



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 30 November 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	Year to 31.08.2021	Year to 31.08.2020	Year to 31.08.2019	Year to 31.08.2018
Capital ratio	14.9%	14.3%	12.6%	13.7%
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 31.08.2021	Year to 31.08.2020	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	5.3%	3.7%	5.1%	5.9%
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 31.08.2021	Year to 31.08.2020	Year to 31.08.2019	Year to 31.08.2018
Liquidity calculated in accordance with the trust deed	2.77:1	2.88:1	3.18:1	n/a
Minimum liquidity requirements under the trust deed	1.10:1			n/a
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.				
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.				

Selected Financial Information¹

	Year to 31.08.2021	Year to 31.08.2020	Year to 31.08.2019	Year to 31.08.2018 ²
Total assets	\$239.8m	\$221.5m	\$183.5m	\$155.7m
Total liabilities	\$208.5m	\$193.3m	\$164.3m	\$137.9m
Net profit after tax	\$1.9m	\$1.3m	\$0.9m	\$1.2m
Net cash flows from operating activities	\$1.6m	\$1.7m	\$0.9m	\$1.4m
Cash and cash equivalents	\$23.3m	\$14.0m	\$42.4m	\$41.8m
Capital	\$30.5m	\$27.2m	\$19.1m	\$17.7m
<p>The financial information provided for all years is derived from financial statements that have been audited by a qualified auditor.</p> <p>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.</p>				

¹ 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.

² 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.

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 as at			31-Aug-21
Capital			(\$000)
Retained earnings			3,803
Ordinary Share Capital			29,426
Less: Goodwill and Intangibles			- 2,141
Less: Equity Investment in related party			- 600
Capital (E)			30,488
Exposures	Exposure (\$000)	Risk weighting	Risk Weighted Exposures (\$000)
Claims on banks	50,312	20%	10,062
Claim on public sector entities	2,899	20%	580
Residential Mortgage Loans			
LVR <=70%	40,461	35%	14,161
LVR >70% to <=80%	9,759	50%	4,880
LVR >80% to <=90%	405	100%	405
Commercial Mortgage Loans			
LVR <=70%	133,230	100%	133,230
LVR >70% to <=100%	289	150%	434
Personal loans	205	100%	205
Other assets	1,456	350%	5,096
Deduction from capital	2,741	0%	-
Total Assets (A)²	241,757		
Total Risk Weighted Exposures (B)			169,053
Operational & Market Exposures (C=(A+B)/2 x 0.175)			35,946
Total exposures (D=B+C)			204,998
Capital Ratio (E/D)			14.9%

² Total Assets include Goodwill and Intangibles of \$2,141,411 and Equity Investment in related party of \$600,323, in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.

Related Party Ratio		31-Aug-21
Borrower		
Tabernacle Seismic Strengthening Trust		\$202,165
Wellington Central Baptist Church		\$655,492
Iosis Limited		\$200,750
Bethlehem Baptist Church		\$551,375
Total		\$1,609,782
Capital ³		\$30.5m
Related party exposures %		5.3%

³ Goodwill of \$1,998,000, Intangibles of \$143,411 and an Equity Investment of \$600,323 are excluded from capital in the Selected Financial Information calculation. Capital has been calculated in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.

Liquidity Ratio				31-Aug-21
Cash Inflow	Amount	Credit rating	Discount %	Subtotal
Liquid Assets				
On Call	\$18,306,167		0%	\$18,306,167
Term Deposits				
ANZ	\$10,000,000	AA-	10%	\$9,000,000
Heartland	\$22,006,063	BBB	20%	\$17,604,851
Bonds				
NZ Govt Local Agency	\$1,003,418	AA+	10%	\$903,077
Housing NZ Limited	\$785,656	AA+	10%	\$707,091
Housing NZ Limited Wellbeing	\$552,832	AA+	10%	\$497,549
Transpower NZ	\$557,222	AA-	20%	\$445,777
Community Finance	\$1,000,000	No rating	100%	\$0
Loan and Interest Repayments	\$4,015,000			\$4,015,000
Undrawn Facility	\$50,000			\$50,000
Total Cash Inflow				\$51,529,511
Cash Outflow	Amount		Percentage included %	Subtotal
On Call	\$15,109,000		20%	\$3,021,800
Term Deposits	\$58,269,000		20%	\$11,653,800
Undrawn Approved Loans	\$15,802,000		25%	\$3,950,500
Total Cash Outflow				\$18,626,100
Liquidity Ratio (Cash Inflow/Cash Outflow)				2.77
Liquidity Ratio per the Trust Deed				2.77 : 1

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