

*Who cares?*





*We do.*



**Annual Report 2013-14**  
New Zealand, Fiji and Tonga Territory

Te Ope Whakaora

The Mission of The Salvation Army  
New Zealand, Fiji & Tonga Territory is

*caring for people,  
transforming lives and  
reforming society.*

27,879

Families received food parcels



4,424 Families provided with clothing, furniture or furnishings



55,425

Food parcels distributed



13,635

Budgeting sessions provided

3,807

People received budgeting support

More than

120,000

people helped\*



133,395

Bed nights of specialist accommodation provided

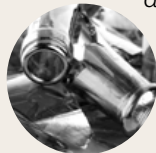


10,144

People received social work support

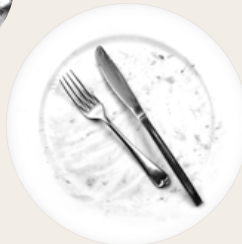
1,512

People received day or residential addiction treatment



18,192

Community meals served



7,010

Elderly and infirm people provided with home support



\*2013-14 year, NZ only



## Committed to care

In the early 1880s, New Zealand was rich in potential, but a worldwide economic depression was creating unemployment, poverty and social distress. Hearing of The Salvation Army's success in combating similar conditions in England, Arabella Valpy, daughter of an influential Dunedin pioneer, wrote to the Army's founder, General William Booth, asking him to send officers to 'rescue perishing souls' in depression-ridden Dunedin. She backed up her plea with a bank draft for 200 pounds.

And so, in 1883, Booth deployed two young men, just barely out of their teens, to New Zealand. Their strategy was simple: with a handful of recruits, The Salvation Army would 'open fire' in Dunedin and Auckland, eventually converging in Wellington.

Dunedin's local paper expressed dismay that The Salvation Army was on its way to New Zealand's shores, describing it as one of the 'many mistakes of acclimatisation' akin to the introduction of thistles, sparrows and rabbits, and warning that the Army would 'prove a nuisance as troublesome as these pests and as ineradicable'. The newspaper was right on one count: it didn't take long for us to become part of the fabric of New Zealand society. By the end of the 1890s, The Salvation Army was at work in every New Zealand town with a population of 2000 or more.

Right from the start, social work was a key distinctive in our work. Those serving in the Army's ranks have always taken seriously the Bible's teaching that faith must translate into action: *'My friends, what good is it to say you have faith, when you don't do anything to show that you really do have faith? ... If you know someone who doesn't have any clothes or food, you shouldn't just say, "I hope all goes well for you. I hope you will be warm and have plenty to eat." What good is it to say this, unless you do something to help? Faith that doesn't lead us to do good deeds is all alone and dead!'* (James 2:14-17).

Since our pioneer days, The Salvation Army has provided food for the hungry, warmth and shelter for the homeless, and care for those who fall on hard times. We have been among the first at many scenes of disaster and distress. And we have been a voice for those trapped in poverty—making those in positions of power aware of people's plights even as we have worked with them to secure a more hopeful future.

Today, our commitment to care remains as strong as ever. From food banks, housing, budget advice and advocacy, to addiction rehabilitation, employment training, in-home care and chaplaincy, we endeavour to remain true to our mission: *caring for people, transforming lives and reforming society.*

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*We strive to fulfill our mission:  
to care for people,  
transform lives  
and reform society.*

The Salvation Army has been an integral part of New Zealand's social fabric for 131 years. It is a special and privileged place to be.

It is also a responsibility we take with the utmost gravity—a sacred duty forged over the years through helping New Zealanders in their darkest hours.

We share the sadness, distress and tears of the dispossessed, the forgotten, the impoverished. We also share in their euphoria and their pride as they rediscover themselves and develop the confidence and skills that will carry them on to fulfilling and independent lives. Although these transformations are rarely smooth or easy, they are always beautiful to witness.

Salvation Army personnel are acutely aware that the reach and effectiveness of their work is largely dependent on the compassion and generosity of their fellow New Zealanders. My first message must be the expression of gratitude of The Salvation Army and our clients for that support. It is my firm belief that these empathetic individuals, organisations and companies are present and active in our daily work of caring for people and transforming lives.

This support is vitally important because poverty and its attendant overcrowding, homelessness, dislocation of families, physical and mental illness, domestic violence, substance abuse and lost education and employment opportunities exact a terrible personal toll. They also carry great social and

fiscal costs as well as an immense wasted potential.

Our donors and supporters, during the year, assisted 35,324 Community Ministries' clients and their 41,888 children. These children represent 24 per cent of the estimated 180,000 children suffering material hardship to the point where they go without adequate and regular meals, clothing or housing.

The past year brought home to the Army that the pressure on families and individuals living on the margins of our society is compounding. We have seen a recent and worrying increase in evictions and people living in overcrowded homes, garages and vehicles. More disturbing still is the lack of solutions available to these people.

Acute and chronic debt is ubiquitous among our clients. In the overwhelming majority of cases, it is a result of incomes being overtaken by the rise in living costs, not because of inept or irresponsible spending decisions. This can easily lead to evictions as rent payments are missed because parents decided to feed their children first and worry about the landlord later. Once evicted, their credit ratings are ruined and without money for bond and rent advances, their chances of a new home are slim.

Desperate people can turn to alcohol, drugs or gambling to relieve their pain or as a distraction from their harsh day-to-day existences. Those who see no options to improve their lot can turn to crime or even violence against their own loved ones.



Helping families to solve these interrelated problems is complex and often time-consuming work, requiring a number of The Salvation Army's services and those of other agencies. The backdrop to this intensification of our mission is the current level of social service provision, which spiked, then stabilised at record levels following the global financial crisis. During the year, 313 families each and every week who we had never worked with before came to Community Ministries' doors.

In Victorian England, when The Salvation Army's founder William Booth was informed by his son of the large numbers of homeless people sleeping on the banks of the River Thames, his response was simple: 'Go and do something.'

Today, The Salvation Army's approach is the same. We are drawn to assist the materially, emotionally and spiritually distressed. We are driven by our Christian beliefs. When we convey our faith through practical demonstrations of love and care—and each time a life is transformed—we see the advancement of The Salvation Army's God-given mission.

There is still much to do.



Robert Donaldson, Commissioner

Territorial Commander

New Zealand, Fiji & Tonga Territory



The Salvation Army

## Bicultural commitment

Te Tiriti o Waitangi (The Treaty of Waitangi) is the foundation of our partnership together with Māori in Aotearoa New Zealand—the founding of our biculturalism. But this partnership has had a rocky pathway, with complex and often painful histories since the Treaty was signed in 1840.

The Salvation Army acknowledges the principles of *partnership, protection and participation* inherent in the Treaty of Waitangi.

New Zealand was founded on the basis of bicultural partnership. The Salvation Army aims to work together with Māori in all our church and social service settings, sharing our skills and supporting one another.

The inequalities that exist between Māori and non-Māori in New Zealand cause Māori to face considerable challenges and hardships. The Salvation Army strives to see Māori protected from the social and economic causes of inequality, so they can achieve the best possible outcomes for themselves in their own land.

We greatly value the many Māori serving within The Salvation Army as church leaders, staff and volunteers. These individuals enrich our movement and strengthen our mission.



Who cares? We do.

The Salvation Army New Zealand, Fiji & Tonga Territory

*The Salvation Army expects demand for services to remain high during the next year.*

## Moving beyond poverty

Community Ministries' national network of 58 centres provides welfare assistance, professional support and education to some of New Zealand's most distressed and impoverished families and individuals.

The past year brought home the depth and breadth of material deprivation and emotional strain endured by a large number of families, intensified since the end of the recession.

Demand for Community Ministries' services, driven mainly by the 2008 recession, peaked in 2013 and seems to have flattened out. But it has plateaued at record levels, with the number of families assisted during the year more than 46 per cent higher than at the start of the downturn.

During the past year, Community Ministries assisted 35,324 clients and 41,888 dependent children. As people tend to seek assistance reluctantly, as a last resort to avoid catastrophe, these clients are usually distraught and often living precarious meal-by-meal existences.

To cope with the recession's human toll of redundant workers and low-income working families unable to cope with rising rents and overheads, The Salvation Army has increasingly employed a multi-disciplinary approach to help clients solve multiple and increasingly complex problems and enable them to move beyond poverty and government support.

These obstacles usually include acute and chronic debt, often compounded by family violence, homelessness or substandard housing, poor physical or mental health, addictions, or a lack of life skills. Wider Salvation Army services are regularly called on to support these clients.

Budget counselling and social work services are now serving client numbers 122 and 83 per cent higher respectively than pre-recession levels. As the Government's welfare reforms continue to evolve and with the economic recovery showing little sign of benefiting those on the lowest incomes, The Salvation Army expects demand for services to remain high during the next year.

The year was punctuated by a worrying increase in evictions of low-income families whose incomes were outstripped by rising rents, overheads and the costs of clothing, schooling and food. In some parts of the country, the lack of safe, affordable housing is at crisis point. In one week in South Auckland, 20 homeless families sought assistance and none were able to be immediately housed because of a lack of suitable emergency accommodation.

Social workers worked with numerous cases of several families at one address, some in unlined garages, in vehicles or caravans. The accompanying health problems such as rheumatic fever, respiratory disease and skin infections, the inherent tensions of overcrowded living conditions and the disruptive effects on children's education are a grave concern.

Community Ministries works with government agencies and housing providers, but housing supply is expected to be an aggravating factor in alleviating poverty for the foreseeable future.

A critical and expanding part of Community Ministries' approach includes education programmes such as parenting, household management and the highly successful Positive Lifestyle Programme, which helps people manage stress, conflict, grief and anger, and develop self-esteem and goal-setting skills.

During the year, The Salvation Army—with the Ministry of Social Development, the Bank of New Zealand and the NGO Good Shepherd—launched a microfinance pilot programme. This provides low or no-interest loans to eligible families, with the aim of helping them build good credit ratings and avoid finance companies that charge exorbitant fees and interest that confine many families to the poverty cycle.





*Who cares? We do.*

The Salvation Army New Zealand, Fiji & Tonga Territory

Working towards  
eradicating poverty  
and creating a just society.

## Striving for a just society

The Social Policy and Parliamentary Unit is a frank and effective advocate for New Zealand's marginalised and impoverished people—those who rarely have the opportunity to be heard.

Established with the aim of working towards eradicating poverty and creating a just society, the Social Policy and Parliamentary unit conducts research and analysis and formulates policy recommendations to government and those shaping New Zealand's future. The unit works mainly in the areas of children's welfare, housing, work and incomes, crime and punishment, and social hazards. Throughout the year, staff have engaged with all levels of government and opposition parties as well as with officials, independent commissioners and other NGOs.

During the year, the unit published three major works. The annual State of the Nation report provides independent analysis of the social health of the country, and for seven years it has been an important measurement of social progress and a source of political and public discussion. This year's report, *Striking a Better Balance*, ignited widespread debate, particularly on domestic violence and child poverty.

A similar report focusing on the social progress and wellbeing of New Zealand's Pasifika communities, *This is Home*, was also published. This report was the second in the series.

The report *Give Me Shelter* is an analysis of successive government's housing policies. It offers recommendations on how a sustainable and effective housing policy could be achieved. This is the unit's seventh major work on housing policy—at a time when a shortage of safe and affordable housing is complicating efforts to reduce poverty and improve the health and education statuses of low-income families. Housing is an area where The Salvation Army, together with other NGOs, has raised the issue from a minor policy concern to a major national focus.

During the year, the unit co-hosted—together with New Zealand Police and Immigration New Zealand—its third two-day pan-Pacific conference on people trafficking. Around 100 representatives of government agencies, law enforcement, NGOs, churches, two embassies as well as health professionals attended. The Salvation Army has taken a leading role in raising awareness of people trafficking, which has prompted a more coordinated approach by government and NGOs to identify and address the needs of victims.

The unit also ran its social justice conference, Just Action, which is designed to challenge, educate and inspire Salvation Army members and staff as well as other NGO social service staff. Around 600 attended the event in South Auckland. During the conference, delegates teamed up with Habitat for Humanity to build a home for a local family.

During the year, the unit submitted on legislation ranging from alcohol regulation, the SkyCity convention centre and housing, through to immigration and criminal justice. The unit spent considerable energy advocating on credit contracts and financial services legislation. The problem of chronic debt and the role played by finance companies charging exorbitant interest and fees is at the heart of many Salvation Army clients' need for assistance.



# MODEL OF TREATMENT

SALVATION ARMY BRIDGE PROGRAMME



**TREATMENT TEAM + CLIENT + FAMILY, FRIENDS, SUPPORT**

**PARTNERSHIP**

- Faithful
- Mutual work
- Relationship
- Contact

**12 STEP RECOVERY JOURNEY**

- Healing
- Peace
- Fellowship
- Growth

**COMMUNITY RE-ENGAGEMENT APPROACH**

- Personal Plan
- Functional Analysis
- Resilience
- Package

**THE SALVATION ARMY**

- Christian Love
- Transformation
- Social Service
- Social Change

## OVERVIEW OF CRA COMPONENTS

- CRA assessment using tools
- 6 week programme
- Evidence based
- Treatment Plan
- Care Goals
- Behavioural Skills Training Elements
- Engagement Plan
- Life Coaching
- Social and Vocational Counselling
- Community Counselling
- Peer Support
- Multidisciplinary
- Holistic, Holistic

## CLIENT'S TIME LINE

(Overall average treatment period = 5 months)

PRE-CRA	PROGRAMME	AFTER-CRA
<ul style="list-style-type: none"> <li>• Initial assessment</li> <li>• Assessment</li> <li>• Assessment</li> <li>• Assessment</li> <li>• Assessment</li> <li>• Assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Programme</li> <li>• Programme</li> <li>• Programme</li> <li>• Programme</li> <li>• Programme</li> <li>• Programme</li> </ul>	<ul style="list-style-type: none"> <li>• Post-programme</li> <li>• Post-programme</li> <li>• Post-programme</li> <li>• Post-programme</li> <li>• Post-programme</li> <li>• Post-programme</li> </ul>

## MULTILAYERED EXPERIENCE



**PSYCHO-EDUCATIONAL GROUPS**

- Group work
- Group work
- Group work
- Group work

**COURSE IN SELF MANAGEMENT**

- Self-management
- Self-management
- Self-management
- Self-management

**ONE TO ONE SESSIONS**

- One to one
- One to one
- One to one
- One to one

**KEY INTERVENTIONS**

- Key interventions
- Key interventions
- Key interventions
- Key interventions

**INVOLVING SIGNIFICANT OTHERS**

- Involving others
- Involving others
- Involving others
- Involving others

**PSYCHO-EDUCATIONAL GROUPS**

**COURSE IN SELF MANAGEMENT**

**ONE TO ONE SESSIONS**

**KEY INTERVENTIONS**

**INVOLVING SIGNIFICANT OTHERS**



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The Salvation Army New Zealand, Fiji & Tonga Territory



*More and more clients are requiring  
a flexible and multi-disciplinary  
approach to treatment.*

## Freedom from addiction

Addiction Services provides evidence-based treatment, support and education to people with alcohol and drug addictions and those confronting harmful gambling.

The service has a network of 17 centres nationwide offering alcohol and drug addiction treatment. It received 6143 referrals during the year and provided intensive residential treatment for 879 clients and day treatment for another 633 people.

Addiction Services has a number of projects assisting some of the most disenfranchised and alienated New Zealanders to break free from addiction, central to The Salvation Army's mission to transform lives and benefit society.

During the year, Addiction Services commenced an intensive alcohol and drug addiction treatment programme for inmates at Wiri Prison, with plans to roll the service out to other prisons across the country. The Salvation Army also works with two other treatment providers as part of the Alcohol and Other Drug Treatment Courts being piloted in central and west Auckland. As alcohol or drugs are connected to most crime in New Zealand, the courts provide defendants with the opportunity to deal with their addictions, and are a viable alternative to prison, while reducing the likelihood of reoffending and its attendant social and fiscal costs.

Several years ago, The Salvation Army and the Notorious chapter of the Mongrel Mob designed an intensive residential addiction treatment programme aimed at breaking members and their families free from drugs. This continues to have a high success rate, with 68 clients and their families completing the programmes. The majority have maintained an ongoing relationship with The Salvation Army.

A programme being piloted in Wellington is aimed at addicted people unwilling to engage in treatment. It uses cognitive behavioural therapy to address clients' underlying anxiety, depression and anger, and involves and benefits clients'

partners and family members. The model was designed in the US and has proven effective. The programme is being fine-tuned and is expected to be rolled out to other centres in 2015.

Alcohol continues to be the primary substance of abuse for the majority of clients. An increasing complexity of problems facing clients has been the trend in recent years and is expected to continue. There is an increase in the number of clients with co-existing mental health problems and more clients from the justice system requiring a flexible and multi-disciplinary approach to treatment.

Otago University's evaluation of The Salvation Army's Model of Treatment commenced during the year and will be completed in late 2014.

Addictions Services' problem gambling staff helped around 1200 clients. Three quarters of clients cited gaming machines as the primary mode of gambling affecting their lives—59 per cent in hotel gaming machines, 12 per cent in casinos and three per cent in clubs.

During the year, the service screened Salvation Army Community Ministries' clients at selected centres. In South Auckland, more than 1440 were found to be negatively affected by gambling, the majority by another person's gambling.

The service continued lobbying on gambling policy and expanded its already significant education and public health work.

# Holding their independence

The Salvation Army has a range of services aimed at helping elderly people, those with disabilities or who are recovering from surgery or injury to live independently and safely in their own homes.

HomeCare provides personal care, such as bathing, dressing and mobility and household management tasks including cleaning, laundry, meal preparation and help with shopping. It also offers specialised services such as palliative care, medication management and respite care. These services can be supported with pastoral care and volunteer visiting services if required.

During the year, HomeCare served 7010 clients from its branches in Auckland, Hamilton, Tauranga, Paeroa, Rotorua and Blenheim.

HomeCare also oversees The Salvation Army's management of Hospice Marlborough, which provided residential and outpatient care for 208 people and their families.

The Salvation Army manages 293 independent living units across the country for mainly low-income elderly tenants. Ten new units were built in Auckland during the year.

Senior Services is a friendship programme that links screened and trained volunteers with older and often isolated people. It offers friendship, as well as help with shopping, getting to appointments and with paperwork.

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'Living in my own home means everything to me,' says Marjorie. 'It means I can have contact with my friends, family can visit, and I can get out and about.'

Marjorie is one of more than 7000 HomeCare clients who received support during the year. Many elderly people need support to live independently, and having to leave their home can be a significant fear.

Marjorie was assessed as needing extra assistance due to disability, and HomeCare's registered nurse visited



The service operates in Northland, Auckland, Wellington and Christchurch, with new services at two more locations currently being developed. During the year, the service brought together 486 clients and 374 volunteers.

Loneliness is the biggest challenge for clients, with weekly visits from volunteers being the only meaningful human contact for many. During the year, volunteers spent significantly more time with clients helping them deal with WINZ to ensure they were receiving correct entitlements.

to create a care plan specific to her needs.

Marjorie says she has a great relationship with her support worker. 'Nothing is a problem and we work well together. She always goes the extra mile.'

As well as supporting physical needs, a meaningful aspect of the service is providing friendship, so the elderly know there is someone looking out for them. This can be as simple as reading a newspaper together or connecting over the phone.

*Our speciality is helping trainees overcome barriers to learning.*

## Farewell to unemployment

Helping unemployed people into work has been a cornerstone of The Salvation Army's mission since its inception in England 149 years ago. The Army's employment training agency has assisted and trained more than 60,000 people since 1978.

During the year, Employment Plus changed its name to Education and Employment, to more clearly describe its dual functions. Its New Zealand Qualifications Authority-registered national certificate and unit standard programmes prepare people with the life skills and qualifications sought by employers. Education and Employment operates from 18 centres across the country.

Youth Guarantee trainees, aged 16-19, can gain qualifications developed for sectors such as mechanical engineering, construction, computing and business services, hospitality and tourism, and child care.

Education and Employment provides programmes for school leavers who have not engaged at school, and need to gain NCEA credits. It offers English for Speakers of Other Languages courses as well as a range of Training for Work courses. It also provides structured assistance and ongoing support for recently released prisoners returning to the workforce.

Training and mentoring was provided to 1493 unemployed people. A significant proportion come from acutely deprived backgrounds and lack the life skills critical to being work ready, making their successes all the more life changing.

Education and Employment's speciality is helping trainees overcome barriers to learning. Its tutors, employment coaches and chaplains help overcome such obstacles as inadequate diet or clothing, low levels of numeracy or literacy, abuse or bullying, absent parents or family dysfunction, health and addiction problems.

Education and Employment designs its programmes around the requirements of local employers. One example is U Build 4 the Rebuild, which has trained 135 mainly unemployed Christchurch people to take part in the ongoing infrastructure rebuild. It also

commenced a driver mentoring programme—in conjunction with government agencies and Caltex—to help people get their driver's licences. A licence is a prerequisite for many jobs.

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Josiah, 21, came to Education and Employment after being unemployed for two years. It was the one-on-one support from his tutor that turned Josiah around. 'She was firm and wise, but a real motherly figure, and that's what I needed,' he says.

As well as teaching him life skills, work readiness disciplines, and improving his English and maths, Josiah received food parcels when times got tough.

An opening came up at the local Mitre 10 Mega store. Despite his nerves, Josiah practised interview skills with his class and prepared for the big day. He landed the job and has become a valued employee, achieving several promotions.

'When I didn't want to go, I thought about how much everyone had done for me,' he says. 'But the thing that means the most to me is that I've been given a lot of responsibility and that people trust me. This job has been the number one achievement of my life.'





*Helping clients achieve and maintain an independent life.*

## Reclaiming their lives

Supportive Accommodation centres provide a place of refuge, social programmes and support to help those who would be otherwise homeless reclaim their place in society.

During the year, centres in Auckland, Christchurch and Palmerston North accommodated and assisted 625 clients.

Residents seeking accommodation and support are usually destitute, often traumatised and facing a range of historical difficulties such as mental illness, childhood neglect and abuse, addictions and criminal histories. In recent years, the complexity of these problems has intensified and this continued during the year.

Meeting these needs has meant recruiting more social work, counselling, medical and addictions specialists, as well as utilising wider Salvation Army social services and those of other agencies.

Under a specially developed, evidence-based model of care, residents are initially interviewed and screened for risks or problems that may require specific management. A lifestyle plan and a series of goals are developed with the client with the aim of ensuring he or she can achieve and maintain an independent, constructive and healthy life beyond supportive accommodation.

Severe shortages of affordable and suitable accommodation for clients—especially in Auckland and Christchurch—combined with high demand for beds has put a significant pressure on the service.

Because of a lack of safe accommodation for women, particularly for those released from prison, Epsom Lodge in Auckland now provides 12 beds for women in self-contained units. Because of its success and high demand for beds, space at the centre is being reconfigured to make room for another six women.

During the year, Epsom Lodge also established a service developed specifically for 17 to 24-year-old males to help address youth homelessness.

Mental health providers and Corrections are increasingly reliant on Supportive

Accommodation for its supervision of their clients and its effectiveness in helping people make the safe transition from institution to community.

Community Ministries also provided emergency accommodation—mainly for women and children—for 226 families during the year.

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Cherie and her daughter were left alone and without an income when Cherie's husband left her. Unable to pay rent and overheads, she sent her daughter to stay with her father and Cherie began several bleak and frightening months of homelessness.

'On a daily basis you're living and breathing where you're going to sleep that night—the worry is a huge drain,' she says.

With little emergency accommodation available for single women, Cherie says she was emotionally shattered when she arrived at Epsom Lodge. It was at first daunting, but a great relief to have a stable place to live. Her aim is to get back into the workforce and save enough to set up a flat for her and her daughter.





## An alternative to reoffending

The Salvation Army runs a number of programmes that help recently released prisoners lead constructive lives in the community, reducing the likelihood of reoffending.

Reintegration Services works individually with high-risk parolees as part of a six-month programme, helping them make a safe and positive transition back into the community. This can include employment training, provision of accommodation, advocacy, coordinating medical care and welfare, and working with the client's family. Other Salvation Army services such as Education and Employment, Addiction Services or Community Ministries can be called upon.

The service also provides a resettlement programme for those serving sentences of more than two years. This 12-week programme aids the transition of clients back into the community. Other programmes assist prisoners who have served shorter sentences.

The Salvation Army also has 20 Court and Prison officers and volunteers operating out of 16 centres. They assisted 14,665 defendants, victims and family members during the year. This included providing support through the often intimidating court process, arranging court-ordered alcohol and drug assessments, accommodation to meet bail conditions, and supporting family members during hearings.

The service also arranged for people to attend Salvation Army Positive Lifestyle Programmes, aimed at addressing the root causes of offending, which is sometimes a Court condition of sentencing or diversion.

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Peter had been in and out of prison for more than 20 years when he came to The Salvation Army Reintegration Services.

On Peter's release, his caseworker collected him and helped him through the process of establishing a bank account and dealing with government agencies. The caseworker provided a cell phone, which Peter would pay off, paid his first week's rent, and the pair met with Community Probation.

He was taken to his new flat before making a plan for the week ahead. Peter shed tears. 'This is the first time

anyone has cared enough to give me time.'

As well as his own caseworker, Peter was able to access a 24-hour helpline, and get food, furniture, transport and budgeting assistance. But after a month, Peter came to the service in tears, saying that adjusting to life on the outside had become too much.

With coordinated support, Peter was able to regain his confidence and focus. Two months later, he got his first job since 1978. With continuing support, Peter is still in employment and in stable accommodation. He is determined never to return to jail.



## Mission stations

True to the Army's military-styled organisation, Salvation Army churches are known as 'corps', but in the Army's earliest years, founder William Booth called them 'mission stations'.

This vision of mission stations best describes the way The Salvation Army operates today. Its places of worship are also places of service to the local community—outward focused, rather than attending purely to the needs of church members. Buildings accommodate any number of mid-week events, including Sunday worship, pre-school programmes, youth and children's activities, life skills courses and community meals. Corps offer courses to help people understand the Christian faith.

A number of Salvation Army corps have Community Ministries centres attached to them, dispensing welfare assistance to the local community. Some are also home to other Salvation Army services, including addiction counselling and training for employment.

Over 8000 people worship at The Salvation Army across New Zealand, Fiji and Tonga each week. Recovery Churches are on the rise, providing additional aftercare to those who have graduated from addiction treatment programmes, as well as others who see the value of spiritual support to remain alcohol and drug free. Pastoral care is a strong feature of corps

life, with people supported through the various stages of life, as well as with crises that may arise.

The Salvation Army's Māori Ministry is benefiting New Zealand corps by increasing cultural awareness. Relationships are also being strengthened between corps and local marae. Consequently, more Salvationist Māori church members are involved as leaders of the Army's work within New Zealand, evidence of a growing sense of belonging among tangata whenua.

Corps continue to outwork the Army's long-term strategic mission focus on discipleship, soldier-making and social justice—working together to achieve the territorial mission of 'caring for people, transforming lives and reforming society by God's power'. In September 2013, a new mission goal to develop leaders was added.

Although The Salvation Army is a Christian church, people receive assistance based solely on their need and The Salvation Army's capacity to provide help. Unconditional assistance and support is offered to all, regardless of status, race, religion, gender or sexual orientation.

Anyone is welcome to worship at The Salvation Army and to make it their spiritual home.



## Pacific mission

The Salvation Army's work in Fiji and Tonga maintained its momentum during the year as it strives to alleviate a level of poverty not seen in New Zealand.

The Salvation Army in Tonga has four corps or churches and, despite its modest size, operates a broad and dynamic range of social service programmes. It is also active in recovery and welfare work following severe weather events.

Social and health services include alcohol and drug assessments, counselling and education, domestic violence programmes, and pastoral support for prisoners and those caught up in the court system. It runs a women's crisis centre and parenting and life skills programmes, as well as providing food parcels and other welfare assistance.

The Salvation Army operates a mobile health clinic, with an emphasis on early childhood health to head off rising rates of diabetes and cardiovascular disease. It also runs two early childhood education centres.

The Salvation Army in Fiji has 13 corps and four mission outposts on the islands of Viti Levu, Vanua Levu and Taveuni.

Apart from the normal range of social services, it offers emergency accommodation for women and children escaping domestic violence in Suva, Lautoka and Labasa, and runs a hostel in Suva for female students. The Salvation Army also runs seven early childhood education centres.

Three employment training programmes help women find work in the garment industry. An employment training centre in Suva offers a range of accredited courses.

The Salvation Army provides court and prison chaplaincy and hostel accommodation in Suva for former prisoners.

It has provided welfare and support services during and after severe weather events and has a formal partnership with Fiji's National Disaster Management Office.

*The Salvation Army  
in Fiji and Tonga  
operates a broad and dynamic  
range of social service  
programmes.*



# Aftershocks continue

The Salvation Army responded within hours of the Canterbury earthquakes of 2010 and 2011. Support of the traumatised and those impoverished as a result of the quakes continues.

The Army has developed a raft of supports and services to help build resilience in communities battered by the quakes. It operates two community outreach teams, using vans provided



by Westpac, to increase its coverage of affected communities. The teams arrange access to Salvation Army social services and referrals to other agencies.

Academic research has shown the depth and breadth of emotional and behavioural problems experienced by children who lived through the quakes. The Salvation Army has a well-established assistance programme providing practical and moral support to students, teachers and the wider school community in 13 schools in the most affected communities. It also runs the Just Brass musical programme for children from low-decile schools, which is building confidence and further aiding emotional recovery.

Deliberate Acts of Love uses mainly unemployed volunteers to do landscaping or basic repair work for families who were uninsured or struggling to cope with recovery costs. Many have gone on to vocational training or employment.

The Salvation Army's U Build 4 the Rebuild continues to train unemployed people for construction work. The Army is also involved with other agencies and Christchurch City Council in developing 44 low-cost dwellings to house those displaced by the quakes.

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## Caring in a crisis

Emergency Services provides catering and support for civil defence, fire, police and other emergency services personnel during disasters or prolonged crises. It also coordinates and provides support to victims.

From fires, floods and cyclones to shipwrecks, The Salvation Army has consistently been in attendance at major disasters across New Zealand as part of its mission of caring for those in need.

During the year, its personnel attended dozens of callouts, ranging from major fires through to the evacuation of a flooded Rangiora rest home.

Volunteers provided support for emergency services personnel and victims following the 6.5 magnitude Seddon earthquake and its

aftershocks, the tornadoes that ploughed through Greymouth, and the aftermath of Cyclone Lusi in Northland.

The Emergency Services national network is on 24-hour standby and volunteers undergo regular training. It is equipped with catering trailers, caravans, vehicles, generators and flood lighting. It can establish welfare centres at short notice, often at Salvation Army corps, and can provide or arrange welfare assistance, post-disaster counselling, and emergency accommodation to those affected by disasters.

These responsibilities are laid out within a formal memorandum of understanding with the Ministry of Civil Defence and Emergency Management.

# Reuniting families

The Family Tracing Service unites family members who have become separated or estranged.

Families lose touch for various reasons, ranging from adoption through to conflict or simply losing contact. The service uses a range of investigative and search techniques. Searches can take weeks or several years.

The service processed 122 requests to locate family members during the year. Its searches were successful in 73 per cent of cases. Around a quarter of searches were for people living outside

New Zealand. In these cases, The Salvation Army's Family Tracing network in 126 countries is utilised to help locate people.

Of the families that cannot be reunited, a proportion is due to the death of the person being sought or when a person doesn't want to resume contact with the family member searching for them.

Reuniting and reconciling families can often be a difficult and sensitive process, so education, counselling and mediation are important aspects of the service.

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# Taking the mission to the world

The Salvation Army's mission extends beyond its Pacific territory, assisting impoverished communities from Asia to Africa.

During the year, the Army's Overseas Development department continued a two-year literacy and microfinance programme for women in rural Kenya, in partnership with the Ministry of Foreign Affairs and Trade.

The programme brings women together to establish support groups and receive literacy tuition. They then pool their resources to start their own businesses and set up cooperatives.

The project has expanded rapidly. To date, 17,000 women are taking part and 700 village banking groups have been established. Men are now being included in the projects. Businesses established by the women include making clothing, crop and livestock farming, manufacturing low-energy cookers, and transport.

One village with a high incidence of diabetes invested in a machine to test blood sugar levels for a modest fee.

According to local officials, the result is a reduction in poverty, domestic violence and petty crime in the areas where the programme is operating.

Another ongoing project has been a poverty relief programme in Caloocan City in the

Philippines, assisting widows and elderly people. During the year, medical support was added to the project. Primary school scholarships are also provided for a group of children in the slums in the city of Asingan.

The Cherish a Child sponsorship programme helped care for 1414 children in around 20 developing countries during the year.







*Who cares? We do.*

The Salvation Army New Zealand, Fiji & Tonga Territory



*What donors don't see  
is the elation and gratitude  
of clients and their families.*

## Thanks for your support

The current scope and effectiveness of The Salvation Army's work in New Zealand's most disadvantaged neighbourhoods is only possible with the help of New Zealanders.

People individually or through organisations or companies express their compassion for those less fortunate by donating money, goods, services or their time. This is done via The Salvation Army's public Red Shield and Christmas appeals, individual donations, corporate partnerships, bequests, grants from trusts and foundations, and volunteering.

This support was employed by Community Ministries during the year to assist 35,324 clients and their 41,888 dependent children. This level of service is roughly 80 per cent higher than before the global financial crisis in 2008. The Salvation Army has adapted its services and efforts to this new, higher level of demand—an achievement only possible thanks to the backing of thousands of New Zealanders.

The great majority of clients come to The Salvation Army as a last resort, such as when they face eviction or are no longer able to feed or provide for the most basic needs of their children. Living in poverty is living with constant tension and the unending pressure of finding the money for food, rent or medical care for dependents.

Clients come to The Salvation Army not because they see it as an easy way out. It is because they have run out of options to maintain a minimum level of survival—they are desperate, demoralised and usually deeply anxious or depressed.

While the number of clients has increased in recent years, the past year has shown that poverty has become more entrenched, illustrated by the rising number of evictions, overcrowding and homeless individuals and families.

Community Ministries' staff, in particular, have noted that the level of poverty has moved from

people living day-to-day to the point where many are now living meal-to-meal.

It takes greater effort, time and a multi-disciplinary approach to move people from crisis to independent and healthy lives. To solve the underlying problems clients face, donations and grants fund social workers, budget advisors, counsellors, ancillary staff and a range of specialised programmes and workshops for clients.

Several years of using more intensive strategies have shown that they work. What donors don't see is the elation and gratitude of clients and their families as they are assisted from a place of despair to a point where they can see a future beyond subsistence.

Some donations, bequests and grants from community trusts and foundations are given for a specific aim. For instance, AA Life Services during the year funded a Life Skills Programme in South Auckland, which offers units on cooking and nutrition, budgeting, energy conservation and classes on goal setting and developing self-esteem. Another example is the Tindall Foundation's substantial contribution to the funding of multiple community services throughout the country.

Support from businesses is now an indispensable part of Community Ministries' work. Companies like Kmart, Heinz Wattie's and Countdown have provided valued help for many years.

To all our supporters, The Salvation Army acknowledges and thanks you for the crucial role you play in improving the lives of tens of thousands of people each year.

*131 years of service  
in New Zealand,*

combined with a deeply-held belief in The Salvation Army's duty

*as a cautious and  
conscientious custodian*

of the funds entrusted to it.



# Governance

The prudent management of people, property and financial resources is crucial to The Salvation Army's ability to fully engage in and sustain its mission of caring for people, transforming lives and reforming society.

Commissioned officers who are recognised ministers of religion provide leadership in The Salvation Army. The Territorial Commander of The Salvation Army New Zealand, Fiji and Tonga Territory is Commissioner Robert Donaldson. Second-in-command is Colonel Willis Howell.

Operating under the Territorial Commander is the Cabinet, a centralised management team. An extended form of the Cabinet is the Territorial Coordination Council, which provides further leadership.

Regionally-based management operations direct the localised work of the Army in New Zealand, Fiji and Tonga. There are also three nationally-managed social service programmes: Addictions and Supportive Accommodation, Education and Employment, and HomeCare.

## Financial stewardship

The Salvation Army's trustees and senior management's ability to govern and direct its ongoing work of advancing its mission to people in need as effectively as possible, is dependent on diligent financial management.

Without this, the scope of The Salvation Army's work would be significantly diminished and many of its social services would cease to exist. The Army's policies around managing surpluses, reserves, assets and investments recognise the need to provide services on a daily basis, while ensuring such services remain relevant, sustainable and viable for the future.

The Salvation Army's current financial position is the result of 131 years of service in New Zealand, combined with the Army's deeply-held belief in its duty as a cautious and conscientious custodian of the funds entrusted to it.

For the year ending 30 June 2014, The Salvation Army recorded a \$14.46 million operating

surplus. This is a decrease of \$10.2 million on the previous year's surplus, which was unusually high because of one-off events including money received from insurance companies for properties damaged in the Canterbury Earthquakes, sale of investment shares and the sale of property no longer required.

Surpluses tend to vary greatly from year to year due to fluctuations of income and expenditure, which are the nature of social service organisations' business.

The 2014 surplus was influenced positively by a significant one-off donation and larger than normal legacies. It was negatively impacted by one-off repair costs to leaky buildings and a reduction in investment income. Excluding these items, the surplus for the year was \$3.3 million.

The key financial tools used to manage and fund The Salvation Army's operations are reserves, investments and assets.

## Reserves

Reserves are funds to be used for specific purposes:

- To provide working capital to meet unforeseen events. Without reserves, The Salvation Army would not have been able to adequately and rapidly respond to sudden spikes in service demand resulting from events such as the 2008 global financial crisis or the 2010 and 2011 Canterbury earthquakes.
- To ensure continuity of services. Some services, viewed as critical to The Salvation Army's mission and of significant benefit to society, are unable to break even for periods. For instance, supportive accommodation centres in Christchurch and Auckland—for those who would be otherwise be homeless—have required subsidising from reserves



for significant periods. Without this support, these homes would not be able to continue their programmes and several hundred clients would again find themselves homeless, with worrying consequences for these people and wider society. Payments for contracted government services such as addiction treatment, social work support for children at risk and employment training for some of the country's most disadvantaged often do not fully cover the costs of the service. As these services are deemed critical, The Salvation Army subsidises them from reserves. Another example of implementation of reserves for social good was using them to establish the specialist Hauora Programme—a highly successful initiative for the treatment of methamphetamine addiction.

- To meet specific objectives of donors and benefactors, which must be held until the intended purpose of the donations can be realised.
- To provide land, buildings and assets required for the purpose of the mission.
- To enable the development of new programmes.

## Investments

Investments are income set aside to provide ready resources to ensure The Salvation Army mission can continue into the future.

Funds are invested prudently to give priority to protecting the principal, while providing income to assist operations until the principal

is required. Net returns from investments do not provide adequate income to meet the level of need the Army's services are asked to meet. Public donations assist in making up the shortfall.

## Assets

Salvation Army assets consist mainly of land and buildings. They reflect the Army's national presence and the variety of programmes provided. The majority of properties are designed for specific purposes, such as safe and secure accommodation for residential addiction treatment, emergency housing for mothers and their children, and Community Ministries centres housing food banks and facilities for social workers, budget advisers, counsellors and their clients.

These properties are used in the provision of services, and do not normally generate a financial return.

## The Salvation Army New Zealand Trust

The Salvation Army New Zealand Trust Deed is registered in accordance with the Charities Act 2005 and Tax Act 2007 and sets out how the Trustees are to govern and manage the Army's activities, properties and funds.

The Deed empowers the Trustees to undertake activities that are consistent with the Army's objectives, which include advancing education, relieving poverty and other charitable services of benefit to our communities.



(l-r) Mjr David Bateman, Lt-Col Lynette Hutson, Col Willis Howell, Comm Robert Donaldson, Lt-Col Rod Carey, Capt Gerry Walker.

Divisional Commander for the North and South Carolina Division. Willis is currently studying toward a Master's Degree in Christian Leadership.

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**Lieut-Colonel Rod Carey**, Territorial Secretary for Programme (BTh, DipBRS). Years of service: 30.

As Territorial Secretary for Programme since January 2013, Rod has oversight of corps and social programmes, including Community Ministries; Addiction, Supportive Accommodation and Reintegration Services; Education and Employment; and HomeCare. Rod's service has been given in Salvation Army church leadership, and in divisional leadership of Salvation Army church-based operations from Wellington to Whanganui.

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**Lieut-Colonel Lynette Hutson**, Territorial Secretary for Business Administration (GradDipSOWK, MANZASW). Years of service: 30.

Lynette Hutson is responsible for all business matters including finance, property, audit, public relations and IT. Her previous roles include National Manager, Addiction and Supportive Accommodation Services; Director of Women's Ministries, Midland Division; four years' service in the Canada and Bermuda Territory, and church leadership appointments.

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**Captain Gerry Walker**, Territorial Secretary for Personnel (PGDipMgmt). Years of service: 8.

Gerry Walker became a Salvation Army officer as a vocational change later in life, after being employed by the Ministry of Social Development (MSD) for 27 years. His final role with MSD was Regional Director, South Auckland. Since then, Gerry has served as Northern Division Community Ministries Secretary and National Director, Addiction, Supportive Accommodation and Reintegration Services. In his current role, Gerry oversees Salvation Army officer deployment, and the HR functions associated with supporting lay personnel and volunteer staff. He is also The Salvation Army's Privacy Officer.

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**Major David Bateman**, Financial Secretary (DipBus). Years of service: 26.

As Financial Secretary, David Bateman is a member of the Board of Trustees, Territorial Finance Council, Territorial Property Board and the Territorial General Management Board. Prior to his appointment in Jan 2010, David was Assistant Secretary for Personnel (Administration) for two years, and before this he was Assistant Finance Secretary.

## Trustees

**Commissioner Robert Donaldson**, Territorial Commander (BSc, LTh, PGDipBusAdmin). Years of service: 27.

Robert Donaldson has been Territorial Commander since November 2013, providing administrative direction and spiritual leadership.

He has a background in teaching and has focused on improving processes for Salvation Army training colleges in Zambia, New Zealand, Fiji and South Africa. He most recently served as Chief Secretary in The Salvation Army Southern Africa Territory.

Other appointments include Territorial Secretary for Programme (Southern Africa) Principal of Booth College of Mission in Upper Hutt, Training Principal at Zambia Territory's Officer Training College, and church leadership appointments in New Zealand with wife Commissioner Janine Donaldson.

Robert served as President and a Director for the National Heart Foundation of NZ, and as a Director for TEE College, Africa's largest theological college.

His focus is on serving others and improving the effectiveness of The Salvation Army's mission.

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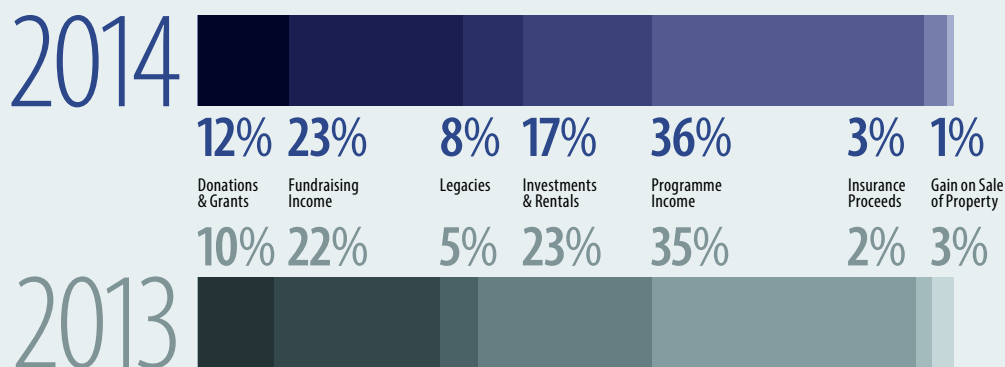
**Colonel Willis Howell**, Chief Secretary. Years of service: 29.

Willis Howell is an American Salvation Army officer who took up his position as second-in-charge of The Salvation Army's work in New Zealand, Fiji and Tonga in 2014. He joined the United States Navy as a professional musician in 1975. After becoming a Salvation Army officer in 1985, Willis served in church leadership for 14 years. He has also served in youth and divisional leadership, as well as being President/Principal of the USA Southern Territory's Evangeline Booth College. His most recent appointment was

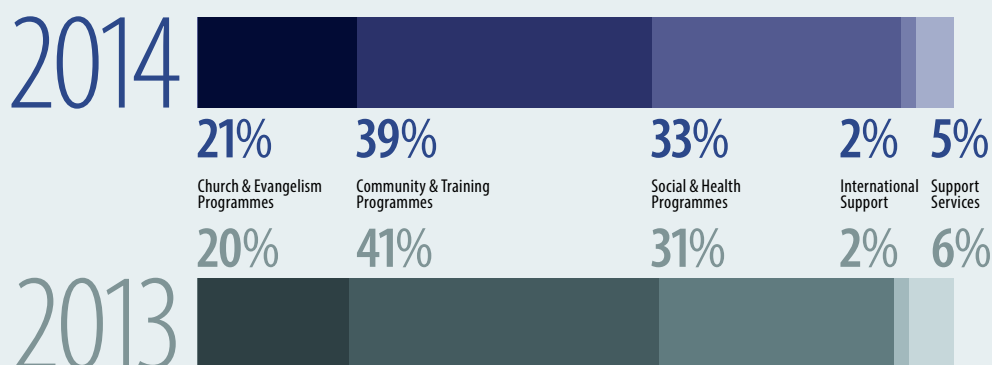
# Summary Financial Statements

Summary Statement of Financial Performance for the year ended 30 June 2014

## Operating Income



## Operating Expenses



	2014 \$000	2013 \$000
OPERATING INCOME	163,414	168,727
OPERATING EXPENSES	148,946	143,938
OPERATING SURPLUS	14,468	24,789

APPROPRIATIONS FROM /(TO) FUNDS	2014 \$000	2013 \$000
<b>Of Current Years Income</b>		
to Capital Fund	(1,506)	(3,142)
to Restricted Funds	(10,465)	(8,152)
to Designated Funds	(35,931)	(45,794)
<b>To Finance Current Costs</b>		
from Capital Fund	6,674	7,384
from Restricted Funds	8,764	9,165
from Designated Funds	12,277	12,414
<b>from General Fund</b>	<b>5,719</b>	<b>3,336</b>

# Summary Statements

## of Comprehensive Income

for the year ended 30 June 2014

	2014 \$000	2013 \$000
Operating Surplus	14,468	24,789
Net Fair Value Gains on Available-For-Sale Financial Assets	1,591	925
Total Comprehensive Surplus for the Period	16,059	25,714

## of Changes in Equity

for the year ended 30 June 2014

	Available for Sale Reserve	Retained Earnings	Total
As at 1 July 2012	14,564	410,252	424,816
Total Surplus for the period		24,789	24,789
Other Comprehensive Income	925		925
Total Comprehensive Income for the period	925	24,789	25,714
As at 30 June 2013	15,489	435,041	450,530

	Available for Sale Reserve	Retained Earnings	Total
As at 1 July 2013	15,489	435,041	450,530
Total Surplus for the period		14,468	14,468
Other Comprehensive Income	1,591		1,591
Total Comprehensive Income for the period	1,591	14,468	16,059
As at 30 June 2014	17,080	449,509	466,589

## of Financial Position

as at 30 June 2014

	2014 \$000	2013 \$000
<b>Equity</b>		
<b>Retained Earnings</b>		
Capital Fund	215,078	214,081
Restricted Purposes	70,752	67,530
Designated Purposes	159,813	143,845
General Fund (Unrestricted Purpose)	3,866	9,585
<b>Total Retained Earnings</b>	<b>449,509</b>	<b>435,041</b>
<b>Other Reserves</b>		
Available for Sale	17,080	15,489
<b>Total Equity</b>	<b>466,589</b>	<b>450,530</b>
<b>Current Assets</b>	<b>56,114</b>	<b>58,820</b>
<b>Non-Current Assets</b>	<b>456,994</b>	<b>439,690</b>
<b>Total Assets</b>	<b>513,108</b>	<b>498,510</b>
<b>Current Liabilities</b>	<b>26,712</b>	<b>28,070</b>
<b>Non-Current Liabilities</b>	<b>19,807</b>	<b>19,910</b>
<b>Total Liabilities</b>	<b>46,519</b>	<b>47,980</b>
<b>Total Net Assets</b>	<b>466,589</b>	<b>450,530</b>



# Notes to the Summary Financial Statements

for the year ended 30 June 2014

## 1 | Significant Accounting Policies

### Reporting Entity

The Salvation Army New Zealand encompasses all activities of The Salvation Army in New Zealand and is administered under powers of attorney issued by 'The General of The Salvation Army' being a corporation sole under the terms of The Salvation Army Act 1980 (United Kingdom). The Salvation Army New Zealand includes The Salvation Army New Zealand Trust, the Booth College of Mission Fund and the Jeff Farm Trust.

The principal activities of The Salvation Army are the provision of:

- Evangelism programmes
- Community programmes
- Social Services, and
- International programmes

### Basis of Preparation

The summary financial statements are presented for The Salvation Army in New Zealand and are for the year ended 30 June 2014.

The Salvation Army New Zealand is a Public Benefit Entity as defined under NZ IAS 1.

The full financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for Public Benefit Entities (PBEs).

The Salvation Army New Zealand qualifies for differential reporting because it is not publicly accountable and has no separation between owners and the governing body. The Salvation Army has taken advantage of all differential reporting exemptions.

As The Salvation Army New Zealand is a Public Benefit Entity and qualifies for and applies differential reporting concessions, the full financial statements do not include an explicit and unreserved statement of compliance with International Financial Reporting Standards.

The full and summary financial statements were authorised for issue by the Territorial Finance Council on 18 September 2014.

The summary financial statements have been prepared in accordance with FRS 43 and comply with NZ GAAP as it relates to summary financial statements.

The specific disclosures included in the summary financial statements have been extracted from the full financial statements dated 18 September 2014.

The summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements.

The full financial statements are available on request by writing to: The Financial Secretary, The Salvation Army New Zealand, PO Box 6015, Wellington 6141.

The full financial statements have been audited and an unmodified audit opinion was issued.

The summary financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

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## 2 | Equity

### Retained Earnings

#### Capital Fund

Capital Fund comprises that part of the equity of The Salvation Army New Zealand, which has been used to finance the purchase of property, plant and equipment, and is therefore no longer available for either that purpose or to finance operating expenses.

#### Other Funds

Funds comprise appropriated income that has been set aside (instead of being spent on operating expenses) in order to provide ready resources to meet the financial requirements of The Salvation Army New Zealand (other than payment of expenses) and also to meet the specification of donors or benefactors.

#### Funds are classified as follows:

**Restricted:** Amounts of which The Salvation Army New Zealand has authority to spend income and/or capital, but subject to a restriction imposed by the donor as to the objects upon which or the area in which, they may be spent.

**Designated:** Amounts of which The Salvation Army New Zealand has authority to spend the income and/or capital but which have been designated for particular purposes by The Salvation Army New Zealand in the exercise of its discretionary powers.

**Unrestricted:** Amounts of which The Salvation Army New Zealand has authority to spend the income and/or capital, which have not been designated for particular purposes by The Salvation Army New Zealand.



## Other Reserves

**Net unrealised gains reserve:** To record the current balance of all unrealised gains and losses related to the holding of financial assets.

## 3 | Capital Commitments

	2014 \$000	2013 \$000
Capital Commitments	14,896	17,706

Estimated capital expenditure contracted for at balance date but not provided for.

## 4 | Contingent Liabilities

There are no contingent liabilities at financial year end (2013: \$NIL).

## 5 | Contingent Assets

As the result of two earthquakes experienced in the Canterbury region in September 2010 and February 2011 The Salvation Army New Zealand (TSANZ) suffered damage to a number of its properties. Of these, four have been derecognised and demolished. In July 2014 TSANZ reached agreement with its insurers for full and final settlements in relation to three of these properties. One property is still under negotiation. All other properties have been or will be repaired.

## 6 | Transactions with Related Parties

The Salvation Army New Zealand has transactions with other Salvation Army entities. These include The Salvation Army International Headquarters (IHQ), Fiji and Tonga and The Salvation Army New Zealand Officers Superannuation Scheme.

Transactions include an administration levy to assist in the operations of IHQ, grants to IHQ, Fiji and Tonga and contributions to The Salvation Army New Zealand Officers Superannuation Scheme.

	2014 \$000	2013 \$000
Administration levy and grants to IHQ	1,410	1,263
Grants paid to Fiji	1,186	1,163
Grants paid to Tonga	1,084	553
Cost of Officers' Super Scheme	1,767	1,601
	5,447	4,580

Balances at year end include monies invested on behalf of Fiji and Tonga and other amounts owing in relation to grants due at year end. Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash.

Balances due to/(receivable from)	2014 \$000	2013 \$000
IHQ	21	(29)
Fiji	605	819
Tonga	196	198
	822	988

## Independent Auditor's Report

### To the Territorial Commander and Chief Secretary of The Salvation Army New Zealand

The summary financial statements on pages 30 to 33, which comprise the summary statement of financial position as at 30 June 2014, the summary statement of financial performance, the summary statement of comprehensive income, and the summary statement of changes in equity for the year then ended, and related notes, are derived from the audited financial statements of The Salvation Army New Zealand for the year ended 30 June 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 18 September 2014. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of The Salvation Army New Zealand.

This report is made solely to the Territorial Commander and Chief Secretary of the Salvation Army New Zealand as attorneys for the General of The Salvation Army, in accordance with our engagement letter. Our engagement has been undertaken so that we might state to the Territorial Commander and Chief Secretary of the Salvation Army New Zealand as attorneys for the General of The Salvation Army those matters we are required to state to them in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Territorial Commander and Chief Secretary of the Salvation Army New Zealand as attorneys for the General of The Salvation Army, for our work, for this report, or for the opinions we have formed.

#### **Responsibilities of the Territorial Commander and Chief Secretary of The Salvation Army New Zealand as attorneys for the General of The Salvation Army for the Financial Statements**

The Territorial Commander and Chief Secretary of the Salvation Army New Zealand as attorneys for the General of The Salvation Army are responsible for the preparation of summary financial statements in accordance with FRS-43: *Summary Financial Statements*.

#### **Auditor's Responsibilities**

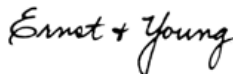
Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA(NZ)) 810, "Engagements to Report on Summary Financial Statements."

Other than in our capacity as auditor we have no relationship with, or interest in, The Salvation Army New Zealand.

Partners and employees of our firm may deal with The Salvation Army New Zealand on normal terms within the ordinary course of trading activities of the business of The Salvation Army New Zealand.

#### **Opinion**

In our opinion, the summary financial statements derived from the audited financial statements of The Salvation Army New Zealand for the year ended 30 June 2014 are consistent, in all material respects, with those financial statements, in accordance with FRS-43.



18 September 2014  
Wellington

# Acknowledgements

## Trusts, Foundations, and other funding organisations

A F W & J M Jones Foundation	\$30,000.00	E L & B M Robinson Charitable Trust	\$24,750.00	T Clark Trust	\$5,000.00
Alexander Harold Watson Charitable Trust	\$5,000.00	Farina Thompson Charitable Trust	\$10,000.00	Taranaki Electricity Trust	\$6,000.00
Ann Marie O'Sullivan Foundation	\$15,000.00	Guardian Trust	\$80,000.00	Ted & Mollie Carr Endowment Trust	\$100,000.00
Basil Charles Bellhouse Charitable Trust	\$56,131.16	Hamilton City Council	\$5,750.00	The Blenheim Trust	\$20,486.49
Bodmin Charitable Trust	\$10,000.00	Hugh Green Foundation	\$10,000.00	The Canterbury Community Trust	\$117,000.00
COGS Auckland	\$7,753.30	J B W McKenzie Trust	\$21,000.00	The J N Lemon Charitable Trust	\$7,500.00
COGS Canterbury	\$20,700.00	Jack Jeffs Charitable Trust	\$15,000.00	The Lady Tait Charitable Trust	\$9,000.00
COGS Hawkes Bay/ Tararua	\$6,325.00	Laurence William Nelson Trust	\$5,000.00	The Snowden-Watts Charitable Trust	\$5,000.00
COGS Otago	\$5,750.00	Margaret Neave Charitable Trust	\$5,000.00	Thomas George Macarthy Trust	\$100,000.00
COGS Southland	\$8,050.00	Marlborough District Council	\$5,475.00	Timothy Blair Trust	\$10,800.00
COGS Wellington	\$6,900.00	Maurice Carter Charitable Trust	\$7,500.00	Trust Waikato	\$45,000.00
COGS Whanganui/ Manawatu	\$9,200.00	Maurice Paykel Charitable Trust	\$10,000.00	Un Cadeau Charitable Trust	\$20,000.00
COGS Other Regional Committees	\$14,375.00	Ministry of Foreign Affairs & Trade Partnerships for Int'l Development Fund	\$219,174.00	Valder Ohinemuri Charitable Trust (Inc)	\$9,000.00
Central Energy Trust	\$25,000.00	Ocean View Charitable Trust	\$30,000.00	W R Kettle Trust	\$5,000.00
Central Lakes Trust	\$67,103.00	Otago Community Trust	\$30,000.00	WEL Energy Trust	\$27,000.00
Christchurch City Council	\$58,000.00	Rotorua Energy Charitable Trust	\$15,000.00	Wellington City Council	\$11,500.00
Community Trust Mid & South Canterbury	\$7,000.00	Sir John Logan Campbell Residuary Estate	\$15,000.00	Winton and Margaret Bear Charitable Trust	\$10,000.00
Community Trust of Southland	\$6,500.00	St Francis Charitable Trust	\$20,000.00		
David Levene Foundation	\$5,000.00				
Duo Trust	\$50,000.00				

### Other significant contributors

B W & S W Picot Charitable Trust

H B Williams Turanga Trust & J N Williams Memorial Trust

Springhill Charitable Trust & Frimley Foundation

Takutai Trust

# Corporate support

The Salvation Army gratefully acknowledges the wide range of corporate supporters who help us to fulfil our mission. These valued supporters include:

AA Life Services	Goodman Fielder Limited	Reading Cinemas
Arrow International Limited	Grant Thornton	Sanitarium
Bluebird Foods Limited	Heinz Wattie's Limited	Smartfoods Limited
Bosch New Zealand	Hoyts	Southern Cross Healthcare Group
Bunnings Warehouse	JB Were	Technology One Limited
Countdown	Kellogg New Zealand	Tegel Foods Limited
Crown Relocations	Kmart New Zealand	Toyota Financial Services
EFTPOS New Zealand	Marsh New Zealand	Val Morgan Cinema Network
Event Cinemas	McCain Foods (NZ) Limited	Vodafone New Zealand Limited
Farmers Trading Company Limited	Neill, Cropper & Co Limited	Warehouse Stationery Limited
Fonterra Co-operative Group Limited	Nestlé New Zealand Limited	
Foodstuffs (NZ) Limited	NZCU Baywide	
Fuji Xerox New Zealand Limited	OneSight—Australia New Zealand	

The Salvation Army is also thankful for the following significant partnerships:

The Marlborough Foundation Trust
The Marlborough Hospice Trust
The Rotoroa Island Trust

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*With **your support***  
*The Salvation Army can **continue to care***  
*for New Zealanders in need.*

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### Get involved in workplace giving

Partner with us to build team spirit and generate goodwill with your staff, customers and suppliers.

*Some ways to support us:*

- Join Payroll Giving
- Sponsor a specific programme
- Run a fundraising event or appeal

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### Make a donation

With your help, everyday New Zealanders can step toward a brighter future.

*Three ways to donate:*

- [www.salvationarmy.org.nz](http://www.salvationarmy.org.nz)
- Call 0800 53 00 00
- Regular giving by automatic payments

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### Include us in your Will

Help other New Zealanders long after you've gone.

*Ask for our free Wills and Bequests booklets.*

Call 0800 53 00 00

Email [wills@nzf.salvationarmy.org](mailto:wills@nzf.salvationarmy.org)

Write to The Salvation Army,  
Free Wills Booklets, PO Box 27001,  
Marion Square, Wellington 6141

For all enquiries contact the Public Relations Department on (04) 382 0744

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New Zealand, Fiji and Tonga Territory



Te Ope Whakaora