



**Christian Savings' financial information**  
**relating to, and forming part of, the Product Disclosure Statement**  
**for an offer of deposits by Christian Savings Limited dated**  
**31 August 2021**

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Dated 3 June 2022

## Christian Savings' Financial Information

Christian Savings Limited (**Christian Savings, we, or us**) is required by law and its trust deed to meet certain financial requirements. This table shows how Christian Savings is currently meeting those requirements. These are minimum requirements. Meeting them does not mean that Christian Savings is safe. The section on specific risks relating to Christian Savings' creditworthiness in the Product Disclosure Statement dated 31 August 2021 (**PDS**) sets out risk factors that could cause its financial position to deteriorate. The offer register provides a breakdown of how the figures in this table are calculated, as well as full financial statements.

### Key Ratios

Capital Ratio	Half year to 28.02.2022	Year to 31.08.2021	Half year to 28.02.2021	Year to 31.08.2020	Half year to 29.02.2020
Capital ratio	14.6%	14.9%	14.9%	14.3%	11.4%
Minimum capital ratio as per the trust deed	8% with a credit rating, 10% without a credit rating				
Minimum capital ratio that must be set out in the trust deed under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010	8% with a credit rating, 10% without a credit rating				
<p>The capital ratio is a measure of the extent to which Christian Savings is able to absorb losses without becoming insolvent. The lower the capital ratio, the fewer financial assets Christian Savings holds relative to its financial exposure.</p> <p>The capital ratio for 29 February 2020 is not audited but has been reviewed by our auditors, with the approval of our supervisors. The capital ratio provided for all the other periods is derived from financial statements that have been audited by a qualified auditor.</p>					

Related Party Exposures	Half year to 28.02.2022	Year to 31.08.2021	Half year to 28.02.2021	Year to 31.08.2020	Half year to 29.02.2020
Aggregate exposure to related parties as calculated under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010	5.7%	5.3%	3.1%	3.7%	5.7%
Maximum limit on aggregate exposures to related parties under trust deed that must be included under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010	15%				
Related party exposures are financial exposures that Christian Savings has to related parties. A related party is an entity that is related to Christian Savings through common control or some other connection that may give the party influence over Christian Savings (or Christian Savings over the related party). These related parties include, for example, churches we lend to that our directors or their children attend or trusts of which our senior managers or their spouses are trustees have a requisite degree of influence. The related party exposures for 29 February 2020 is not audited but has been reviewed by our auditors, with the approval of our supervisors. The related party exposures provided for all the other periods is derived from financial statements that have been audited by a qualified auditor.					

<b>Liquidity Ratio</b>	<b>Half year to 28.02.2022</b>	<b>Year to 31.08.2021</b>	<b>Half year to 28.02.2021</b>	<b>Year to 31.08.2020</b>	<b>Half year to 29.02.2020</b>
<b>Liquidity calculated in accordance with the trust deed</b>	2.61:1	2.77:1	3.47:1	2.88:1	3.00:1
<b>Minimum liquidity requirements under the trust deed</b>	1.10:1	1.10:1	1.10:1	1.10:1	1.10:1
<p>Liquidity requirements ensure that Christian Savings has sufficient realisable assets on hand to pay its debts as they become due in the ordinary course of business. Failure to comply with liquidity requirements may mean that Christian Savings is unable to repay investors on time and may indicate other financial problems in its business.</p> <p>The liquidity ratio for 29 February 2020 is not audited but has been reviewed by our auditors, with the approval of our supervisors. The liquidity ratio provided for all the other periods is derived from financial statements that have been audited by a qualified auditor.</p>					

## Selected Financial Information

	Half year to 28.02.2022	Year to 31.08.2021	Half year to 28.02.2021	Year to 31.08.2020	Half year to 29.02.2020
Total assets	\$256.8m	\$239.8m	\$229.6m	\$221.5m	\$196.6m
Total liabilities	\$223.9m	\$208.5m	\$200.4m	\$193.3m	\$176.6m
Net profit after tax	\$1.7m	\$1.9m	\$0.8m	\$1.3m	\$0.8m
Net cash flows from operating activities	\$1.7m	\$1.6m	\$0.3m	\$1.7m	\$1.0m
Cash and cash equivalents	\$33.1m	\$23.3m	\$37.5m	\$14.0m	\$8.2m
Capital	\$32.7m	\$30.5m	\$28.3m	\$27.2m	\$19.1m
<p>The selected financial information in the above table has been calculated in accordance with Generally Accepted Accounting Practices (GAAP). Capital has been calculated in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.</p> <p>The financial information for 29 February 2020 is not audited but has been reviewed by our auditors, with the approval of our supervisors. The financial information provided for all the other periods is derived from financial statements that have been audited by a qualified auditor.</p>					

**Notes:** Christian Savings Limited is exempt from income tax due to its charitable status. All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

## Key Ratios Calculations

### Capital Ratio

Position at 28 February 2022

<b>Capital</b>	<b>(\$000)</b>
Retained earnings	\$ 5,498
Ordinary Share Capital	\$ 29,426
Less: Goodwill and Intangibles	\$ (2,122)
Less: Equity Investment in related party	\$ (135)
<b>Total Capital (E)</b>	<b>\$ 32,667</b>

### Exposures

	Exposure (\$000)	Risk weighting	Risk Weighted Exposures (\$000)	
Cash with Banks	\$ 55,147	20%	\$ 11,029	
Claim on public sector entities	\$ 2,904	20%	\$ 581	
<b>Residential Mortgage Loans</b>				
LVR <=70%	\$ 45,878	35%	\$ 16,057	
LVR >70% to <=80%	\$ 7,578	50%	\$ 3,789	
LVR >80% to <=90%	\$ 406	100%	\$ 406	
<b>Property development loans</b>				
LVR <=60%	\$ 7,340	150%	\$ 11,010	
<b>Commercial Mortgage Loans</b>				
LVR <=70%	\$ 135,019	100%	\$ 135,019	
LVR >70% to <=100%	\$ 549	150%	\$ 824	
<b>Personal loans</b>	\$ 156	100%	\$ 156	
<b>Other assets</b>	\$ 1,613	350%	\$ 5,646	
<b>Deduction from capital</b>	\$ 2,257	-0%	-	
<b>Total Assets (A)<sup>1</sup></b>	<b>\$ 258,847</b>			
<b>Total Risk Weighted Exposures</b>			<b>\$ 184,517</b>	<b>(B)</b>
<b>Operational &amp; Market Exposures (A+B)/2 x 0.175</b>			\$ 38,794	<b>(C)</b>
<b>Total exposures (B+C)</b>			\$ 223,311	<b>(D)</b>
<b>Capital Ratio at 28 February 2022</b>				
<b>Total Capital (E)/Total Exposure (D)</b>			14.6%	

<sup>1</sup> Total Assets include Goodwill and Intangibles of \$2,122,813 and Equity Investment in related party of \$135,073, in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.

### Related Party Ratio

28 February 2022

#### Borrower

Wellington Central Baptist Church	\$625,414
Tabernacle Seismic Strengthening Trust	\$200,180
Bethlehem Baptist Church	\$1,036,675
<b>Total</b>	<b>\$1,862,269</b>

#### Capital

\$32.7m

%

5.7%

**Liquidity Ratio****As at 28 February 2022****Cash Inflow**

		<b>Credit rating</b>	<b>Discount %</b>	<b>Subtotal</b>
<b>Liquid Assets</b>				
Call	\$28,110,799		0%	\$28,110,799
Term Deposits <= 12 months				
ANZ	\$14,000,000	AA-	10%	\$12,600,000
Heartland	\$13,035,899	BBB	20%	\$10,428,719
Community Finance	\$1,000,000	No Rating	100%	0
NZ Govt Local Agency	\$999,243	AAA	10%	\$899,319
Housing NZ Limited	\$781,066	AAA	10%	\$702,960
Housing NZ Limited Wellbeing	\$551,129	AAA	10%	\$496,016
Transpower NZ	\$572,583	AA	20%	\$458,067
Loan Repayments	\$4,650,000			\$4,650,000
Undrawn Facility	\$50,000			\$50,000
<b>Total Cash Inflow</b>				<b>\$58,395,879</b>

**Cash Outflow**

			<b>Percentage included %</b>	<b>Subtotal</b>
Call	\$15,464,000		20%	\$3,092,800
Term Deposits	\$71,041,000		20%	\$14,208,200
Undrawn Approved Loans	\$20,154,000		25%	\$5,038,500
<b>Total Cash Outflow</b>				<b>\$22,339,500</b>

**Liquidity Ratio (Cash Inflow/Cash Outflow)****2.61:1****Contact Information**

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