



Christian Savings' financial information
relating to, and forming part of, the Product Disclosure Statement
for an offer of deposits by Christian Savings Limited dated
28 August 2018

Dated 28 August 2018

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. 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 28 August 2018 (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.

As described in the PDS, with effect from 1 September 2017, Christian Savings acquired all of the assets and obligations of Christian Savings Incorporated as part of a restructure of the Christian Savings group. The restructure transferred all operations (and obligations) of Christian Savings Incorporated to Christian Savings, with governance and management being undertaken by the same people. Accordingly, the historical information (prior to 1 September 2017) set out in the following tables show financial information for Christian Savings Incorporated, on the basis that, following the restructure, Christian Savings is substituted for Christian Savings Incorporated.

Key Ratios

Capital Ratio	28.2.2018	31.8.2017	28.2.2017	31.8.2016	31.8.2015
Capital ratio	13.57%	11.19%	10.08%	10.98%	10.76%
Minimum capital ratio as per the trust deed	8% with a credit rating, 10% without a credit rating	8% with a credit rating, 10% without a credit rating	8% with a credit rating, 10% without a credit rating	8% with a credit rating, 10% without a credit rating	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	8% with a credit rating, 10% without a credit rating	8% with a credit rating, 10% without a credit rating	8% with a credit rating, 10% without a credit rating	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 has to absorb unexpected losses arising out of its business activities.</p> <p>The financial information provided for all periods except 28.2.2017 is derived from financial statements that have been audited by a qualified auditor. The financial information provided for the period 28.2.2017 has not been audited by a qualified auditor.</p>					

Related Party Exposures	28.2.2018	31.8.2017	28.2.2017	31.8.2016	31.8.2015
Aggregate exposure to related parties as calculated under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010	6.5%	7.5%	9.9%	23% ¹	28% ²
Maximum limit on aggregate exposures to related parties under trust deed	15%	15%	15%	15% of capital with effect from 1 November 2016.	15% of capital with effect from 1 November 2016.
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%	15%	15%	15%	15%
<p>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 loans to churches where our directors have a requisite degree of influence.</p> <p>The financial information provided for all periods except 28.2.2017 is derived from financial statements that have been audited by a qualified auditor. The financial information provided for the period 28.2.2017 has not been audited by a qualified auditor.</p>					

Liquidity Ratio	28.2.2018	31.8.2017	28.2.2017	31.8.2016	31.8.2015
Liquidity calculated in accordance with the trust deed	23.7%	28.5%	19.6%	24.7%	17.8%
Minimum liquidity requirements under the trust deed	15%	15%	15%	15%	15%
<p>Liquidity requirements help to 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 financial information provided for all periods except 28.2.2017 is derived from financial statements that have been audited by a qualified auditor. The financial information provided for the period 28.2.2017 has not been audited by a qualified auditor.</p>					

¹ Changes in the composition of the board of directors, together with repayment of a related party loan, meant that Christian Savings Incorporated complied with the 15% related party exposures test which applied under the trust deed from 1 November 2016.

² Christian Savings Incorporated received a specific exemption from the Reserve Bank of New Zealand so the Baptist Union was not considered a related party for the purposes of related party exposure calculations. This exemption explains the decrease in related party exposures shown in this table.

Selected financial information³

	Half year to 28.2.2018	Year to 31.08.2017	Half year to 28.2.2017	Year to 31.8.2016	Year to 31.8.2015
Total assets	\$152.1m	\$145.9m	\$147.1m	\$146.9m	\$132.9m
Total liabilities	\$131.2m	\$131.8m	\$133.5m	\$134.5m	\$121.4m
Net profit after tax	\$0.7m	\$0.7m	\$0.2m	\$0.6m	\$1.2m
Net cash flows from operating activities	\$0.6m	\$1.1m	\$0.1m	\$0.1m	\$1.0m
Cash and cash equivalents	\$35.5m	\$41.6m	\$33.8m	\$36.3m	\$23.6m
Capital ⁴	\$18.9m	\$14.1m	\$13.6m	\$12.4m	\$11.4m
The financial information provided for all periods except 28.2.2017 is derived from financial statements that have been audited by a qualified auditor. The financial information provided for the period 28.2.2017 has not been audited by a qualified auditor.					

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.

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³ Capital has been calculated in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010. All other amounts have been calculated in accordance with generally accepted accounting practice.

⁴ In June 2018 Christian Savings redeemed all preference shares on issue for \$2.3 million. This reduced Christian Savings' capital. However, Christian Savings continued to meet its minimum capital ratio requirements. Additional ordinary shares were issued on 20 June 2018 for \$300,000 and further ordinary shares are intended to be issued on 29 August 2018 for \$650,000.