



**1 April 2021 to 31 March 2022**

# **ANNUAL REPORT**

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## Our Mission

Our mission is to walk alongside and to offer a helping hand so that those we support, gain control and can envisage for themselves a life free from financial struggle. In this we become the feet and hands of Jesus.

Taking him by the hand he helped him up...he became strong....and began to walk

**Acts 3:7-8**

## Our History

Agape Budgeting Services Limited is a charitable company registered under the Charities Commission. It was originally established in 1993 under the umbrella of the Christian Community Charitable Trust in the Hutt Valley and was the inspiration of a group of businessmen who saw the impact of unmanageable debt on families and wanted to make a difference. It was through their vision that Agape was conceived and has, as a result, been able to help almost 4,000 families in the greater Wellington Region.

Agape is staffed by one part-time manager and mentor, and a number of volunteer budget advisors who are trained and give their time at no cost in order to assist others to gain financial freedom. Advisors visit people in their own homes or at a mutually agreed location such as community offices of Citizens' Advice Bureaus. There is no time limit and advisors work at the pace of the person or family being supported until they feel in control and able to manage independently, or that their immediate need has been met.

## Our Purpose – What We Do

We provide a comprehensive budget service, designed to support clients through difficult financial situations and give them the skills and resources to pay off debt and manage their money more effectively in the long term. Clients learn how to set up and balance a budget, manage their weekly, monthly and annual expenses using a cash flow, and set up a series of bank accounts to support their budgeting. Our advisors help clients to negotiate with their creditors to agree repayment amounts they can afford, as well as working with Work and Income to ensure clients are receiving their correct benefit entitlements.

We work with our clients as long as they want help. This could be anywhere from one meeting to many meetings over several years. Our services are 100% free for our clients and are delivered by trained volunteers, mostly in the client's home.

Our one-on-one approach means advisors tailor support to meet individual needs. Meeting our clients in their own homes provides a unique opportunity to identify other needs they might have and connect them with other services and their local communities. Agape has strong relationships with a range of community organisations that provide a range of support including mental health and addiction services, housing, and provision of food and clothing. Our individual advisors are also able to draw on support from their local church communities.

While we actively encourage all clients to pursue every reasonable means to repay their outstanding debt, our advisors and support staff are also able to assist with administrative requirements of Summary Installment Orders, No Asset Procedures, Mortgagee sales and Bankruptcy situations.

***Free one-on-one budgeting advice for individuals and whanau***

Agape has networks of budget advisors across the Wellington region. They sometimes operate out of their local churches, including churches in Upper Hutt, Naenae, Lower Hutt, Petone, Karori, Cannons Creek, and Waitangirua. We also operate from the Porirua Citizens Advice Bureau (CAB), taking bookings on two days for most weeks, and meeting with clients who drop-in during those times.

***Budget advisor training services***

A key focus of Agape's work is delivering high quality training for budget advisors. Our trainers deliver free training courses to people wishing to volunteer for Agape. They also deliver occasional training services to other groups who wish to train budget advisors.

Following their initial training, Agape advisors are supervised by an experienced advisor for their first clients and attend refresher courses during their first year.

All advisors attend refresher evenings on an ongoing basis to ensure their skills are maintained and that they are up-to-date with the latest law changes, benefit rates, and other issues that impact clients.

***Christian Budgeting New Zealand (CBNZ)***

Agape continues to participate in CBNZ, collaborating with budgeting groups around New Zealand.

## Governance

Agape Budgeting Service Limited is registered with Charities Services. Our registration number is CC21402.

The board is responsible for governance. The budgeting manager, a part-time paid role, reports to the board and is responsible for the oversight of volunteer advisors who work on behalf of the organisation to provide budgeting services.

### Board members

The current board members are:

- Lisa Swan (Chair)
- John Skilton (Treasurer)
- Brian McGettigan

### Employees

Agape Budgeting Service Limited currently has one paid employee:

- Peter Gallagher (Manager and mentor)

### Volunteers

22 volunteer budget advisors have worked with Agape during the 2021/22 year.

## CONTACT DETAILS

**Postal Address:** Agape Budgeting Service Ltd  
P O Box 13-107  
Johnsonville 6440  
WELLINGTON

**Phone:** (04) 477 3000  
**Email:** [info@agapebudgeting.org.nz](mailto:info@agapebudgeting.org.nz)  
**Web:** [www.agapebudgeting.org.nz](http://www.agapebudgeting.org.nz)

## Board's Report

We have much to celebrate this year! Our financial needs have been met; we have retained a skilled volunteer workforce; we have been supported by faithful organisations and individuals; and we have been trusted by more than 140 local families who have overcome a range of barriers to seek assistance and engage with our budget advisors.

Agape suffered the loss of our chairperson, Bronwyn Poad, in May 2021. Her death, after a short illness, was a huge shock to all who knew her. We have missed her generous spirit, energy, and leadership. A number of Agape volunteers joined with several hundred others at her funeral service, which was a joyous celebration of her life.

The remaining board members reviewed our governance arrangements and needs a few months later. We have agreed that the smaller board membership, with three people, is sufficient for our needs at this time, and that our focus would be on maintaining the current number of volunteer budget advisors with a view to growing this over the next two years.

Peter Gallagher took over from Heather Lange in the role of Manager, in a temporary capacity from June 2021. The board reviewed our needs for management and mentoring, and is very grateful to Peter for accepting our offer to take on the role as a permanent employee from July 2022. We have combined the functions so as to have a small cost saving in annual salaries, without a reduction in the level of service provided.

An evening at the Petone Lighthouse Cinema in December was a social highlight of the year. We had not been able to gather together for a while, and this was a combined fundraiser and Christmas celebration. It was great to be able to meet with budget advisors and various family members who attended, to catch up on news of the past several months, and to enjoy supper and an entertaining movie together. We have set modest targets for the next twelve months, to ensure we provide more opportunities for budget advisors to meet both socially and in training sessions.

It's difficult to reflect on the year without mentioning Covid. Restrictions on events, use of public facilities, and requirements for self-isolation all impacted us in various ways in 2021/22. We are grateful to our volunteers who navigated the changing landscape and responded innovatively to meet our clients' needs. We had anticipated that funds would be harder to obtain due to increased demand as many organisations struggled to replace normal revenue streams impacted by Covid-19, but were successful in our funding applications to the Community Organisation Grants Scheme (COGS), Hutt Mana Charitable Trust, Tindall Foundation, and T G McCarthy Trust. We were once again thrilled to receive financial support from Porirua Gospel Chapel, which also supports us with the free use of their building when needed for training and meetings, and from the Community Christian Charitable Trust (CCCT).

Budget advisory services in New Zealand are increasingly regulated and Agape is one of few in the region that is not government-funded. We continue to review Agape's place in this environment, and are satisfied that we continue to meet a need in our communities, and show good stewardship of the financial and personnel resources we have.

We believe that financial freedom is a key to improved wellbeing, and one that many New Zealanders are struggling to achieve. The March 2022 Financial Resilience Index issued by Financial Services Council NZ notes that "40% reported being negatively financially impacted by Covid-19". We are beginning to see this reflected in the number of clients approaching us for

assistance. We know that we can only work alongside those who have recognised the value of the support and guidance and expertise we can offer, and that it takes time, commitment and sacrifice to make a change. We don't always see the impact of the work that we do, but we trust that our labour will bear fruit and we know that the difference for families continues to be real and life changing.

### **BUDGET ADVISORS AND TRAINING**

We are so impressed by the willingness of our budget advisers to take on new clients – sometimes more than one at a time. We were able to allocate advisers to new clients throughout the year, without delays due to unavailability of advisers.

Having delivered Agape's first online training for new budget advisers via Zoom in September 2020, and with ongoing restrictions due to Covid and increasing difficulties to find volunteers able to set aside the same weekends for training, we continued with online training this year.

Mentoring discussions with advisers covered a wide range of topics, including:

- managing high debt, and when insolvency may be appropriate
- checking benefit entitlements and advice for dealing with Work & Income
- how to apply for Kiwisaver withdrawals
- clients who have businesses both as sole traders and companies.

Jim Green retired after a long and successful stint as a budget adviser. Jim – we are so grateful for your wonderful work over the years, and are confident in the positive impact you've had in the lives of many clients over that time.

At 31 March 2022, we have 17 active budget advisers and five who are temporarily unavailable.

We continued our association with a number of organisations including CAB (Porirua) and the Benefit Advocates group at Work and Income (Porirua). A new connection was established with PakNSave (Porirua) via their HR Manager who identified that many of their staff were experiencing budgetary problems.

### **OUR FINANCES**

Agape recorded a net surplus for the year of \$2,041. This compares with a deficit of \$186 for the previous financial year.

Expenses decreased by almost \$900 for the year compared to 2020/21. Income was up the previous year by almost \$1,700 mainly due to an increase in grants from CCCT.

Support for the work of Agape from those organisations and individuals from whom we have received funding over 2020/21 – many of which have been long-standing supporters of our work – has been sufficient to meet the organisation's need.

Financial statements are attached to the back of this report.

## **ACKNOWLEDGMENTS**

We are very grateful for the time, expertise, and effort that is put into supporting Agape and its mission. In particular, we acknowledge:

- Budget Advisors – Thank you so much for graciously and generously giving your time to establish relationships and work with clients. Your work is often the difference that helps clients to turn around their financial situation. Your commitment and continued service to Agape is so appreciated, and we pray that you will know God’s blessing in this work.
- Heather Lange – Thank you for taking the time to handover your work before you moved onto your new job. It was such a relief, once we had reconciled ourselves to the news of your resignation from Agape to take up the new opportunity, to know that you would kindly make yourself available when needed to ensure that nothing was lost in the transition.
- Peter Gallagher – You were so gracious in filling the role of Manager on a temporary basis while we considered our situation. We are very glad that you have taken on that role permanently, and we appreciate the experience and expertise that you bring to the organisation’s administration, as well as continuing to meet with clients through the CAB and mentoring budget advisors.
- Funders – All services provided by Agape are completely free to our clients. We are therefore fully dependent on grants and donations to cover costs incurred. Our thanks go to the following for financial support provided during the year:

Grants: T G McCarthy Trust  
COGS Wellington  
COGS Whitireia  
Nikau Foundation (Tindall)  
Hutt Mana Charitable Trust

Donations: CCCT  
Porirua Gospel Chapel  
Individuals who have made private donations

## **LOOKING TO THE FUTURE**

The disruptions of the past year have meant that our focus has been on evaluating our value and operating model, and maintaining current operating services. We undertake to continue to check that we are delivering good value to the community through the resources available to us. For 2022/23, we intend to:

- Review our approach for training new advisors, including considering the use of training modules developed by others, to ensure good value for money, good use of volunteer’s time, and training appropriate to the needs of our client base.
- Modestly increase the number of active budget advisors.
- Provide more opportunities for budget advisors to refresh their skills and to meet together to learn from others’ experience

Thank you for taking the time to read this report. We hope it has provided insight to our mission and work.

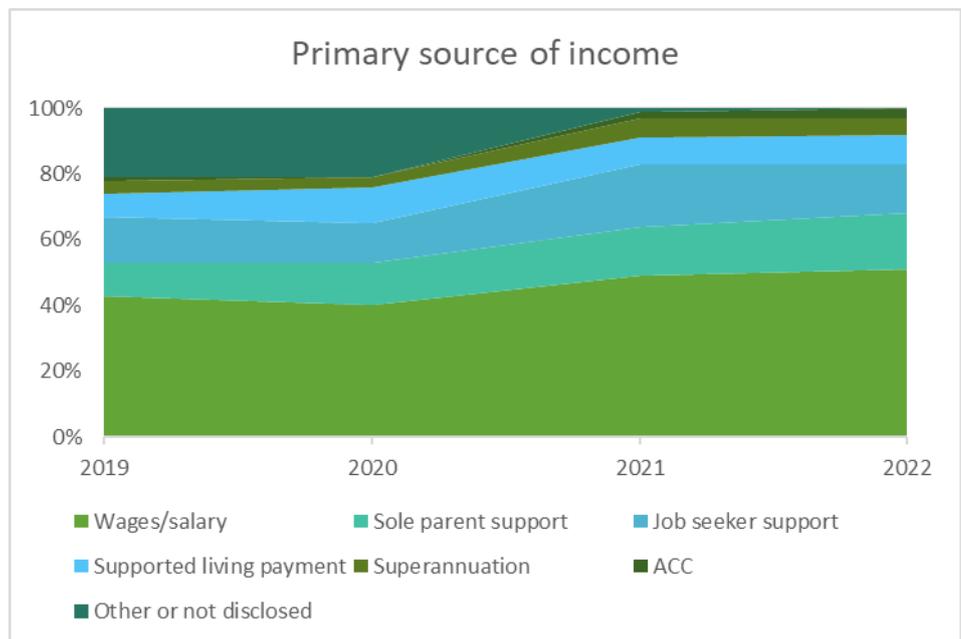
June 2022

## Our Clients

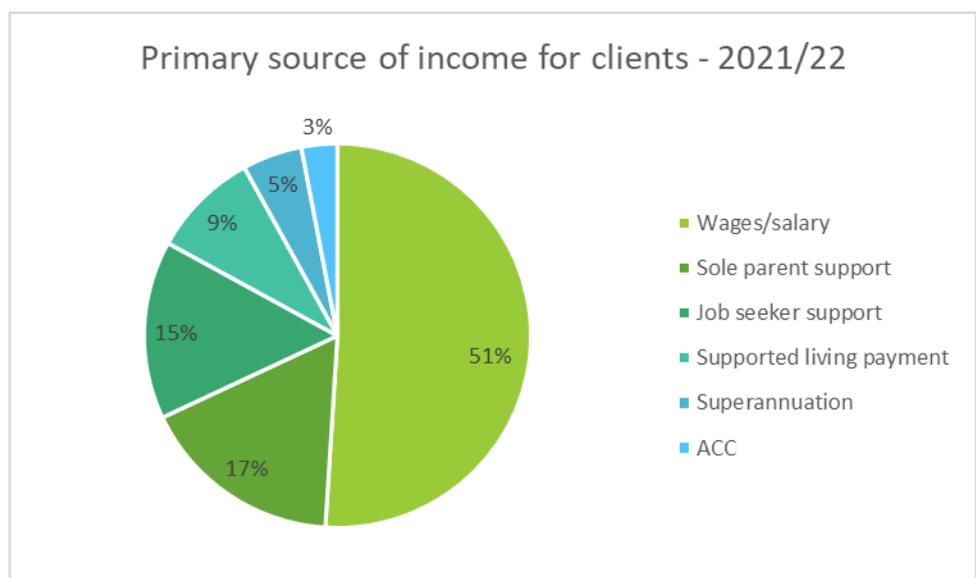
We had 173 new clients in 2021/22, across 141 families, with responsibilities for almost 150 children living in these households.

The following graphs provide a demographic overview of the clients who connected with us in 2021/22. We provide this to give an indication of the wide range of personal circumstances of the people we're privileged to work with, and some information about how the demographic appears to be changing over time.

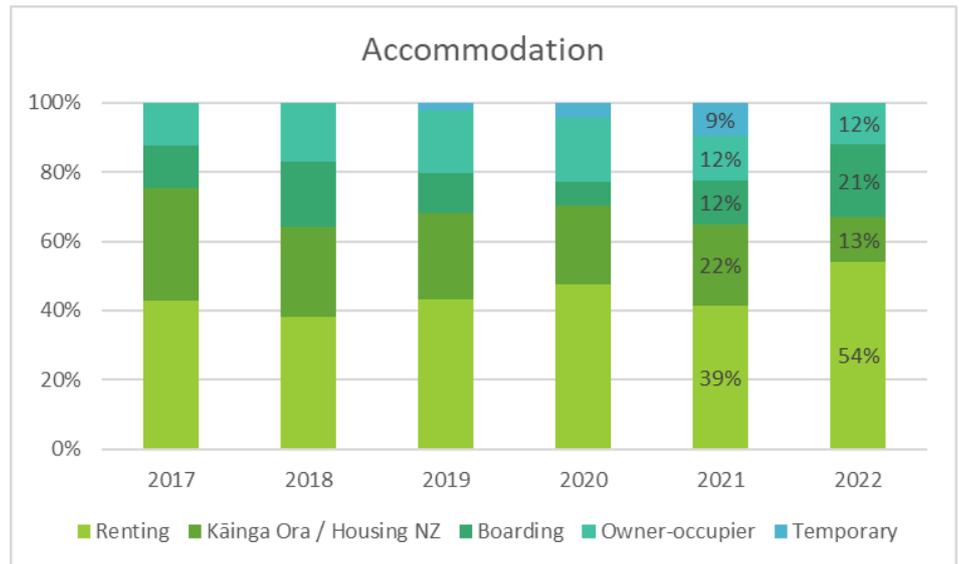
Wages and salaries have been the primary source of income for 40% to 50% of our clients in the past few years - 51% this year). Sole parent support and job seeker support are the next most common sources of primary income.



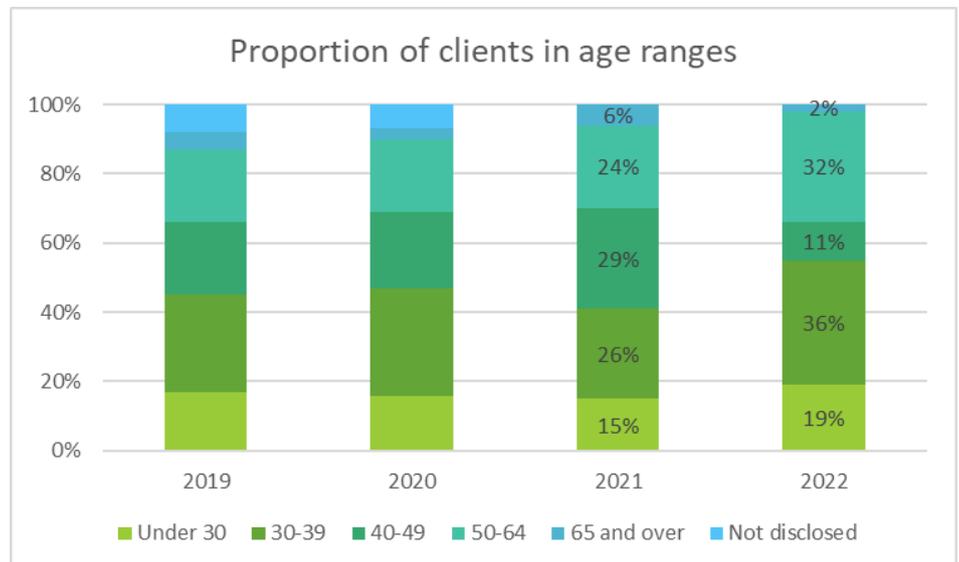
This shows the proportion of our clients in 2021/22 who reported each of these as their primary source of income.



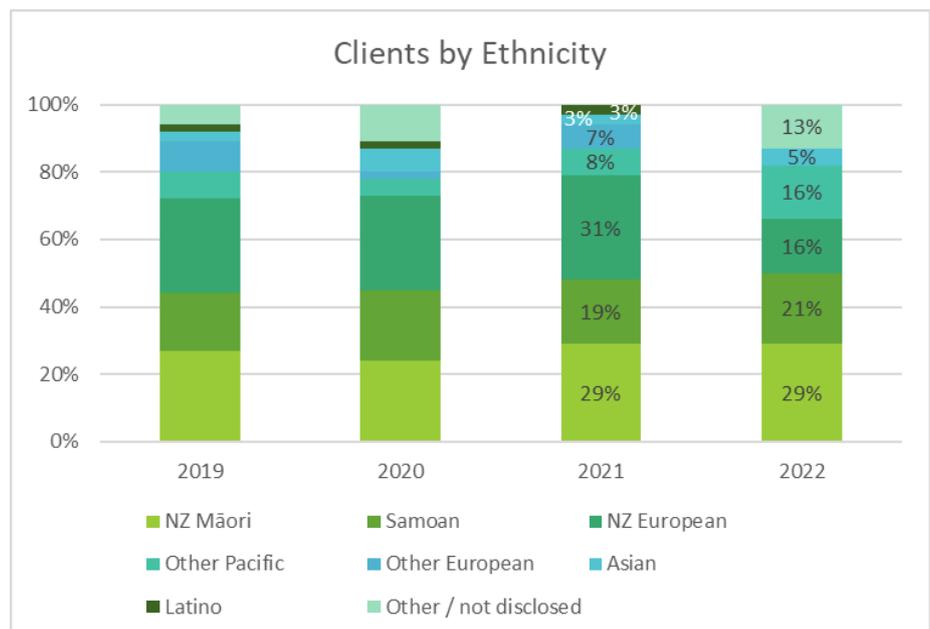
For the first time in several years, more of our clients in 2021/22 are boarding with others (21%) than living in Kāinga Ora (previously Housing New Zealand) accommodation (13%)



A higher proportion of our clients this year were younger than 40 years of age, with a moderate increase in the proportion who are younger than 30 (from 15% last year to 19% this year), and a significant increase in the proportion aged in their thirties (from 26% last year to 36% this year).



Clients in 2021/22 who provided their ethnicity included Burmese, Cook Island Māori, European, Fijian, Fijian Indian, Indian, Māori, Middle Eastern, NZ European, Pacific Islander, Filipino, Samoan, South African, Thai, Tokelauan, and Tongan. This graph indicates the range of ethnicities (which we group up for reporting purposes).



**AGAPE BUDGETING SERVICE LIMITED  
STATEMENT OF INCOME AND EXPENSES  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>Grant Income</b>			
Grant from COGS Wellington		3,000	2,000
Grant from COGS Whirea		8,000	8,000
Grant from COGS Hutt Valley		-	1,801
Grant - Hutt Mana Charitable Trust		1,000	-
Tindall Foundation		3,000	-
T G McCarthy Trust		5,000	5,000
<b>Donation Income</b>			
Donation - CCCT		14,850	16,200
Donation - Private Trust			
Donation - Porirua Gospel Chapel		1,300	1,300
Donation - Other		95	-
Donations - Budget Advisors		86	198
<b>Other Income</b>			
Fundraising		540	680
Reimbursement of Expenses		-	-
Interest		6	5
<b>Total Income</b>		<b>36,877</b>	<b>35,184</b>
<b>Less Expenses</b>			
Wages - Coordinator		30,008	26,649
Wages - Training Mentor		1,243	4,054
Fundraising Expenses		264	257
Operating and Administrative		938	2,152
Insurance		1,084	1,024
Honorarium		-	100
Telephone & Rental		720	828
Christian Budgeting New Zealand		-	200
Training		30	127
Training Services		-	
Gifts to Volunteers		334	152
Website		215	173
<b>Total Expenses</b>		<b>34,836</b>	<b>35,715</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>2,041</b>	<b>(531)</b>
Plus income from previous year received in advance		-	345
Less Income received in advance	3		
<b>Net Surplus/(Deficit)</b>		<b>2,041</b>	<b>(186)</b>

These accounts are to be read in conjunction with the attached notes.

**AGAPE BUDGETING SERVICE LIMITED  
STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Opening Equity	<b>7,237</b>	<b>7,423</b>
Net Surplus/(Deficit) for the year	<b>2,041</b>	<b>(186)</b>
<b>Equity at end of year</b>	<b>9,277</b>	<b>7,237</b>

These accounts are to be read in conjunction with the attached notes.

**AGAPE BUDGETING SERVICE LIMITED  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>EQUITY</b>		<u>9,277</u>	<u>7,237</u>
<b>CURRENT ASSETS</b>			
Westpac Bank Account		10,017	8,498
Westpac Bank Account		25	25
Prepaid Insurance		521	471
<b>Total Current Assets</b>		<u>10,563</u>	<u>8,993</u>
<b>CURRENT LIABILITIES</b>			
Accrued Expenses		1,286	1,756
Grants received in advance		-	-
<b>Total Current Liabilities</b>		1,286	1,756
<b>NET WORKING CAPITAL</b>		9,277	7,237
<b>NET ASSETS</b>		<u>9,277</u>	<u>7,237</u>

\_\_\_\_\_ Director

\_\_\_\_\_ Director

\_\_\_\_\_ Date

\_\_\_\_\_ Date

These accounts are to be read in conjunction with the attached notes.

**AGAPE BUDGETING SERVICE LIMITED**  
**STATEMENT OF CASH FLOWS**  
**AS AT 31 MARCH 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>		
Cash was received from:		
Donations, fundraising and similar receipts	36,871	35,179
Receipts from providing goods and services		
Interest received	6	5
	36,877	35,184
 Cash was applied to:		
Payments to Suppliers and Employees	35,358	35,640
 Net cash flows from operating activities	1,519	(456)
 Net increase / (decrease) in cash	1,519	(456)
Opening Cash	8,523	8,979
 <b>Closing Cash</b>	<b>10,042</b>	<b>8,523</b>
 <b>Represented by:</b>		
Bank Accounts and Cash	10,042	8,523

**AGAPE BUDGETING SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. STATEMENT OF ACCOUNTING POLICIES**

**Reporting Entity**

Agape Budgeting Service Limited is a company registered under the Companies Act 1993. The company is also registered under the Charities Act 2005. The primary activity of the Trust is providing free budgeting advice and assistance to the community.

**Basis of Preparation**

Agape Budgeting Service Limited has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

**Goods and Services Tax (GST)**

Agape Budgeting Service Limited is not registered for GST. Therefore amounts recorded in the Performance Report are inclusive of GST (if any).

**Income Tax**

Agape Budgeting Service Limited is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

**Bank Accounts and Cash**

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 12 months or less.

**Presentation Currency**

The financial statements are presented in New Zealand dollars, which is the functional currency. All numbers presented have been rounded to the nearest dollar, unless otherwise stated.

**Revenue**

Donations and grant income is recognised as revenue when received and all associated obligations have been met. Where grants have been given for specific purpose, or with conditions attached, income is not recognised until agreed upon services and conditions have been satisfied. Government grants relating to income are recognised as income over the periods necessary to match them with the related services when performed. Grants received which the requirements and services have not been met are treated as "income in advance under current liabilities".

**Changes in Accounting Policies**

The company has elected to apply PBE SFR-A Public Benefit Entity Simple Format Reporting for the first time for the financial period ended 31 March 2016. There have been no other changes in accounting policies during the financial year (last year - nil)

**2. GRANTS AND DONATIONS**

For the 2021/2022 year Agape Budget Service received \$20,000 in "tagged" funds as stated below:

<i><b>Date</b></i>	<i><b>Donor</b></i>	<i><b>Total Purpose</b></i>	<i><b>Expended 2021/22</b></i>
Apr-21	Hutt Mana Charitable Trust	1,000 Wages	1,000
May-21	Nikau Foundation (Tindall)	3,000 Wages	3,000
Aug-21	COGS Whitireia (R-COGS-2021-170915)	8,000 Wages	8,000
Aug-21	COGS Wellington (R-COGS-2021-170914)	3,000 Wages	3,000
Nov-21	Public Trust (T G McCarthy Trust)	5,000 Wages	5,000
		<u>20,000</u>	<u>20,000</u>

**3.**

As at 31 March 2022 Agape Budgeting Service holds a balance of "tagged" grants to be used in 2022 as stated below

<i><b>Date</b></i>	<i><b>Donor</b></i>	<i><b>Purpose</b></i>	<i><b>Amount</b></i>
			<u>0</u>