



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

Dated 31 August 2021

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 28.02.2021	Year to 31.08.2020	Half year to 29.02.2020	Year to 31.08.2019	Year to 31.08.2018
Capital ratio	14.9%	14.3%	11.4%	12.6%	13.7%
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, 31 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 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 28.02.2021	Year to 31.08.2020	Half year to 29.02.2020	Year to 31.08.2019	Year to 31.08.2018
Aggregate exposure to related parties as calculated under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010	3.1%	3.7%	5.7%	5.1%	5.9%
Maximum limit on aggregate exposures to related parties under trust deed	15%	15%	15%	15%	15%
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 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.</p>					

Liquidity Ratio¹	Half year to 28.02.2021	Year to 31.08.2020	Half year to 29.02.2020	Year to 31.08.2019	Year to 31.08.2018
Liquidity calculated in accordance with the trust deed	3.47:1	2.88:1	3.00:1	3.18:1	n/a
Minimum liquidity requirements under the trust deed	1.10:1	1.10:1	1.10:1	1.10:1	n/a
<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 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>					

¹As required under the Master Trust Deed (as amended on 29 July 2019), Christian Savings has adopted a new liquidity ratio of 1.10:1, which is the ratio of Cash Inflow over Cash Outflow for the three months period following the date of calculation all as defined in the amended Master Trust Deed. Liquidity ratios calculated for financial periods from 29 July 2019 onwards will be calculated using the new ratio.

Selected Financial Information²

	Half year to 28.02.2021	Year to 31.08.2020	Half year to 29.02.2020	Year to 31.08.2019	Year to 31.8.2018 ³
Total assets	\$229.6m	\$221.5m	\$196.6m	\$183.5m	\$155.7m
Total liabilities	\$200.4m	\$193.3m	\$176.6m	\$164.3m	\$137.9m
Net profit after tax	\$0.8m	\$1.3m	\$0.8m	\$0.9m	\$1.2m
Net cash flows from operating activities	\$0.3m	\$1.7m	\$1.0m	\$0.9m	\$1.4m
Cash and cash equivalents	\$37.5m	\$14.0m	\$8.2m	\$42.4m	\$41.8m
Capital	\$28.3m	\$27.2m	\$19.1m	\$19.1m	\$17.7m
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.					

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.

² 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.

³ 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.

Key Ratios Calculations

Capital Ratio

Position at 28 February 2021

Capital	(\$000)
Retained earnings	\$ 3,328
Ordinary Share Capital	\$ 27,831
Less: Goodwill and Intangibles	\$ (2,237)
Less: Equity Investment in related party	\$ (641)
Total Capital (E)	\$ 28,281

Exposures

	Exposure (\$000)	Risk weighting	Risk Weighted Exposures (\$000)	
Cash with Banks	\$ 57,520	20%	\$ 11,504	
Claim on public sector entities	\$ 1,657	20%	\$ 331	
Residential Mortgage Loans				
LVR <=70%	\$ 40,513	35%	\$ 14,180	
LVR >70% to <=80%	\$ 6,943	50%	\$ 3,472	
Commercial Mortgage Loans				
LVR <=70%	\$ 120,243	100%	\$ 120,243	
LVR >70%	\$ -	150%	\$ -	
Personal loans	\$ 200	100%	\$ 200	
Other assets	\$ 1,652	350%	\$ 5,782	
Deduction from capital	\$ 2,878	-0%	-	
Total Assets (A)²	\$ 231,606			
Total Risk Weighted Exposures			\$ 155,711	(B)
Operational & Market Exposures (A+B)/2 x 0.175			\$ 33,890	(C)
Total exposures (B+C)			\$ 189,602	(D)
Capital Ratio at 28 February 2021				
Total Capital (E)/Total Exposure (D)				14.9%

² Total Assets include Goodwill and Intangibles of \$2,236,560 and Equity Investment in related party of \$640,952, in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.

Related Party Ratio

28 February 2021

Borrower

Wellington Central Baptist Church	\$685,125
Tabernacle Seismic Strengthening Trust	\$204,199

Total **\$889,324**

Capital **\$28.3m**

% **3.1%**

Liquidity Ratio**As at 28 February 2021****Cash Inflow**

		Credit rating	Discount %	Subtotal
Liquid Assets				
Call	\$37,520,297		0%	\$37,520,297
Term Deposits <= 12 months				
ASB	\$2,000,000	AA-	10%	\$1,800,000
ANZ	\$16,000,000	AA-	10%	\$14,400,000
Heartland	\$2,000,000	BBB	20%	\$1,600,000
Community Finance	\$1,000,000	No Rating		0
LGF Bond	\$505,018	AA+	10%	\$454,516
HNZ Bond	\$785,651	AA+	10%	\$707,086
Transpower NZ Bond	\$366,771	AA-	20%	\$293,417
Loan Repayments	\$3,650,000			\$3,650,000
Undrawn Facility	\$50,000			\$50,000
Total Cash Inflow				\$60,475,316

Cash Outflow

			Percentage included %	Subtotal
Call	\$13,343,000		20%	\$2,668,600
Term Deposits	\$54,909,000		20%	\$10,981,800
Undrawn Approved Loans	\$15,040,000		25%	\$3,760,000
Total Cash Outflow				\$17,410,400
Liquidity Ratio (Cash Inflow/Cash Outflow)				3.47:1

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