<b>(380)</b>	<b>119,316</b>



## 12. Financial Instruments *(Continued)*

30 June 2014	Cash & Cash Equivalents	Trade & Other Receivables	Other Financial Assets	Total Financial Assets
Loans and Receivables	1,385	2,504	0	3,889
Available For Sale	0	0	124,656	124,656
<b>Total Financial Assets</b>	<b>1,385</b>	<b>2,504</b>	<b>124,656</b>	<b>128,545</b>

30 June 2014	Trade & Other Payables	Borrowings	Total Financial Liabilities
Recorded at Amortised Cost	1,308	3,284	4,592
<b>Total Financial Liabilities</b>	<b>1,308</b>	<b>3,284</b>	<b>4,592</b>
<b>Net Exposure</b>	<b>1,385</b>	<b>1,196</b>	<b>121,372</b>

## 13. Government Grants

Government Grants are received from the Ministry of Education for major capital and maintenance work to be undertaken within the Diocesan schools; and from the Child Youth and Family service for foster care and other services provided by Catholic Social Services.

## 14. Other Income

	2015 '000	2014 '000
Education (Attendance Dues, Special Character Contributions & Foreign Fee Paying Students)	1,346	1,209
Catholic Shop Sales	87	92
Prison Chaplaincy Service	87	76
Programs & Events (Youth & Education)	20	35
Gain on Property Sales	0	9
Insurance Proceeds	168	0
Other Income	605	993
<b>Total</b>	<b>2,313</b>	<b>2,414</b>

## 15. Non Operating Revenue

Non Operating Income includes items of a non operating nature and is separately disclosed so as not to distort the results from normal operating activities. Non operating revenue is made up of the amount forgiven on suspensory loans during the financial year.

## 16. Net Operating Surplus/(Deficit)

	2015 '000	2014 '000
<i>After Charging:</i>		
Auditor's Fees - Audit Fees	23	19
Auditor's Fees – Other Services	36	22
Employee Benefits and Expenses	2,426	2,212
Donations Expense	328	395
Interest Expense	90	90
Lease Expense	264	214
Provision for Doubtful Debts	49	79
Bad Debts Written Off	0	0
Loss on Assets *	0	516
<i>Including:</i>		
Interest Revenue	5,323	5,003
Dividend Revenue	336	315
Gain on Sale of Assets	887	462

\* Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.

## 17. Capital Expenditure

	2015 '000	2014 '000
Diocesan Schools*	7,194	2,311
Land & Buildings	2,572	25
Computer Equipment	123	25
Vehicles	37	0
Other Plant & Equipment	22	117
Intangible Assets	20	21
	<b>9,968</b>	<b>2,499</b>

\* Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.

## 18. Reconciliation of Net Surplus with Cash flows from Operating Activities

	2015 '000	2014 <i>Restated*</i> '000
Net Surplus (deficit)	2,751	(1,188)
<b>Add/(Less) Non Cash Items:</b>		
Depreciation and Amortisation	1,791	1,698
Non Operating Revenue (Loans forgiven)	(289)	(334)
(Gain)/Loss on Sale of Asset	0	507
Change in CDF Equity	955	213
	<b>5,208</b>	<b>896</b>

## 18. Reconciliation of Net Surplus with Cash flows from Operating Activities *(Continued)*

### Movements in Other Working Capital Items:

Decrease/(Increase) in Prepayments	157	(13)
Decrease/(Increase) in Accounts Receivable	242	(275)
Decrease/(Increase) in Stock	0	(2)
Decrease/(Increase) in GST Receivable	(187)	(91)
(Decrease)/Increase in GST Payable	0	0
(Decrease)/Increase in Accounts Payable	1,296	71
(Decrease)/Increase in Holiday Pay	37	(7)
(Decrease)/Increase in Income in Advance	17	127
	<hr/> 1,562	<hr/> (190)
Less Fixed Assets in Accounts Payable	(1,334)	105
	<hr/> (1,334)	<hr/> 105
<b>Net Cash Flow from Operating Activities</b>	<b>5,436</b>	<b>811</b>

\* Certain amounts here do not correspond to the 2014 financial statements and reflect adjustments made, refer to note 23.

## 19. Catholic Development Fund

The Catholic Development Fund (CDF) is a charitable Trust that is administered by the Catholic Diocese. It provides a facility for investors to deposit funds, and a loan facility for Catholic objectives. The investment in the CDF has been reflected in the financial statements on an equity accounting basis, on the basis that the Diocese has the capacity to affect, but not unilaterally control, the operating activities of the fund. The closing carrying amount takes into account material movements that occurred between 31 March and 30 June.

The Roman Catholic Bishop of the Diocese of Christchurch provides a guarantee in respect of depositors funds placed with the Catholic Development Fund. The likelihood of this guarantee being called is considered to be remote.

<b>Catholic Development Fund</b>	<b>2015</b> <i>'000</i> <i>(31 March)</i>	<b>2014</b> <i>'000</i> <i>(31 March)</i>
Surplus	684	987
Distribution to Diocese (included within Investment Income)	1,051	886
Unrealised gains/(losses) in fair value of Available for Sale Financial Assets	254	(512)
Diocese Investment in CDF:	<i>(30 June)</i>	<i>(30 June)</i>
Opening Carrying Amount	3,958	4,171
Closing Carrying Amount	4,912	3,958

## 20. Related Party Transactions

The Catholic Diocese of Christchurch invests funds in the Catholic Development Fund. The Diocese provides assistance to the Fund in managing its day to day operations. In October 2002 the Management and Finance Board of the Diocese resolved to stop charging the Fund for these services. An annual distribution was received from the Fund, this amount of \$684,000 is included in Accounts Receivable (*Note 3*). Interest on deposits is received from and interest on loans has been paid to the Fund. No debts were forgiven or written off during the period.

## 21. Contingent Liabilities

A contingent liability exists in respect of suspensory loans, which become repayable to the extent of any outstanding balance on a loan if a school closes before the loan is forgiven. The suspensory loans recorded as a non-current liability in the Statement of Financial Position as at 30 June 2015 were \$1,311,000. (2014: \$1,605,000). The likelihood of any schools closing is considered remote.

## 22. Commitments

As at 30 June 2015 there are commitments for the following:

	2015 '000	2014 '000
<b>Capital Commitments</b>		
School Improvements	1,060	554
Other	2,050	0
<b>Total Capital Commitments</b>	<b>3,110</b>	<b>554</b>
<b>Lease Commitments</b>		
Within one year	151	151
Two to five years	105	242
Five years plus	0	0
<b>Total Lease Commitments</b>	<b>256</b>	<b>393</b>

The Diocese has entered into a long term lease arrangements for certain school land, and Diocesan office space. The leases have remaining terms ranging from 7 months to 2 ½ years, with rights of renewal ranging from 3 to 21 years.

## 23. Prior Period Adjustment

A prior period adjustment has been made in relation to School property assets. As a result of the Detailed Engineering Evaluations of all Diocesan property following the 2010 and 2011 earthquakes two classroom blocks at John Paul II School (Greymouth) were deemed unsafe and were either demolished or removed from the site during the 2014 financial year. Five new classrooms were built during the 2014 and 2015 financial years. The write off of the assets amounting to \$496,000 should have been recorded in 2014. Expenditure on replacement classrooms amounting to \$1,047,000 was expensed in 2014 which should have been capitalised. This error has been corrected by restating each of the affected financial statement line items for the prior period as follows:

	Previously reported '000	Restated Balance '000	Adjustment '000
<b>Impact on statement of Financial Position</b>			
Property & Equipment as at 30 June 2014	107,346	107,897	551
Net impact on opening equity at 1 July 2014	230,996	231,547	551
<b>Impact on Statement of Comprehensive Income</b>			
School Maintenance Expenditure for the year ended 30 June 2014	4,274	3,227	(1,047)
Other Expenditure for the year ended 30 June 2014	6,586	7,082	496
Net impact on surplus recognised for the year ended 30 June 2014	(2,998)	(2,447)	551
Capital Expenditure for the year ended 30 June 2014	1,452	2,499	1,047

## 24. Subsequent Events

There were no significant events after balance date affecting the financial statements.

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## Independent Auditor's Report To the Roman Catholic Bishop of the Diocese of Christchurch

### Report on the Financial Statements

We have audited the financial statements of Catholic Diocese of Christchurch ("the Diocese") on pages B4 to B29, which comprise the statement of financial position of the Diocese as at 30 June 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Bishop as a corporation sole, in accordance with the Roman Catholic Bishops Empowering Act 1997 and other relevant legislation by which the Bishop is governed. Our audit has been undertaken so that we might state to the Bishop those matters we are required to state to him 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 Bishop as a corporation sole, for our audit work, for this report, or for the opinions we have formed.

### Diocesan Management and Finance Board's Responsibility for the Financial Statements

The Diocesan Management and Finance Board are responsible for the preparation of the financial statements, in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal control as the Diocesan Management and Finance Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). These auditing standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we have considered the internal control relevant to the friendly society's preparation of the financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

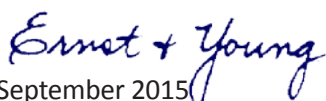
Ernst & Young provided advisory services to the Diocese during the year.

Partners and employees of our firm may deal with the Diocese on normal terms within the ordinary course of the activities of the Diocese.

### Opinion

In our opinion, the financial statements on pages B4 to B29;

- ▶ comply with generally accepted accounting practice in New Zealand; and
- ▶ give a true and fair view of the financial position of the Diocese as at 30 June 2015 and its financial performance and cash flows for the year then ended.



Ernst & Young

30 September 2015  
Christchurch



[www.chch.catholic.org.nz](http://www.chch.catholic.org.nz)