



1 April 2022 to 31 March 2023

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, often 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 encourage 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. While we have a preference to meet with clients in their own homes if it suits them, our budget advisors sometimes operate out of their local churches. 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 training and 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

15 volunteer budget advisors have worked with Agape during the 2022/23 year.

CONTACT DETAILS

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WELLINGTON

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Board's Report

We are grateful for a good year.

As a board, we met regularly at Brian's home this year. Thank you Brian and Cheryl for your hospitality. Funding, training opportunities, and the landscape of budgeting services in this region and across New Zealand, have been common topics for discussion. We pray regularly for our budget advisors and our clients. We consider that the current governance arrangements, with three people on the board, is sufficient for our needs at this time.

Our financial needs have been met, and we have made some progress against our targets for the year. We have experienced a small decrease (from 140 in 2021/22 to 134 this year) in the number of new clients, and plan to reverse that next year.

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. We 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 each step that we can help our clients take toward that is a good outcome.

The Financial Services Council NZ has produced a report on the financial resilience of New Zealanders, which is available on their website: www.fsc.org.nz.

Of particular interest for us is their finding that financial confidence has decreased. Their April 2023 report says that *"Kiwis are increasingly worrying about money, more often, with just under 50% of us worrying about money daily or weekly, that is 300,000 more of us than last year"*. And in terms of financial preparedness – *"The data shows 39% of respondents (up 5% since 2022), equivalent to over 1.5 million Kiwis, could not access \$5,000 within a week without going into debt if they had to pay for something unexpectedly."*



Unmanageable levels of debt are a common concern for many of our clients. We recognise that it takes time, commitment and sacrifice from clients to make a change in that area, and often a few false starts along the way. Our budget advisors support, guide and walk alongside our clients, and while they don't always see the impact of the work they do, we trust that it will bear fruit and help change lives for the better.

BUDGET ADVISORS AND TRAINING

We continue to be blessed with a volunteer workforce of excellent budget advisors. Availability of advisors was sufficient to enable us to promptly allocate advisors to new clients throughout the year.

At 31 March 2023, we have 18 active budget advisors. Of particular note is Peggy Humphrey. Peggy has supported a large number of our clients this year (as she has done for several years), through meetings at the Porirua Citizens Advice Bureau. The CAB has moved to a different building, but continues to see the value in the services provided through Agape, and continues to make provision for this in their new office space.

John Burt retired after many years as a budget advisor. John – 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.

OUR FINANCES

Agape recorded a net deficit for the year of \$3,955 after making allowances for the timing differences that occur when charitable grants and donations are received in one period but spent in another. This compares with a surplus of \$2,041 for the previous financial year.

Expenses decreased by more than \$5,000 for the year compared to 2022/23, through reducing the number of hours of paid employment with one role for both management and training of advisors. We received income from a Lottery Community Grant for the first time, with a successful application in place of the several applications previously made annually to Community Organisation Grants Scheme (COGS). We expect to seek funding from COGS again in 2023/24.

Support for the work of Agape from those organisations and individuals from whom we have received funding over 2022/23 – 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.
- Peter Gallagher – We appreciate the experience and expertise that you offer to budget advisors to enable them to better support clients, as well as continuing to meet with clients yourself through the CAB.

- 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:
 - ❖ Community Christian Charitable Trust
 - ❖ T G McCarthy Trust
 - ❖ Lottery Wellington Wairarapa Community Committee
 - ❖ Porirua Gospel Chapel
 - ❖ Private donation

LOOKING TO THE FUTURE

We continue to check that we are delivering good value to the community through the resources available to us.

We set modest targets related to increasing the impact we can have in our community.

The targets we set last year for 2022/23:	Our performance against those targets:
1. 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	We have revised our approach for training new advisors. Training planned for early in 2023/24 will involve one full day of in-person training, followed by brief online sessions. We continue to investigate options for collaborating with others for training resources.
2. Modestly increase the number of active budget advisors	The number of active budget advisors increased from 17 to 18.
3. Provide more opportunities for budget advisors to refresh their skills and to meet together to learn from others' experience	Arthur Shew delivered an excellent training session in August, which was attended by a dozen advisors and board members and provided an opportunity for re-connecting with each other.

We will focus on modestly increasing the number of active advisors we have in 2023/24, and promoting our free service to more families. We hope to see an increase in the number of clients we serve in 2023/24.

Our targets for 2023/24:

1. Continue investigating opportunities for collaborating with other, and/or leveraging other training tools and resources to complement those of Agape. The purpose of this is to ensure good value for money, good use of volunteer's time, and training appropriate to the needs of our client base.
2. Modestly increase the number of active budget advisors. We would like to have at least 20 active budget advisors in 2023/24.
3. Increase the number of clients by 10%. If we are successful in increasing the number of advisors, we will be confident of being able to manage a larger client base. We will ask budget advisors to help promote our services to achieve this.

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

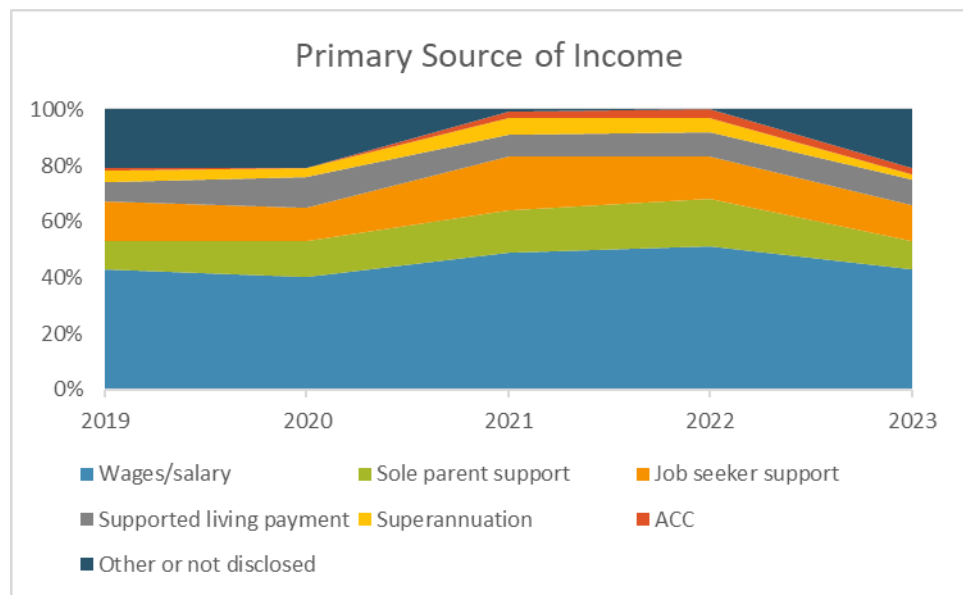
June 2023

Our Clients

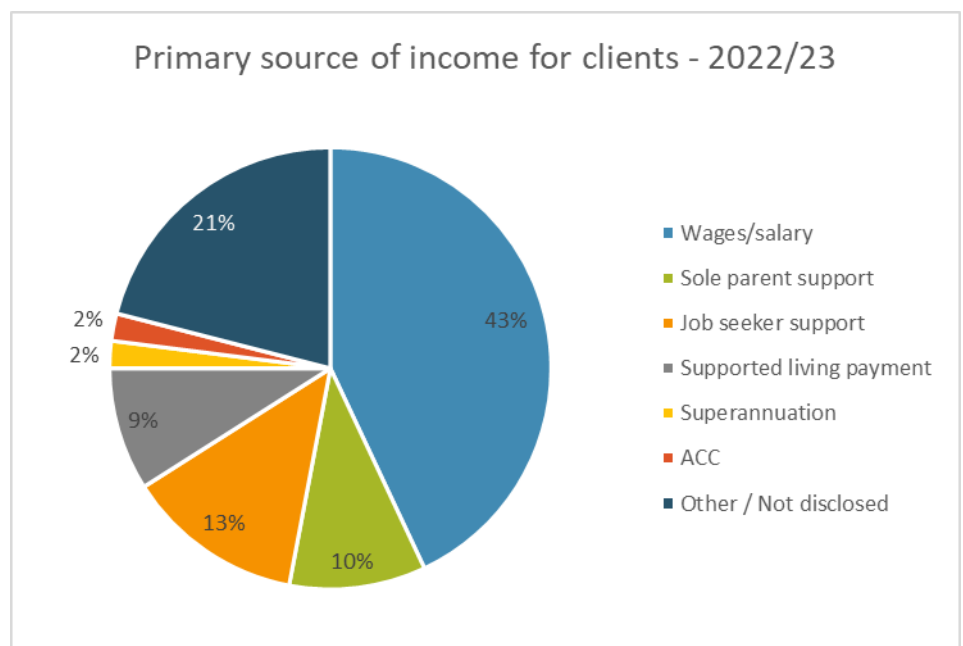
We had 134 new clients in 2022/23, across 113 families, with responsibilities for more than 90 children living in these households.

The following graphs provide a demographic overview of the clients who connected with us in 2022/23. 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.

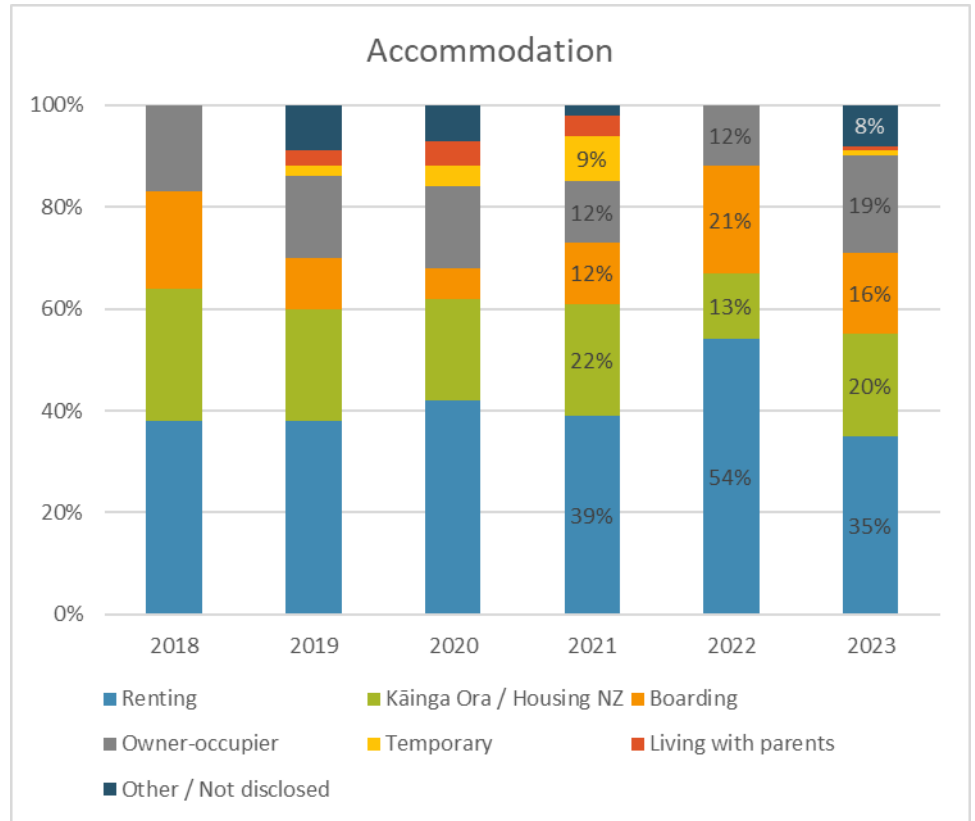
Wages and salaries have been the primary source of income for 40% to 50% of our clients in the past few years - 43% this year, after a high of 53% in 2021/22). Job seeker and Sole parent support are the next most common sources of primary income.



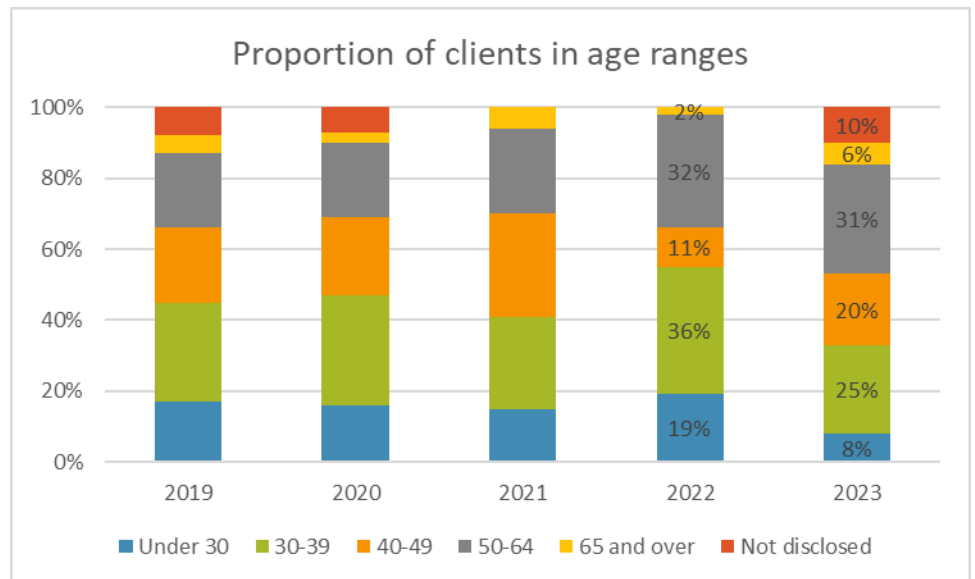
This shows the proportion of our clients in 2022/23 who reported each of these as their primary source of income.



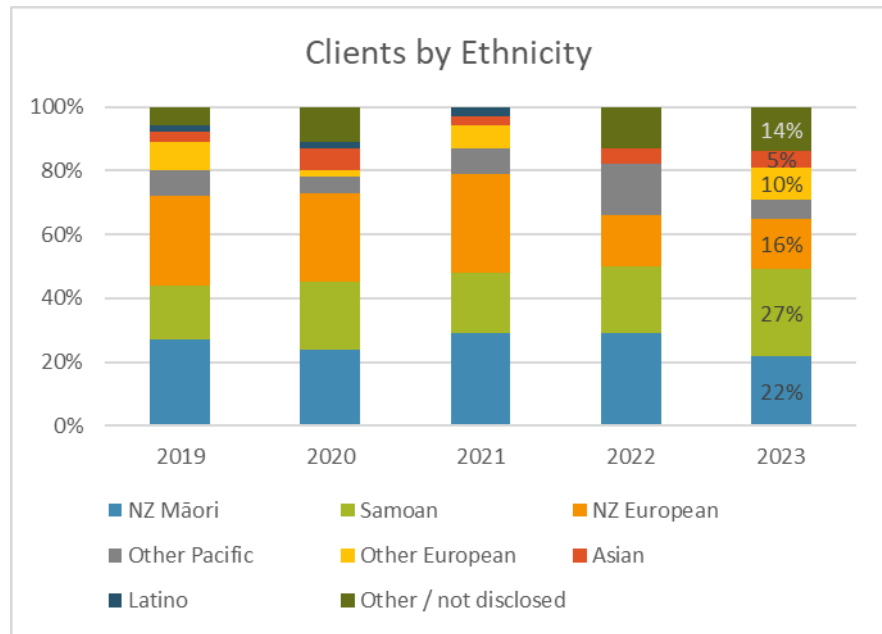
Last year saw a peak in the proportion of whanau renting (54%) and boarding with others (21%). This year appears more consistent with 2017 to 2021, but with a larger proportion of clients being owner-occupiers (19%). This may indicate increased financial pressures among homeowners, compared to prior years.



Of those who disclosed their age, most clients (31%) were in the age group of 50 to 64 years, with the next largest group being in their thirties (25%). We saw a significant reduction in the proportion of clients who were younger than 30, at just 8% compared to a high last year of 19%.



Clients in 2022/23 who provided their ethnicity (or primary ethnicity that they identify with) included Burmese, Cook Island Māori, European, Indian, Māori, Middle Eastern, New Zealander, NZ European, Nigerian, Pacific Islander, Samoan, South African, Sudanese, 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 2023**

	Note	2023 \$	2022 \$
Grant Income			
Grant from COGS Wellington		-	3,000
Grant from COGS Whitirea		-	8,000
Grant from COGS Hutt Valley		-	-
Grant - Hutt Mana Charitable Trust		-	1,000
Grant - Lottery Community Grant		20,000	
Tindall Foundation		-	3,000
T G McCarthy Trust		5,000	5,000
Donation Income			
Donation - CCCT		9,450	14,850
Donation - Private Trust			
Donation - Porirua Gospel Chapel		1,300	1,300
Donation - Other		100	95
Donations - Budget Advisors		-	86
Other Income			
Fundraising		-	540
Reimbursement of Expenses		-	-
Interest		123	6
Total Income		35,973	36,877
Less Expenses			
Wages - Coordinator		26,184	30,008
Wages - Training Mentor		-	1,243
Fundraising Expenses		-	264
Operating and Administrative		779	938
Insurance		1,138	1,084
Honorarium		-	-
Telephone & Rental		720	720
Christian Budgeting New Zealand		-	-
Training		12	30
Training Services		-	-
Gifts to Volunteers		210	334
Website		94	215
Total Expenses		29,136	34,836
Net Operating Surplus/(Deficit)		6,836	2,041
Plus income from previous year received in advance		-	
Less Income received in advance	3	10,791	
Net Surplus/(Deficit)		- 3,955	2,041

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 2023**

	2023 \$	2022 \$
Opening Equity	<u>9,277</u>	<u>7,237</u>
Net Surplus/(Deficit) for the year	- 3,955	2,041
Equity at end of year	<u>5,322</u>	<u>9,277</u>

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

**AGAPE BUDGETING SERVICE LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

	Note	2023 \$	2022 \$
EQUITY		<u>5,322</u>	<u>9,277</u>
CURRENT ASSETS			
Westpac Bank Account		16,357	10,017
Westpac Bank Account		25	25
Prepaid Insurance		521	521
Total Current Assets		<u>16,903</u>	<u>10,563</u>
CURRENT LIABILITIES			
Accrued Expenses		790	1,286
Grants received in advance		10,791	-
Total Current Liabilities		<u>11,581</u>	<u>1,286</u>
NET WORKING CAPITAL		5,322	9,277
NET ASSETS		<u>5,322</u>	<u>9,277</u>

J.S. Smith Director
4/7/2023 Date

[Signature] Director
4 July 2023 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 2023**

	2023	2022
	\$	\$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and similar receipts	35,850	36,871
Receipts from providing goods and services		
Interest received	123	6
	35,973	36,877
Cash was applied to:		
Payments to Suppliers and Employees	29,633	35,358
Net cash flows from operating activities	6,340	1,519
Net increase / (decrease) in cash	6,340	1,519
Opening Cash	10,042	8,523
Closing Cash	16,383	10,042
Represented by:		
Bank Accounts and Cash	16,383	10,042

**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 2022/2023 year Agape Budget Service received \$25,000 in "tagged" funds as stated below:

<i>Date</i>	<i>Donor</i>	<i>Total Purpose</i>	<i>Expended 2022/23</i>
Oct-22	Lottery Community Grant	20,000 Operating	14,209
Nov-22	Public Trust (T G McCarthy Trust)	5,000 Wages	0
		25,000	14,209

3.

As at 31 March 2023 Agape Budgeting Service holds a balance of "tagged" grants to be used in 2023 as stated below

<i>Date</i>	<i>Donor</i>	<i>Purpose</i>	<i>Amount</i>
Oct-22	Lottery Community Grant	20,000 Operating	5,791
Nov-22	Public Trust (T G McCarthy Trust)	5,000 Wages	5,000
			10,791