



**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 7 December 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	Year to 31.08.2022	Year to 31.08.2021	Year to 31.08.2020	Year to 31.08.2019
Capital ratio	14.7%	14.9%	14.3%	12.6%
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			
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.				

Related Party Exposures	Year to 31.08.2022	Year to 31.08.2021	Year to 31.08.2020	Year to 31.08.2019
Aggregate exposure to related parties as calculated under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010	5.5%	5.3%	3.7%	5.1%
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).				

Liquidity Ratio	Year to 31.08.2022	Year to 31.08.2021	Year to 31.08.2020	Year to 31.08.2019
Liquidity calculated in accordance with the trust deed	3.24:1	2.77:1	2.88:1	3.18:1
Minimum liquidity requirements under the trust deed	1.10:1			
<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>As 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.</p>				

## Selected Financial Information<sup>1</sup>

	Year to 31.08.2022	Year to 31.08.2021	Year to 31.08.2020	Year to 31.08.2019
Total assets	\$285.7m	\$239.8m	\$221.5m	\$183.5m
Total liabilities	\$250.8m	\$208.5m	\$193.3m	\$164.3m
Net profit after tax	\$3.8m	\$1.9m	\$1.3m	\$0.9m
Net cash flows from operating activities	\$4.3m	\$1.6m	\$1.7m	\$0.9m
Cash and cash equivalents	\$60.0m	\$23.3m	\$14.0m	\$42.4m
Capital	\$34.4m	\$30.5m	\$27.2m	\$19.1m
<p><b>The financial information provided for all years is derived from financial statements that have been audited by a qualified auditor.</b></p> <p><b>The financial information has been determined in accordance with Generally Accepted Accounting Practices (GAAP) except for capital which has been calculated in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.</b></p>				

<sup>1</sup> 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.

**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 Calculation			31-Aug-22
<b>Capital</b>			<b>\$000</b>
Retained earnings			6,933
Ordinary Share Capital			30,037
PBE IPSAS 41 adoption		-	1
Less: Goodwill and Intangibles		-	2,104
Less: Equity Investment in related party		-	495
<b>Capital (E)</b>			<b>34,370</b>
<b>Exposures</b>	<b>Exposure (\$000)</b>	<b>Risk weighting</b>	<b>Risk Weighted Exposures (\$000)</b>
Claims on banks	69,011	20%	13,802
Claim on public sector entities	3,400	20%	680
<b>Residential Mortgage Loans</b>			
LVR <=70%	57,416	35%	20,096
LVR >70% to <=80%	5,909	50%	2,955
LVR >80% to <=90%	398	100%	398
<b>Property development loans</b>			
LVR <=60%	-	150%	-
<b>Commercial Mortgage Loans</b>			
LVR <=70%	146,737	100%	146,737
LVR >70% to <=100%	550	150%	825
<b>Personal loans</b>	103	100%	103
<b>Other assets</b>	1,623	350%	5,681
<b>Deduction from capital</b>	2,599	0%	-
<b>Total Assets (A)<sup>2</sup></b>	<b>287,746</b>		
<b>Total Risk Weighted Exposures (B)</b>			<b>191,276</b>
<b>Operational &amp; Market Exposures (C=(A+B)/2 x 0.175)</b>			<b>41,914</b>
<b>Total exposures (D=B+C)</b>			<b>233,190</b>
<b>Capital Ratio (E/D)</b>			<b>14.7%</b>

<sup>2</sup> Total Assets include Goodwill and Intangibles of \$2,104,216 and Equity Investment in related party of \$495,073, in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.

<b>Related Party Exposures Calculation</b>	<b>31-Aug-22</b>
<b>Borrower</b>	
Bethlehem Baptist Church	\$1,095,866
Tabernacle Seismic Strengthening Trust	\$198,229
Wellington Central Baptist Church	\$596,882
<b>Total</b>	<b>\$1,890,976</b>
Capital <sup>1</sup>	\$34.4m
Related party exposures %	5.5%
<sup>1</sup> Capital has been calculated in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.	

<b>Liquidity Ratio Calculation</b>				<b>31-Aug-22</b>
<b>Cash Inflow</b>	<b>Amount</b>	<b>Credit rating</b>	<b>Discount %</b>	<b>Subtotal</b>
Liquid Assets				
On Call	\$50,924,197		0%	\$50,924,197
Term Deposits				
Heartland	\$18,086,549	BBB	20%	\$14,469,240
Bonds				
NZ Govt Local Agency	\$999,197	AAA	10%	\$899,277
Housing NZ Limited	\$781,027	AAA	10%	\$702,924
Housing NZ Limited Wellbeing	\$1,049,217	AAA	10%	\$944,296
Transpower NZ	\$570,833	AA	20%	\$456,666
Community Finance	\$1,000,000	No rating	100%	\$0
Loan and Interest Repayments	\$5,007,000			\$5,007,000
Undrawn Facility	\$50,000			\$50,000
<b>Total Cash Inflow</b>				<b>\$73,453,599</b>
<b>Cash Outflow</b>	<b>Amount</b>		<b>Percentage included %</b>	<b>Subtotal</b>
On Call	\$13,241,000		20%	\$2,648,200
Term Deposits	\$83,343,000		20%	\$16,668,600
Undrawn Approved Loans	\$13,373,000		25%	\$3,343,250
<b>Total Cash Outflow</b>				<b>\$22,660,050</b>
<b>Liquidity Ratio (Cash Inflow/Cash Outflow)</b>				<b>3.24</b>
<b>Liquidity Ratio per the Trust Deed</b>				<b>3.24:1</b>

## **Contact Information**

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