



**THE INTERCHURCH COUNCIL
FOR HOSPITAL CHAPLAINCY
AOTEAROA NEW ZEALAND
CHARITABLE TRUST**

*Te Kaunihera Whakawhanaunga
o nga Minita Hohipera, Hauora*



Reaching for chaplain's hand

Photography Karel Loner, Karel Photography

**Annual Report
July 2008 - June 2009**

PARTNER CHURCHES
Anglican • ACTS Churches NZ •
Baptist • Catholic • Christian Churches
NZ • Congregational • Methodist •
Presbyterian • Salvation Army

**THE INTERCHURCH COUNCIL FOR HOSPITAL CHAPLAINCY
AOTEAROA NEW ZEALAND CHARITABLE TRUST INC**
Te Kaunihera Whakawhanaunga o nga Minita Hohipera, Hauora

Chairperson

Dr Bryan Bang *MA, LLB (Hons), Ph.D. MNPI*

National Executive Officer

Mr Ron Malpass JP

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Registered Charity CC21346

Cover Photo: Reaching for a Chaplain's Hand by Karel Lorier of Karleri Photography

CHAIRPERSON'S REPORT 2009



It is with pleasure that I present my first report as your chairperson. It has been a productive year and many fast friendships have been formed and fostered through the work of the Trust Board Executive and more especially by the chaplains out in the field.

The Trust Board met as is its custom, as a full Board only once during the year, on the 9th October 2008. This being the Annual meeting it included the election of officers and I was elected as chairperson. At the time of the meeting Trustees were:-

Church Appointed Trustees

The Reverend Ian Brown,	Baptist
The Reverend Alex Czerwonka,	Anglican
The Reverend Tale Hakeagaiki	Congregational
The Reverend Nigel Hanscamp	Methodist
The Most Reverend Barry Jones	Catholic
The Reverend Trish Lee	ACTS Churches NZ (resigned October)
The Reverend Anne Moody	Anglican
The Reverend Chris Nichol	Presbyterian
Ms Liz Pennell	Catholic (resigned October)
The Reverend Max Reid	Presbyterian
Major Gay Roberts	Salvation Army

Additional Trustees appointed by the Trust Board

Dr Bryan Bang
The Rt Reverend John Gray
Miss Prue Neild

Mr Peter Montague joined the Trust Board as a Catholic Trustee in March 2009 replacing Ms Liz Pennell who resigned at the October meeting. There are currently two vacancies for Church appointed Trustees on the Trust Board. The Trust Deed provides that a further three additional trustees could also be appointed if the existing trustees if they so desire.

The Executive Committee of the Board this year has been:-

- Dr Bryan Bang (Chair)
- The Reverend Alex Czerwonka
- The Reverend Tale Hakeagaiki
- The Reverend Nigel Hanscamp
- The Most Reverend Barry Jones (until March)
- Mr Peter Montague, (from March)
- Miss Prue Neild
- The Reverend Max Reid

Sr Bernadette Cheyne is the NZHCA representative who attends the Board and Executive meetings

The Executive has been greatly assisted by Mr Ron Malpass, the National Executive Officer, Mrs Margaret Poynton, the National Administrator / Training Co-ordinator, Mr

Hugh Lopdell (Treasurer) and the office staff.

The Executive has met four times in the past twelve months and has enjoyed a fruitful and fulfilling programme of work. There is a full complement of Chaplains in the various chaplaincy posts throughout the country and the work that they manage to accomplish says a great deal for their dedication and integrity. The Executive commends them for their service and their dedication. There are many stories that could be told and one has merely to read the Chaplaincy Messenger to see at (almost) first hand the work that we stand for.

Funding and Finance

The negotiation of a new contract with the Ministry of Health has meant that we are able to plan with more confidence for the future. Money will always be a problem; that is the nature of a non-for-profit organisation, but we are moving into a more business-orientated model and this, together with the funds from appeals, means that we are in a better financial position now that we were a short time ago. That does not mean that we can rest on our laurels and we will need to be mindful of the expanding requirements of our work and plan for it.

The Hospital Chaplaincy Week Appeal this last year was better, so far as results are concerned, than in previous years and our Local Support Provider Committees (LSP's) are finding this a helpful source of funds to assist in the delivery of services. An increase in giving is to be expected and as the annual appeal becomes better recognised, the more funds we are likely to gather in towards the work of chaplaincy. When an Annual Appeal was first mooted it was recognised that the cost of doing so would be reasonably significant in the initial period. The decision to proceed was not lightly made but it was felt that an appeal would be worthwhile in the long run. Because of the costs, the Executive is monitoring progress and the evaluation of costs and benefits will continue on over this initial five-year period.

The Appeal had two objectives, first to raise the profile of ICHC and Hospital Chaplaincy and secondly to raise funds for the work. The first objective is showing good signs, and the cash income is growing. Already indications coming from the current appeal promise encouraging results but this, of course will be reported on in the next year.

In terms of the costs we are making good progress in meeting budget expectations. The Executive considers that it is a very worthwhile exercise but continues to monitor progress.

Foundation

The fund held by the Hospital Chaplaincy Foundation, which is chaired by Alex Czerwonka has now reached over \$205,000. While this is a long way short of what is needed to sustain an endowment fund, a major mail out of leaflets about the Foundation was made to solicitors across the country during the year. The leaflet is now being up-dated and the publicity arrangements are being reviewed.

Code of Ethics

Work has continued with the Code of Ethics and a new revised Code is to be introduced on 1 July. The "new" code is simpler and more readily understood than its predecessor, but in accordance with settled practice will be monitored for effectiveness.

Improvements in Service

During the year we were able to institute a refreshment leave system for chaplains. The implementation of this system will take some time but in due course it will see chaplains able to refresh themselves by study or other leave. The system will tend to be attractive to help retain clergy and encourage others who may wish to follow a calling and work in chaplaincy.

The Common Stipend Review

During the year the Executive carried out its annual stipend and housing allowance review. It is considered that the rates now being paid to Chaplains are more in line with national trends although there is still work to be done over time.

Thanks

My very grateful thanks to all who have assisted and worked so hard for ICHC over the past year. I need to say that I have been well and happily supported by a keen and helpful Board whose assistance has been very much valued. I should also like to mention the staff that seem to go the proverbial extra mile at the drop of a hat. Not only do they make helpful suggestions to keep me on the straight and narrow, but they work so willingly and tirelessly for the good of the organisation.

To the Chaplains and Chaplaincy Assistants out there in the hospitals of our country, I would like to extend my thanks and that of the Trustees generally. They toil on in a ministry that is taxing and stressful. They need to know that they are valued by the Trustees and their work for those who are ill and in distress is exemplary.

To the volunteers who serve on our Local Support Committees giving leadership and many hours of voluntary service to raise funds, administer and support each chaplaincy team, and to all those who volunteer their services to help in the ICHC office and the chaplaincy teams at services on Sundays, or during the week at hospitals across the country, the Trustees value your contribution.

And to those whom I ought to have thanked but have failed to do so, my apologies. You too are among the saints who toil for the advancement of the kingdom.



Bryan Bang *MA, LLB (Hons), Ph.D. MNPI*

National Executive Officer's Report

The year started with the completion of negotiations with the Ministry of Health for the provision of a new national funding contract. This was signed in August 2008 and provides for a return to 50% of the cost of the national Hospital Chaplaincy service being met by the Government. The 5 year contract was back-dated to 1 July 2008 and goes through to 30 June 2013. It is worth a total of over 12 million dollars over this period.



The move away from the population based funding formula of the past 5 years and a return to the number of chaplains in each DHB hospital being based once again on the number of beds in a hospital, has meant some changes for the better.

The increased funding has enabled the ICHC Trust Board to bring to completion a number of projects and move forward for the first time in many years. The payment of “Government subsidies” which ICHC passes on from the contract money for each approved full-time chaplaincy position was increased to **\$25,000 p.a.** from 1 October 2008. A loan was also repaid and aided by a cautious approach, and some key strategic planning which led to a return to a more stable financial position for the Board, the subsidies will be able to increase again. From 1 July 2009 they will be **\$30,000 p.a.** It is hoped this will go some way to redress the fact that there was no increase in the government subsidy from 1997 to 2002, and there was a significant reduction in the subsidy for many chaplaincy positions during the years of government imposed “population based subsidies” from 2003 to 2008, which placed tremendous strains on most of the local chaplaincy support committees, who had to raise extra funds to meet the shortfall if they were to retain their chaplains.

The contract we hold for the provision of Chaplaincy Services to Maori patients and their families in South Island hospitals, was due to be renewed on 1 July 2009. However because of reductions in Ministry of Health staff, the contract has been rolled over for a further 6 months to 31 December 2009.

The **Common Stipend** for Hospital Chaplains introduced on 1 July 2007 was increased by 3.3% from 1 July 2008, to **\$42,116.00 p.a.** Those chaplains who have achieved Accreditation as a “New Zealand Healthcare Chaplain” receive an additional allowance of **\$2,066 p.a.** (which is an increase of \$66) making a stipend rate for accredited chaplains of **\$44,182p.a.** The maximum rate for locum chaplains increased to **\$20.66** per hour. Submissions were made on the inequity of some of the **housing allowance rates**, by Chaplaincy Committee chairpersons at last year’s annual meeting with the board. These were looked into by the Ecumenical Stipend Review Group and the Board has introduced a new formula which includes the urban areas where the chaplains live and work, rather than just a regional approach. These changes will apply from 1 July 2009. Changes have also been made to the **Sick Leave** entitlement to remove ambiguity in the wording and clarify interpretation. There is also a small increase in entitlement to 15 working days (3 weeks) sick leave a year which may accrue up to 45 working days. Part-time staff have a pro rata entitlement to stipends and entitlements.

Chaplains have not had a **Long Service Leave** or **Sabbatical** entitlement. For some years this has been on the agenda. The issue has now been rectified with the introduction from 1 January 2010 of a **Refreshment Leave** provision. It will provide for an extra month’s paid leave after each 5 years of service, subject to the chaplain meeting certain criteria. The criteria include having taken all their annual leave as it becomes available. Refreshment leave will be able to be used for study, retreat, holiday or travel.

A new **Code of Ethics** for Hospital Chaplains was also worked on and finalised during the year and will be introduced from 1 July 2009.

The third annual **Hospital Chaplaincy Week Appeal** was held in September 2008. By 30 June 2009 over \$120,000 had been raised with more donations being received each week. With ICHC bearing the main costs of the appeal, the distributions of appeal income has become a significant source of financial assistance to the local chaplaincy support committees, helping them to maintain chaplaincy positions throughout the country. The appeal will continue to be reviewed by ICHC over the coming year to assess how well it is achieving its original objectives of raising the profile of Hospital Chaplains, being an extra source of funding the chaplaincy service and in the process being a way of establishing a data base of a significant number of people who are willing to make regular donations toward the on-going ministry of the hospital chaplains.

Hospital Chaplaincy Week 2008

A service of thanksgiving was held in Holy Trinity Anglican Cathedral in Auckland on Sunday 28 September to give thanks for 36 years of inter-church and church – government partnership in the provision of the national Hospital Chaplaincy Service. The Rt Rev John Paterson, Anglican Bishop of Auckland gave the address. Churches and chaplaincy teams around the country held Hospital Chaplaincy Sundays, with displays or other funding activities in churches and hospitals.

Local Support Committees

The important role of the Local Chaplaincy Support Committees whether a Trust, Incorporated or Unincorporated Society, can not be overstated. It is the calibre of the Christian women and men who so readily give of their time and experience to serve on these committees that enables the chaplaincy services across the country to be well administered and funded by the local churches and communities. My thanks goes to all those who so willingly carry out this task for us. The chaplaincy service could not exist without you.

Chaplaincy Review

Only one major review/consultation was undertaken this year. It was in the Canterbury DHB's Specialist Mental Health Services on the Hillmorton and The Princess Margaret Hospitals sites in April over one week. The outcome is being followed up by the LSP with the Hospital management and the chaplains.

Visits to Chaplains and/or Local Chaplaincy Committees, DHB's or Hospitals

During the year the National Executive Officer, and/or acting Executive Officer / Trainer, visited the DHB, Local Chaplaincy Support (LSP) committee, hospital management or chaplains in the following centres: Whangarei (3 times), Waitemata (4 times) Auckland (7 times), Middlemore (3 times), Waikato (5times), Tauranga (twice), Rotorua (twice), Gisborne (3 times), Taupo (once), Hawke's Bay (4 times) New Plymouth (twice), Wanganui (twice), Palmerston North (twice), Hutt (twice), Porirua (once), Wellington (twice), Blenheim,(twice), Nelson (twice), Christchurch (7 times), Timaru (once), Dunedin (twice) and Invercargill (twice). Contact was made with a number of chaplains at the regional training days and over 100 chaplains and chaplaincy assistants attended the NZHCA Conference in Wellington in September.

Reporting to DHB's

The new Ministry of Health contract from 1 July 2008 changed the thrust from ICHC working as a servant of the Ministry of Health, toward running its own Chaplaincy Service

within and reporting to, each of the DHBs with a copy to the Ministry of Health. The first statistical and narrative report for each chaplaincy service for the 6 months to 31 December 2008 were sent to the DHB's and the Ministry in April this year.

Chaplaincy Statistics

In 30 June 2009 we had 88 chaplains (including locums) working in 57 FTE positions with 320 chaplaincy assistants. Tables that show the location of all ICHC chaplains and the volumes of work carried out over the past year under the categories in which we are required to report to the DHB's and the Ministry of Health, are on the following pages.

The Future

The opportunity to provide part-time paid Chaplaincy Co-ordinating positions in the Wairarapa and West Coast DHB's, which have hitherto run solely on volunteers organised by the local ministers associations, is something we hope to bring to fruition in the coming year. Further work is underway to develop a pastoral care (awhinatanga) training course for our chaplains who are Maori, as part of an alternative path to accreditation as Healthcare chaplains.

A handwritten signature in black ink, appearing to read 'Ron Malpass', written in a cursive style.

Ron Malpass JP

National Executive Officer

	June 2009	June 2009
Auckland	6.7	6.7
Bay of Plenty	3	3
Canterbury	7.06	8.6
Capital & Coast	5.1	5.1
Counties Manukau	3.85	4.2
Hawkes Bay	2.2	2.1
Hutt	1.6	1.8
Lakeland	1.4	1.4
Mid Central	2.3	2.3
Nelson Marlborough	1.5	1.7
Northland	1.7	1.7
South Canterbury	0.5	0.5
Southern	4.6	4.6
Tairāwhiti	1	1
Taranaki	1.3	1.3
Waikato	5.2	5.2
Waitemata	5.1	5.1
Whanganui	1.5	1.5
Private Hospitals	0.2	0.2
Grand Total	55.81	57.5

Hospital Chaplaincy Foundation Report 2009



Establishment and Membership

The Hospital Chaplaincy Foundation Fund was established at the ICHC AGM held in Wellington on 6th October 2005. The present members of the ICHC Executive make up all the Foundation members. The Foundation members have power to appoint additional members who are ICHC Trustees but have chosen not to act on this provision as the Foundation is not yet at the stage where wider expertise is required.

At most meetings of the Executive time is given to Foundation matters. The Executive reconstitutes itself as the Foundation Board in order to deal with Foundation matters and minutes are kept separately.

Summary of Financial Movements in the Fund

The fund balance at the beginning of the year 1 July 2008 was \$130,545, made up of \$116,135 plus transfer from General Funds of general donations of \$14,410. During the year total donations to the fund through the Annual ICHC Hospital Chaplaincy Appeal were \$15,425. Interest earned totalled \$9,614. The closing balance as at 30 June 2009 was \$155,584.

The Foundation also benefits from a loan of \$50,000 which was donated in 2007. The ICHC holds these funds on behalf of the Foundation until such time as the donor may or may not choose to call in the loan. In the mean time the interest accrues to the Foundation.

Future plans

The ultimate goal of the Foundation is to hold a sizeable fund to enable it to assist the work of the ICHC and of Chaplains especially in the areas of training, welfare, research and administrative support.

Currently the ICHC has a five year contract with the Ministry of Health until 30 June 2013. The contract provides for an annual cost of living adjustment and also ensures adequate funding for the national office administration. This contract has enabled the ICHC to have greater certainty in its administration and lessened the likelihood that the Foundation will be called upon to assist with the costs of administration.

The Foundation brochure is currently being revised and updated for another distribution planned for the current financial year.

Investments

Given the continuing low performances in the markets a conservative approach to the investment of the Fund is recommended. It is pleasing that the Fund continues to grow, even if slowly. Our funds are administered on our behalf by the ICHC accountants, Oak Park Accounting Ltd, and held on term deposit at the National Bank of New Zealand.

Rev. Alex Czerwonka
Foundation Chairman

Financial Statement

The Audited Financial Report of the Interchurch
Council for Hospital Chaplaincy Aotearoa,
Charitable Trust Incorporated, for year ended
30 June 2009:

Interchurch Council for Hospital Chaplaincy
in Aotearoa New Zealand Charitable Trust

Financial Statements
For the Year Ended 30 June 2009

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AUDIT REPORT

To the Readers of the Financial Statements of Interchurch Council for Hospital Chaplaincy in Aotearoa New Zealand Charitable Trust

We have audited the financial statements on pages 2 to 8. The financial statements provide information about the past financial performance of the trust and financial position as at 30 June 2009. This information is stated in accordance with the accounting policies on pages 5 and 6.

Board of Trustees Responsibilities

The Board of Trustees are responsible for the preparation of financial statements which fairly reflect the financial position of the trust as at 30 June 2009 and of the results of operations for the year ended 30 June 2009.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Board of Trustees and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Board of Trustees in the preparation of the financial statements, and
- whether the accounting policies are appropriate to the trusts circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements on pages 2 to 8 fairly reflect the financial position of the trust as at 30 June 2009 and the results of its operations for the year ended on that date.

Our audit was completed on 8 October 2009 and our unqualified opinion is expressed as at that date.

Markhams Miller Dean Audit

MARKHAMS MILLER DEAN AUDIT
WELLINGTON

Interchurch Council for Hospital Chaplaincy
in Aotearoa New Zealand Charitable Trust

Statement of Financial Performance
for the Year Ended 30th June 2009

2008 \$		2009 \$
<u>INCOME</u>		
2,089,529	MOH, DHB & Contract Income	2,817,844
(1,858,624)	less Subsidies Paid	(1,949,334)
230,905		868,510
<u>plus Other Income</u>		
15,329	Interest	30,990
13,078	Foundation - Interest	9,614
1,332	Foundation - Donations	15,425
-	LSP Contribution - Paymaster costs	6,294
19,600	Accident Compensation Receipts	-
14,278	Rent Income	13,940
39,059	National Chaplaincy Promotion Appeal	13,153
30,816	Donations	17,998
133,492		107,414
364,397	Total Income Available for Administration	975,924
<u>less EXPENSES</u>		
30,705	Council, Executive & Committee Meetings	47,537
182,523	C.E.O. & Administrators Salaries & Expenses	222,206
7,500	Audit Fees	8,000
87,506	Accounting Fees	73,997
-	Legal Fees	130
17,980	C.P.E. Courses & Fees	7,306
10,676	Insurances & A.C.C.	11,116
32,541	Rent	32,541
3,565	Power	2,382
356	Repairs Furn/Fittings	489
4,840	Computer Maintenance	5,323
3,571	Sundry Expenses	4,192
9,321	Telephones, Tolls & Faxes	7,882
3,180	Postages & Couriers	1,738
10,410	Printing & Stationery	15,010
66	Travelling Expenses	-
754	Training / Course Subsidies NZ	-
887	Bank Fees/Interest etc	1,203
55,371	National Chaplaincy Appeal Expenses	98,499
-	Refreshment Leave Allowance	60,000
10,023	Depreciation & Disposals	3,325
471,776	Total Administration Expenses	602,876
(\$107,379)	NET SURPLUS/(DEFICIT) for YEAR	\$373,048

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.



Interchurch Council for Hospital Chaplaincy
in Aotearoa New Zealand Charitable Trust

Statement of Movements in Equity
for the Year Ended 30th June 2009

2008		2009
\$		\$
398,016	Opening Balance of Accumulated Funds	290,637
<u>(107,379)</u>	Net Surplus/(Deficit) for Year	<u>373,048</u>
<u><u>\$290,637</u></u>	Closing Balance of Accumulated Funds	<u><u>\$663,685</u></u>

Comprised of the following two Funds:

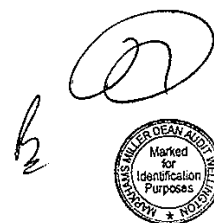
General Fund

281,881	Opening Balance of General Fund	160,092
<u>(14,410)</u>	Transfer to Foundation Fund	<u>(25,039)</u>
267,471		135,053
<u>(107,379)</u>	Net Surplus/(Deficit) for Year	<u>373,048</u>
<u><u>\$160,092</u></u>	Closing Balance of General Fund	<u><u>\$508,101</u></u>

Foundation Fund

116,135	Opening Balance of Foundation Fund	130,545
<u>14,410</u>	Transfer from General Fund	<u>25,039</u>
<u><u>\$130,545</u></u>	Closing Balance of Foundation Fund	<u><u>\$155,584</u></u>

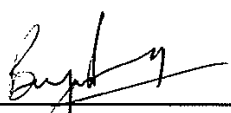
NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.




Interchurch Council for Hospital Chaplaincy
in Aotearoa New Zealand Charitable Trust

Statement of Financial Position
for the Year Ended 30th June 2009

2008 \$		2009 \$	
	<u>Current Assets</u>		
189,532	National Bank - Current Account	187,146	
9,456	National Bank - Savings 25 Account	9,847	
-	National Bank - Maori 01 Contract	21,682	
64,639	National Bank - Foundation 18 Account	150,354	
58,144	National Bank - Paymaster 16 Account	121,926	
1,709	National Bank - Donations 21 Account	15,693	
55,773	Term Deposit - Northland	60,856	
54,570	Term Deposit - Foundation re UK	55,231	
-	Term Deposit - Long Service Leave Trust Fund	102,493	
-	Term Deposit - 1010	122,176	
-	Term Deposit - 1015 (was 1012)	133,797	
433,824	Total Bank Balances	981,202	
150	Petty Cash	150	
195,818	Debtors & Prepayments - Note 2(b)	45,093	
629,791	Total Current Assets		1,026,445
	<u>less Current Liabilities</u>		
118,468	Creditors - Note 2(c)	204,222	
44,087	GST Payable (Receivable)	(14,035)	
57,138	Bequest Northland Chaplaincy Held in Trust	60,856	
50,000	Foundation - Interest Free Loan	50,000	
72,563	LSP & Chaplaincy Committee Credit Balances-Note 6 (a) (b)	65,938	
342,256	Total Current Liabilities		366,981
287,535	NET CURRENT ASSETS		659,464
3,102	FIXED ASSETS as per - Note 9		4,221
<u>\$290,637</u>	NET ASSETS		<u>\$663,685</u>
290,637	ACCUMULATED FUNDS		663,685
<u>\$290,637</u>	ACCUMULATED FUNDS		<u>\$663,685</u>


Trustee Chair
Date 8.10.09


Treasurer
Date 8.10.09

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements



Interchurch Council for Hospital Chaplaincy
in Aotearoa New Zealand Charitable Trust
Notes to the Financial Statements
for the Year Ended 30th June 2009

1. **STATEMENT OF ACCOUNTING POLICIES**

Reporting Entity

The Interchurch Council for Hospital Chaplaincy ("IHC") was incorporated as a Charity under the Charities Trust Act 1957 on 1st September 1997 and registered with the Charities Commission with effect from 25 February 2008 and accordingly its transactions for charitable purposes are exempt from income tax. It distributes funds to support the provision of an ecumenical hospital chaplaincy service in public sector and other hospitals within Aotearoa New Zealand, with the support of the Ministry of Health and the Anglican Church of Aotearoa New Zealand and Polynesia; Apostolic Church Trust Board; Associated Churches of Christ in New Zealand; Baptist Churches of New Zealand Ko Nga Hahi Iriri o Aotearoa; Methodist Church of New Zealand Te Hahi Weteriana o Aotearoa; Presbyterian Church of Aotearoa New Zealand; Roman Catholic Church of New Zealand; and The Salvation Army & Congregational Union of New Zealand.

General Accounting Policies

These financial statements constitute general purpose financial reports as defined in the New Zealand Institute of Chartered Accountants Statement of Concepts and have been prepared in accordance with generally accepted accounting practice as defined in the Statement.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on an historical cost basis are followed by the Trust.

Reliance is placed on the fact that the Trust is a going concern.

Specific Accounting Policies

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

(a) **Differential Reporting**

The Trust qualifies for differential reporting as provided in the New Zealand Institute of Chartered Accountants Framework for Differential Reporting as it is not publicly accountable (as defined) and it is not large (as defined).

The Trust has applied all differential reporting exemptions.

(b) **Goods & Services Tax**

The financial statements have been prepared on a GST exclusive basis.



Interchurch Council for Hospital Chaplaincy
in Aotearoa New Zealand Charitable Trust

Notes to the Financial Statements
for the Year Ended 30th June 2009

(c) **Income Tax**

The Trust has charitable status and is not liable for income tax.

(d) **Changes in Accounting Policies**

There have been no material changes in Accounting Policies. All accounting policies have been applied on a basis consistent with previous financial years.

(e) **Fixed Assets & Depreciation**

The entity has the following classes of fixed assets:

Office Equipment

All fixed assets are initially recorded at cost with depreciation being deducted on all tangible fixed assets in accordance with rates set out in the Income Tax Act 2004.

Depreciation rates applied include:

10.5 – 48% SL
15.0 – 60% DV

2. **FINANCIAL**

(a) **Holiday Pay**

The Chaplains' portion has not been accrued against each LSP prior to balance date.

The LSP statements are a reflection on the cash position of each LSP for each month. All necessary balance day adjustments for LSPs (holiday pay and creditors) are accumulated in one total (see Note 6). As amounts accrued at balance date are received or paid subsequent to 30 June they will be recorded in each LSP statement for the appropriate month. The intention is that each LSP's monthly statement reflects financial activities for the month (received and/or paid).

(b) **Prepayments and Debtors**

Prepayments and debtors are stated at the amount expected to be realised.

	2008	2009
Prepayments	9,473	9,986
Debtors	<u>186,345</u>	<u>35,107</u>
	195,818	45,093



Interchurch Council for Hospital Chaplaincy
in Aotearoa New Zealand Charitable Trust

**Notes to the Financial Statements
for the Year Ended 30th June 2009**

(c) **Creditors**

Creditors include Holiday Pay accruals in accordance with the Holidays Act 2003.

	2008	2009
Employment Entitlements		
Chaplains Holiday Pay	40,614	66,793
Chaplains/Administration PAYE	31,534	20,495
Administration Staff Holiday pay	8,485	6,459
Administration Accrued Wages	-	<u>4,582</u>
	<u>80,633</u>	98,329
Refreshment Leave Allowance	-	60,000
Other Creditors	<u>37,835</u>	<u>45,893</u>
TOTAL CREDITORS	<u>118,468</u>	<u>204,222</u>

Provision has not been made for sick leave as provided for with the Holidays Act 2003.

3. **AUDIT**

These financial statements have been subject to audit; please refer to Auditor's Report on page 1.

4. **CONTINGENT LIABILITIES**

At balance date there are no known contingent liabilities. (2008:\$NIL)

5. **OPERATING LEASE COMMITMENT**

Capital Commitments = NIL (2008:NIL),

Operating Leases	2008	2009
1 year	36,607	18,977
2 – 3 years	<u>57,961</u>	<u>00</u>
Total Operating Lease	<u>94,568</u>	<u>18,977</u>

The operating lease relates to the lease of part of Level 4, 203-209 Willis Street, Wellington. The lease expires on 31 January 2012.



The Interchurch Council for Hospital Chaplaincy

Notes to the Financial Statements for the Year Ended 30th June 2009

6. LSP & CHAPLAINCY COMMITTEE CREDIT BALANCES

(a) Balances as reported to the LSPs

	2008	2009
Waitemata Hospital Chaplaincy Committee	(6,982)	-
Capital & Coast Hospital Chaplaincy Committee	4,783	18,602
Southland Interchurch Hospital Chaplaincy	19,922	22,304
Counties Manukau Healthcare Chaplaincy	21,628	37,286
Auckland Healthcare Chaplaincy Committee	11,025	24,989
Nelson LSP Committee	819	14,385
Marlborough Hospital Chaplaincy Society	(589)	(76)
Palmerston North Hospital Chaplaincy Committee	6,038	5,148
Hutt Valley Chaplaincy Committee	2,965	(2,891)
Maori Chaplain Balances Held	<u>36,333</u>	<u>2,026</u>
	95,942	121,773

(b) Balance day adjustments

(include Holiday pay, debtors and creditors)	(23,379)	(55,835)
	<u>\$72,563</u>	<u>\$65,938</u>

- (c) Not all LSPs listed above provide sufficient funds to meet their obligations three months in advance.

7. THREE MONTH CONTINGENCY FUNDING

ICHC aims to provide sufficient funds to be able to meet 3 months' prior notice undertaking to each chaplain if the ICHC is unable to obtain suitable contracts from the health sector to continue as a separate chaplaincy service.

8. FIXED ASSETS

Fixed Assets have been depreciated at rates intended to write off the assets over their useful lives and are shown at cost less accumulated depreciation, as follows:

	2008			2009		
	Cost Price	Accum. Depn	Book Value	Cost Price	Accum. Depn	Book Value
Office Equipment	36,318	33,216	3,102	40,522	36,301	4,221

