

A woman with short blonde hair, smiling, wearing a dark blue Salvation Army uniform jacket with a white shirt and a red collar. She is sitting on a wooden bench outdoors. The background is blurred, showing greenery and a building.

# The Army THAT brings life

## Annual Report 2014-15

New Zealand, Fiji and Tonga Territory



Te Ope Whakaora

The Salvation Army is a registered charity under the Charities Act 2005, registered number CC37312.

**Published by** The Salvation Army New Zealand, Fiji and Tonga Territory

202 Cuba Street, Te Aro, Wellington 6011.  
PO Box 27001, Marion Square, Wellington 6141, New Zealand.

**Phone** 04 382 0744 **Email** [pr@nzf.salvationarmy.org](mailto:pr@nzf.salvationarmy.org)

© 2015 The Salvation Army





The Salvation Army is often described as simply 'a charity'. Technically this is correct. But The Salvation Army is also a church and it is our love of God that powers our work—an expression of our faith.

And our works are not merely 'charitable'. They are acts of justice in a world of gross inequality, a place where some would have us believe that the great mass of the impoverished and the anguished is natural, permanent and tolerable. This is the same world where we have seen such astonishing advances in science, technology and the accumulation of wealth.

Our founder William Booth told us to fight injustice, and for a century and a half we have fought and will continue to struggle as long as The Salvation Army remains standing.

Our mission is our magnetic north. Caring for those in distress, helping reignite their hopes and transform their lives while working to change our society for the better is the compass bearing on which we travel. As The Salvation Army internationally marked its 150th anniversary during the year, we reaffirmed our commitment to this mission, vowing to inject more energy and greater efficacy and efficiency into this work.

We have a quarter of a million children living in poverty in New Zealand and half this number living in crowded, substandard living conditions—presumably there is a significant overlap in this. Numbers can numb the mind, but individual human beings will break your heart.

Picture two of our current clients: an elderly woman and her preschool grandchild. They live in a dilapidated boarding house. Their immediate neighbours are almost exclusively men, including alcoholics and those with

barely managed mental illnesses. They rarely leave their cramped and bedraggled room. I can only imagine the despair this woman feels as she tries to picture a future for her grandchild. Or the fear and uncertainty of living in such an unstable, unsuitable place.

This tiny, isolated and impoverished family has since been relocated, is safe and is being supported. But their plight is not unique. Their situations and the details differ, but The Salvation Army assisted over 120,000 adults and dependent children during the year. Incidentally, around 400 of these were grandparents raising their grandchildren in dire circumstances.

Throughout the year we saw new trends and old that worry us deeply, such as the steep rise in violence within families pushed to their limits. We saw people in significant numbers trying to escape big city poverty by moving to the provinces only to find little or no relief. New Zealand still has families sleeping in garages, in cars or in damp, cold or overcrowded dwellings.

We saw some take advantage of these fragile people's plight, like the owners of a small town campground soliciting mental health patients from Auckland to fill their caravans. Is this the New Zealand we are building? Is this justice?

To relieve the suffering of these people and enable them to build resilience and independence now takes carefully developed strategic approaches, ingenuity and resource. The work is painstaking, requires specialist skills and innovation, and involves all client family members—but it works.

While the challenges are great, they are not insurmountable. We witness gang members who have

broken decades-old bonds of addiction and crime, now dedicated fathers and partners and active members of their communities. We see long-term beneficiaries who are now in work or even self-employed, and individuals and families on the long road to recovery from abuse or neglect. Some of these people now work alongside us in our cause.

The Salvation Army would be both vain and foolish if it took full credit for this work. Our partnerships with the New Zealand public, companies, trusts and other organisations give our services greater form—the ability to reach more people and to deliver the more sophisticated, multi-disciplinary care and support needed to solve the increasingly complex problems our clients face in the 21st century.

We are acutely aware that these compassionate supporters are present in our work each day and in the lives of our clients as they move beyond poverty and despair.



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.

Te Ope Whakaora translates as

The Army  
THAT  
brings life



# 150 years

1865 OF 2015

## transforming lives



## In 2015 The Salvation Army celebrates 150 years of its existence internationally.

In 1865 in England, a new Christian movement came into being: The Salvation Army. Born of the conviction of William and Catherine Booth—who, displaying a progressive mindset, saw a need for the poor and working classes of the time to be cared for and supported out of poverty, the organisation grew from humble beginnings into one of the largest social service providers in the world.

William Booth was born in Nottingham, England, on 10 April 1829. At age 13, his father sent him to work as an apprentice in a pawnbroker's shop in the poorest part of town, and it was through this work that William's social conscience was first stirred and he became aware of the plight of the poor. His father died shortly after, and William began attending the local Wesley Chapel, where he was impressed by the words of the visiting preachers.

Moving to London several years later, William Booth joined a chapel in Clapham and it was here that he met his future wife, Catherine Mumford. Over the next dozen years, the couple married and travelled to other parts of England, where they would both preach to growing congregations. Catherine developed a reputation as an outstanding speaker, despite opposition from people who thought that a woman's place was in the home, and was known for her advocacy of better working conditions and pay for women workers.

Moving back to London in 1865, William commenced his first open-air evangelistic campaign in Whitechapel, preaching in a tent. This ministry led to the formation of 'The Christian Mission', with William as its leader, and in 1878 this was renamed 'The Salvation Army'.

General Booth, as he was now known, went on to explore wide-ranging ideas such as providing hostels, employment centres and helping young men to learn agricultural trades before emigrating to the colonies—concepts that were unheard of at the time.

The Salvation Army came into being in an era when the urban church was, for the most part, neglecting its missionary calling. The social, economic and spiritual alienation of the poor masses cried out to the church for response, but few heard—the early Salvationists were among the few that did. Those people who were typically turned away from other churches due to their impoverishment and 'low station' were welcomed to The Salvation Army, with this new fellowship deemed to be more attractive to the common people than other religious movements of its day.

By 1883, Salvation Army officers were holding more than 6,000 services a week, with over 2,000 people often packing a congregation hall to hear them speak.

In the early years of the Army, the novelty of Salvationist methods shocked some of the British public, who were not used to such an audacious departure from accepted religious practices. Salvationists were nothing if not brash; they were noisy, insistent and could often be seen waving flags, playing instruments, marching down streets and challenging long-held social views. This, on occasion, resulted in more than eyebrows being raised, as people angry at their antics would smash their instruments and verbally and physically harm the Army's members.



**"William Booth commenced his first open-air evangelistic campaign in Whitechapel ... This ministry led to the formation of 'The Christian Mission', and in 1878 this was renamed 'The Salvation Army'."**

Despite some opposition, the work of The Salvation Army quickly grew over the following years, as people united under the Army and William Booth's leadership. The Army made a name for itself as a champion of the poor and fighter against injustice. In the early years, Salvationists tackled taboo subjects such as poor living conditions, the establishment of worker's rights and the abolishment of child prostitution.

In a bold move that demonstrated the Army's concerns for better rights for workers, General Booth purchased a derelict factory in 1891 and converted into it a match-making factory. During this time many people in this industry (mainly women) suffered necrosis, a terminal form of bone cancer caused by contact with the poisonous material used in the match heads. The Army's match factory introduced a non-toxic match substance invented by the Swedes.

And so the Army became matchmakers, with their match boxes carrying the banner 'lights in Darkest England' and a call for people to shun the poisonous matches for the sake of the workers. Competitors felt the pressure and began producing their own safety matches, leading to the permanent eradication of necrosis in the industry—at which point William Booth shut down his match factory.



## Expansion to New Zealand

The Salvation Army rapidly expanded out of England and into other countries, with Captain Pollard (20) and Lieutenant Wright (21) bringing The Salvation Army to New Zealand in 1883.

New Zealand was in the grip of a severe depression at the time, with high rates of unemployment, poverty and crime. Hearing of The Salvation Army's success combating similar conditions in England, the daughter of a New Zealand pioneer wrote to 'Mr Booth' and asked him to send Salvationists to help. Pollard and Wright agreed to travel to New Zealand and boarded a boat bound for Dunedin, stopping in Australia on the way to pick up additional soldiers to support their mission.

Upon their arrival, Pollard and Wright held meetings in Auckland, Wellington and Dunedin, with word quickly spreading about these distinctly-dressed Salvationists who wore badges in the shape of shields emblazoned with the words 'Blood and Fire', and who used female ministry—almost unheard of in the day.



Less than a week after their first Army meeting in Auckland, the *New Zealand Herald* commented on the large number of Aucklanders seen wearing The Salvation Army shield. For several months, open-air meetings were held on Queen Street Wharf, with the Army using a crane as a pulpit to address crowds numbering in the thousands. By the end of that first year, The Salvation Army had established 25 centres in New Zealand, from Auckland to Invercargill, with early social work being undertaken including a home for ex-prisoners.

In these early years there were periods of highly successful ministry amongst Māori. In 1889 a separate Salvation Army Māori Division was established, and a 'Maori Tribute' levied on all Army congregations (one penny per soldier, per month). A Māori Officer Training College was formed in 1889. This focus on Māori Ministry would rise and fall over the following years as leadership changed.

Captain Pollard made an effort to reach people in remote country districts by organising a 'flying brigade' in early 1885 that comprised a two-horse caravan emblazoned with the words 'The Salvation Army' on the side. Within 10 years, as word of their work with the needy grew, the Army was in every New Zealand town with a population of 1,500 or more.



## The Salvation Army today

Today, the Salvation Army operates in 127 countries, with over 15,000 ministries spread around the world. Our aid is diverse and far-reaching, from drop-in centres and emergency hostels, to community programmes, education initiatives and hospitals.

In New Zealand, The Salvation Army operates 78 Community Ministries throughout the country, assisting over 120,000 people in need annually. This includes the distribution of 55,425 food parcels, the provision of 13,635 budgeting sessions, and 18,192 community meals being served.

Over 7,000 elderly and infirm people were provided with home support, 1,512 people received addiction treatment, and more than 133,000 bed nights of specialist accommodation were provided.

No matter how dark the times may be, The Salvation Army is still here to provide help where it's needed the most.

1,500

People received **education  
& employment training**

55,805

**Food parcels distributed**

39,084

Families received  
**food parcels**

8,776

People accessed **alcohol,  
other drug and gambling  
harm services treatment**

13,934

**Budgeting  
sessions  
provided**



*Each year, The Salvation Army provides a range of vital services and support to over 120,000 desperate Kiwis in need.*

*As a leading agent of social change in New Zealand, The Salvation Army is committed to providing help to those who need it the most.*





20,305

Community **meals served**

6,076

People received  
**budgeting support**

5,060

**Families provided** with clothing,  
furniture or furnishings

13,466

People received  
**social work support**

7,551

Elderly and infirm  
people provided with  
**home support**

131,868

**Bed nights** of specialist  
accommodation provided

More than  
**120,000**  
people helped\*



Te Ope Whakaora

\*2014-15 year, NZ only







# The changing face of poverty

Community Ministries is a network of 68 social service centres. It provides crisis care to some of New Zealand's most materially deprived people during their darkest times, as well as longer-term guidance to help them rebuild their lives.

During the year, Community Ministries provided emergency assistance and ongoing support and programmes to 35,746 clients and their 61,147 dependent children, a slight increase on the previous year. During the year, 310 people each week sought emergency food aid from the Salvation Army for the first time.

One alarming trend that emerged was a sharp rise in family violence, across most regions, both in the number and the ferocity of assaults. Community Ministries' personnel suspect this violence is symptomatic of the immense and increasing pressures people are under to keep their families financially afloat and the strain of raising children in overcrowded or unsafe housing. Around 70 per cent of client families have experienced family violence, notably affecting younger parents. In response, Community Ministries strengthened its focus on its safety and child protection procedures and is working more intensely with other agencies to ensure these families are safe and supported.

The long-term crisis of insufficient affordable and healthy housing continued. With rent consuming up to 70 per cent of clients' net incomes, a redundancy or unexpected costs can be enough to result in eviction and homelessness, affecting a person's credit rating and further reducing their chances of finding accommodation. Too many of our clients are living in unsafe conditions, including boarding houses, camping grounds, in vehicles or garages, or with multiple families crammed into a single dwelling. A shortage of emergency accommodation and undersupply of affordable and suitable housing means long-term solutions are very limited.

The cost of housing for low and fixed-income people, especially in Auckland and Christchurch, impelled families to move to the provinces in large numbers to save money and find work. With the slump in dairy prices, there are few

jobs, and the movement of many low-income families to smaller towns has driven up rents of cheaper accommodation. Community Ministries in these towns struggled to cope with increased demand during the year, requiring a significant redistribution of limited resources.

Community Ministries is a doorway to a range of services that can include social work and advocacy, budgeting, emergency accommodation, employment training, counselling and other programmes such as parenting, practical life skills and personal development—a mix tailored to the requirements and situations of each client and their family members.

While this work is intensive and time-consuming because of the increasing complexity of the challenges clients face, it is highly effective in helping clients break out of the poverty cycle.

Debt is ubiquitous among clients. Community Ministries developed financial literacy programmes to teach the awareness and skills needed for people to avoid debt or at least the kind of fringe lending that keeps them poor. One strand of the programme is to target young people, who are often preyed upon by pay-day lenders and loan sharks when in their teens.

The continuation of a low- and no-interest loans pilot in conjunction with the BNZ, Good Shepherd and the Ministry of Social Development saw 61 people receive no fees, low-interest loans to pay for necessary items such as vehicles to get to work, essential appliances or education. The no-interest loans programme provided funds for 17 people to pay for bonds for flats, dental care and other more immediate essentials.

To maximise its capabilities and response to changing need and ensure consistency of service, Community Ministries developed and implemented a new model of care during the year.

*"Community Ministries is a doorway to a range of services that can include social work and advocacy, budgeting, emergency accommodation, employment training, counselling, addiction treatment, and other programmes."*





# Care for them and they will grow

The Salvation Army has long understood that healthy, independent and productive adults and families are dependent on first valuing and nurturing our young people.

The Army operates a wide range of youth initiatives, ranging from school intervention and mentoring programmes through to community projects, after-school groups and youth ministry teams.

One initiative making great headway is Aspire, a youth development programme helping and encouraging at-risk teenagers to realise their potential and actively contribute their communities. The programme works on four key developmental aspects: the need for social connections, the need to achieve, the need for responsibility and independence, and the need for purpose and generosity.

Most participants are referred by their schools, having identified the teens as living in poverty, at risk of disengaging from school or becoming socially isolated. During the year, funding from The Warehouse and its suppliers enabled 530 teenagers in 32 centres across the country to take part in the Aspire programme.

Auckland's Waikowhai Intermediate has 23 students participating and has been involved in both Aspire and its precursor for six years. The school works with the local high school to follow students' progress, producing its own longitudinal data. Deputy Principal Liz Wood says the programme shows measurable and impressive long-term benefits. Participants have a greater focus in the classroom, showing positive leadership and contributing to all aspects of school and community life.

As part of The Salvation Army's ongoing work in post-quake Canterbury, its Christchurch Primary Schools Support Programme works with 12 schools and several thousand students.

The Army initially supported school staff and students and their families following the quakes, many of whom have endured living in damaged and freezing homes, job losses, physical ill health and the effects of trauma. This support included providing meals, augmenting and supporting school staff during prolonged times of stress, running holiday programmes, and connecting people to other Salvation Army services.

The region's children face unique problems. A recent Canterbury University study suggested one in five primary school new entrants exhibited classic symptoms of post-traumatic stress. During the winter, Canterbury school children had twice the national rate of flu for their age group.

The Salvation Army programme has refined its focus towards supporting children with behavioural and learning difficulties, mentoring and building confidence and social skills, running Aspire at one high school, and working closely with parents, as well as taking music groups, coaching sports teams and running other activities.

An off-shoot of the support programme is Just Brass, which provides students with free brass instruments, small group lessons and weekly band practice. The aim is to improve the children's concentration, confidence and teamwork skills.

*"Aspire works on four key developmental aspects: the need for social connections, the need to achieve, the need for responsibility and independence, and the need for purpose and generosity."*





# The cutting edge of addiction treatment

Addiction Services is a leading provider of evidence-based treatment, education and support for those addicted to drugs or alcohol and people affected by problem gambling.

The service operates 17 centres, which provided alcohol and other drug addiction treatment and education to 6264 clients during the year, including 1607 who received intensive day treatment and 845 who undertook intensive residential treatment. The number of residential clients increased eight per cent on the previous year.

During the year, the University of Otago completed its evaluation of the effectiveness of The Salvation Army's model of treatment. It also tracked the health outcomes of 325 clients. The study found benefits for clients match best practice of leading international and national programmes. It noted significant social and economic benefits for clients' families and the wider community, including decreased criminal offending. The Ministry of Health recommends spirituality be considered as a part of any New Zealand programme, and this aspect of the Army's treatment programme was highly valued by clients, with people gaining meaning and purpose.

A partnership with two other addiction treatment providers continued during the year, offering treatment through the Alcohol and Other Drug Treatment Court being piloted in Central and West Auckland. As alcohol or drugs are associated with most crime in New Zealand, the courts offer defendants an opportunity to work through their addictions in a constructive alternative to prison. In addition, an intensive drug and alcohol programme launched at Wiri Prison last year was extended to three other prisons.

During the year, The Salvation Army and the Notorious chapter of the Mongrel Mob completed its 10th residential drug addiction programme—the Hauora Programme—specifically designed for its members. The programme was funded by the Ministry of Health, with additional funding from The Salvation Army. More than 100 people have completed treatment since the programme began in 2009.

The inclusion of family members in the programme and a significant emphasis on the customs and traditions of tikanga Māori were fundamental to its success, as was the motivation of the clients and the gang's leadership.

A continuing trend in recent years has been the increasing complexity of client cases. Mental health and legal and social challenges facing clients add to the workloads of clinical staff. These require increasing levels of effort and creativity to achieve successful outcomes.

Addictions Services has seven centres specialising in education and the treatment of problem gambling, assisting 1204 clients during the year. Centres also provided education and support to another 1305 clients of other Salvation Army social services.

During the year, a new service was opened to Wairarapa communities. The Salvation Army, in conjunction with AUT University, also commenced the first New Zealand trial of the effectiveness of two of the most promising treatment programmes now available.

An increasing number of families of problem gamblers sought help during the year, in line with expectations, as five to 10 people are estimated to be affected by a person's gambling.

Māori and Pacifica people are three times likely to be affected by gambling-related harm, exacerbated by the concentration of gaming machines in low-income communities. This trend, along with Auckland's SkyCity Casino's planned expansion of 230 more gaming machines and another 40 gaming tables, has been a focus of the service's strategic development during the year.

Electronic gaming machines remain the main source of gambling-related harm for the service's clients.

*"More than 100 people have completed treatment through the Hauora Programme since the it began in 2009."*

## Building a future

Education and Employment delivers life skills and vocational training to people who require an alternative to school-based learning, and employment training and support to jobseekers.

Education, training, mentoring and social service support was provided to 1566 unemployed people during the year, an increase of five per cent on the previous year. The service operates 16 centres across the country.

For the past 37 years, Education and Employment has built a reputation for equipping its trainees with the skills employers want, training more than 61,000 people over this period. One of the service's specialities is matching trainees and their new-found skills with employers, based on the employment needs of each region.

A significant proportion of trainees come from acutely deprived backgrounds and lack the essential life skills needed to commence and sustain employment. Education and Employment's tutors, employment coaches and chaplains have become adept at helping trainees overcome significant barriers to learning. These include low levels of numeracy and literacy, absent parents or family dysfunction, health and addiction problems, and even inadequate diet or clothing.

Its New Zealand Qualifications Authority-registered national certificate and unit standard programmes include Youth Guarantee courses, preparing those aged 16-19 for work in specific sectors. These include construction, mechanical engineering, computing and business, hospitality and tourism. A range of Training for Work programmes specialise in preparing beneficiaries for work, including industry-specific training, depending on the employment demands of each region.

During the year, Education and Employment expanded its English for Speakers of Other Languages programme.



A particular skillset of the service is its ability to develop tailor-made programmes for distinct economic and social requirements. A pilot programme in Northland that prepares recently-released prisoners for work and provides ongoing support assisted 80 per cent of its trainees into work. The programme has now been awarded a two-year Corrections Department contract to train 64 clients.

A programme developed during the year, in collaboration with Variety—The Children's Charity and The Warehouse Group, will provide education, mentoring and support for up to 700 clients aged 16-19 years who are not at school, in training or in work. The aim is to address any personal obstacles that are holding them back from education or employment.

Other specialised programmes include U Build 4 the Rebuild, which trains mainly unemployed Christchurch people to work on the city's ongoing infrastructure reconstruction, and a related programme that assists people to get their drivers' licence, a prerequisite for many jobs.

# Shelter from the storm

The Salvation Army's Supportive Accommodation service offers sanctuary for those who would otherwise be homeless, as well as case-managed education and support programmes to assist them to move on to independent and fulfilling lives in the community.

Centres in Auckland, Palmerston North and Christchurch provided a safe and stable home—the first for many residents—for 643 people during the year, equating to 63,968 bed nights.

With few exceptions, residents are destitute and usually deeply traumatised by childhood abuse and neglect, the rigours of life on the streets, addiction and prison life, and sometimes a combination of all of these factors. The resulting impact on physical and mental health can be devastating.

Multiple and interrelated problems have been increasing and intensifying for several years, and this trend continued during the past year.

What was once simply the provision of board and lodging is now a multi-disciplinary service calling on social workers, medical professionals, counsellors, addiction specialists, as well as other Salvation Army services and external agencies, operating under a specifically designed model of care. Under this model, residents must commit to tailored programmes and develop a series of goals to help them become independent and able to contribute to their communities.

The result has been an increase in the number of residents moving successfully back into the community in a sustainable manner over the past year—as the availability of suitable accommodation allows.

The service nationally is experiencing high demand. Christchurch, in particular, is caught between operating at full capacity and a limited ability to help residents move on because of a lack of affordable and safe accommodation since the Canterbury quakes.

Epsom Lodge in Auckland faces a different challenge. For a rising number of community mental health patients or those with serious



behavioural disorders who have been rejected by social housing providers, Epsom is the only thing standing between them and the hazards of life on the streets. With a lack of specialist accommodation for mental health patients, compounded by people's inability to afford the costs of primary healthcare, all three centres—and Epsom in particular—saw an increase in homeless mental health patients, adding pressure on staff and cost to The Salvation Army.

Because of this influx of higher-risk candidates, more people were declined a place during the year due to safety concerns, especially those with violent histories or uncontrolled drug and alcohol use. Systems have been upgraded to ensure the security and safety of staff and residents and a National Quality Framework put in place to better meet the changing needs of higher-risk clients.

Epsom continues to develop its accommodation and social programme for women, developed three years ago in response to insufficient emergency accommodation for impoverished and vulnerable single women. It has also strengthened its programmes for males aged 17-24, which were established in response to a disturbing rate of youth homelessness in Auckland.

Community Ministries also provided emergency and supportive accommodation for 201 clients during the year, a significant number of these being mothers and their children. This service includes specialist programmes with at-risk families facing the likelihood of CYF intervention and those accommodating and supporting homeless youth.



## Beyond the prison gate

The Salvation Army's Reintegration Service helps recently released prisoners, deemed a high risk of reoffending, adapt to life beyond the prison gate. The primary aim is to reduce their likelihood of reoffending.

The focus of the services is assisting ex-prisoners make the stark transition from rigid prison life, where those incarcerated are dependent on the State for the necessities of life, to a society where they must abruptly rebuild personal relationships and fend for themselves. Success during this transition is often difficult and emotionally taxing, but it is critical to ensure former-prisoners can establish and sustain constructive and fulfilling lives.

During the year, the Reintegration Service supported 340 former prisoners. More than 70 per cent of its clients have stayed out of prison for more than a year.

A key service is the provision of 13 weeks of transitional accommodation together with tailored and case managed support and social services, followed by another 13 weeks of support once the client has their own accommodation. In reality, this support continues beyond this period as many clients maintain ongoing contact with The Salvation Army.

This service operates in Wellington, Christchurch, Hawke's Bay and Invercargill. Due to the success of the programme, the contract with Corrections is being expanded to another 160 clients in three other provincial cities.

Another service supports recently released prisoners navigate the practical and bureaucratic challenges they face on release. Many prisoners are released without accommodation to go to, no job and facing weeks without a benefit. Reintegration Services helps with the essentials, such as obtaining a place to live, a medical check, photo identification, a bank account and applying for a benefit—simple but daunting tasks to those who have spent years in prison.



The Salvation Army's work in this area is sensitive and often time-consuming. Most clients' lives have been scarred by trauma since childhood. Many have poor literacy, numeracy, budgeting and social skills and are struggling with long-term addiction.

The Reintegration Service works closely with the Parole Board, prison staff and probation officers, and can call on other Salvation Army services and external agencies to reinforce support for clients.

The Salvation Army also has around 20 Court and Prison officers and volunteers in 16 centres. Throughout the year, they assisted 13,787 defendants, victims and family members through the court processes, arranged court-ordered alcohol and drug assessments, accommodation to meet bail conditions and supported relatives during hearings. Officers also visited 3623 prisoners.



## Speaking for those who can't

The Social Policy and Parliamentary Unit is a well-respected and vigorous advocate for New Zealand's marginalised people, a role that complements The Salvation Army's practical work.

The unit was established eight years ago with the aim of working towards the eradication of poverty. It is now regarded as an authority in the field of social policy, focusing on five key areas: children's welfare, work and incomes, crime and punishment, housing, and social hazards.

The unit researches, analyses data, trends and current policy, formulates new policy ideas and advocates to government, government agencies, opposition parties, NGOs and other decision-makers. Its work has consistently stirred public debate and influenced change, especially in the areas of affordable and social housing and child poverty.

The unit was heartened to see the Government acknowledge child poverty in this year's budget. However, it believes the measures announced at the time are insufficient to improve low- and fixed-income families' ability to move beyond a subsistence existence.

Each year, the unit releases its annual State of the Nation report—an analysis of 22 social indicators that measure New Zealand's social progress. The latest report noted improvements in teenage pregnancy rates, prisoner recidivism, living costs and food poverty. However, it urged greater efforts to tackle child poverty, educational achievement and serious crime. The report was also critical of the Government's failure to report on Early Childhood Education and Care enrolments.

Another body of work identified the widespread and growing social and economic disparities between people living in various regions in New Zealand. Findings of the resulting report, *Mixed Fortunes*, included that the South Island regions were doing relatively well while the North Island, excluding Auckland and Wellington, faced social and economic disadvantage. The most deprived regions were Northland and Gisborne. The report sparked energetic debate at regional and national levels.



The unit's recommendations include the development of sustainability goals to ensure progress in all regions and a national plan to deal with an aging population, the scarcity of resources and rising inequalities between the regions.

Another research project looked closely at the lives of homeless people living in West Auckland. *Hard Times* investigated the reasons for the plight of 19 homeless people, their needs and the challenges of daily life on the streets and their slim opportunities for a stable home, particularly in light of the overheated Auckland housing market and few social housing options.

Throughout the year, the unit submitted on a range of legislation related to gambling and alcohol-related harm, psychoactive substances, child poverty, fringe lending, and family violence. It also produced videos and other resources to encourage debate on social issues in the run-up to the General Election.

## The heart of the Army

Many people are surprised to find that The Salvation Army is a Christian church and not solely a social services provider.

The Salvation Army's provision of services to tens of thousands of people is an expression of its members' faith and a key obligation as authentic followers of Jesus Christ.

There are 110 Salvation Army corps (or churches) throughout New Zealand, Fiji and Tonga. Around 8000 people worship at The Salvation Army, representing a diverse ethnic and cultural mix. One strand of the corps network is its Recovery Churches, aimed at helping people once addicted to drugs or alcohol restore their lives.

The Salvation Army's Māori Ministry is a growing part of its spiritual life, also contributing to cultural awareness and helping the Army strengthen ties with marae and other Māori organisations and institutions.

In line with The Salvation Army's pragmatic approach to faith, corps buildings are modest, practical and multi-purpose, intended for the



needs of the community, not just the needs of church members. They are used for worship and to accommodate children's and youth activities, social programmes and courses. They are also a place for community events and a refuge in time of emergency or crisis. Its members support and provide volunteers for other Salvation Army services, such as Community Ministries, Addiction Services and Emergency Services.

---

## Pacific mission

The Salvation Army in Fiji and Tonga is striving to alleviate a depth of poverty not seen in New Zealand.

The Salvation Army has been a part of Fiji for more than 40 years. It has 14 corps (churches) that are all involved in the distribution of food and clothing, and programmes including those for at-risk youth and life skills programmes for women.

Rising house prices since 2014 and a corresponding increase in poverty are manifest in increases in homelessness, family breakdown, family violence, suicide and child trafficking. During the year, The Salvation Army prepared strategies and trained staff to respond more effectively to these trends, and formed partnerships with the Government related to the provision of safe housing for women and early childhood care.

The Salvation Army in Fiji also trained staff and put the finishing touches on the country's first comprehensive alcohol and drug addiction treatment programme, which will open in 2016.

The Army operates three centres for homeless mothers and their children in Suva, Lautoka

and Labasa. It also runs three early childhood education centres, two programmes to help women find work in the garments industry, and a service that supports prisoners and defendants and their family members going through the criminal courts. A scholarship scheme helps young people undertake trade and tertiary education.

Most corps have been equipped and strengthened to cyclone certification standards to enable them to act as cyclone emergency relief centres, thanks to funding from the New Zealand Ministry of Foreign Affairs and Trade.

The Salvation Army in Tonga has four corps. It operates two Community Ministries Centres and two Alcohol and Drug Awareness centres, which provided education and support for 74 clients. A worrying trend during the year was the rise in family violence among client families.

It also runs two kindergartens and provides support services for prisoners and defendants and their families at the criminal court in Nuku'alofa.

## Adrenaline and self-discovery

The Blue Mountain Adventure Centre is an adventure-based learning facility on the edge of Tongariro National Park. It aims to build participants' confidence and trust and foster cooperation and teamwork.

The centre marked its 25th anniversary during the year. Around 1500 people took part in the centre's programmes and leadership development courses, including school and church groups, youth programmes, addiction recovery and family violence prevention groups.

The Blue Mountain Adventure Centre offers tailor-made programmes depending on the visiting group's requirements and their abilities. Activities offered can include caving and gorging, kayaking, rafting, tramping, rock climbing, mountaineering, mountain biking, and high ropes courses.

All activities are overseen by trained and experienced staff and the centre consistently meets benchmark National Safety Standards. It can accommodate up to 80 people.

At its core, the centre is about helping people test their limits and discover a new-found confidence and a hunger for extending their range of experiences—to work toward realising their potential. Its programmes help participants develop communications and teamwork skills, essential to being active and contributing members of their communities. For many participants, poor self-esteem was a key reason for their referral.

During the year, the centre put through their paces 500 young people taking part in Aspire, a Salvation Army youth development programme helping and encouraging at-risk teenagers to realise their potential and actively contribute their communities. For some, this was the first time out of their home towns or cities.



## Reuniting loved ones

The Salvation Army's Family Tracing Service locates people separated from their families and attempts to reunite them.

During the year, the service investigated 131 requests to locate family members, with a success rate of 80 per cent.

Most requests received during the year involved people separated by family conflict or breakdowns. A large proportion of people seeking assistance had been searching for their relatives for years before approaching The Salvation Army.

The Salvation Army uses its network in 127 countries to help families reconnect. Half of the investigations undertaken during the year involved one party living outside New Zealand.

Reuniting families can often be a sensitive and sometimes traumatic process, so education, counselling and mediation are important components of the service. The privacy of each individual—whether the enquirer or the person being traced—is of utmost importance.

The reasons families cannot be united are usually because the person sought has died or does not wish to renew contact with those looking for them.

Even when reconnection doesn't occur, the process of reaching out can still be healing, bringing relief and comfort to the family.



## Independence and dignity

Helping elderly New Zealanders maintain their independence and lead active and fulfilling lives is central to The Salvation Army's mission.

HomeCare is a service that enables the aged and those with disabilities or recovering from surgery to live independently in their own communities. It provided services to 7000 clients during the year in Auckland, Waikato and the Bay of Plenty.

HomeCare staff provide personal care, including assistance with bathing and dressing, and household management services, such as cleaning, laundry, and meal preparation. In addition, it offers specialist services such as palliative care, medication management and respite care.

HomeCare also oversees The Salvation Army's management of Hospice Marlborough, which provides residential and outpatient palliative care.

Senior Services is a Salvation Army friendship programme. During the year it matched 289 screened and trained volunteers with 450 older and often isolated and lonely people. The service



offers companionship and helps with shopping and getting people to appointments. The programme is being extended to Hamilton and Tauranga.

---

## A basic human right

The Salvation Army in New Zealand is a pioneer of social housing for low-income people and those with specific housing needs.

During the year, following intensive due diligence and consultation, The Salvation Army decided against taking part in the large-scale transfer of Housing New Zealand properties, due to a lack of evidence that a significant benefit for tenants would result, and the Army's lack of capacity and experience as a large-scale landlord.

However, The Salvation Army's social housing programme is undergoing expansion and it is keen to pursue partnerships with other social housing providers. During the year, The Salvation Army registered as a class one social landlord, allowing it to administer income-related rent subsidies. It started negotiations with Wellington and Auckland city councils to explore the Army's potential involvement in managing tenancies and social programmes for tenants of council-owned residential properties.

In addition to providing emergency and supportive accommodation to 844 clients during the year, not counting dependent children, The Salvation Army has 303 independent living units across the country for mainly elderly, low-income residents. These units underwent refurbishment with 10 new units constructed in Christchurch. A further 50 will be built in Auckland. A 'Mission in Place' programme for residents involves a staff member coordinating social services and helping build community among residents. This is currently being piloted and evaluated for possible wide rollout.

Development of a prototype low-cost and transportable unit commenced during the year. The unit is a potential solution to the current lack of emergency accommodation, and may go into production if other social service providers take an interest.



## There when it counts

Salvation Army Emergency Services provides practical support to emergency services personnel during disasters, along with search and rescue and police operations, as well as coordinating assistance for victims.

During the year, it was called out to support police fire and civil defence personnel at flooding and other weather events in Dunedin, Greymouth, Levin, Whanganui and Feilding. It also provided or coordinated welfare support, food and clothing to those flooded out of their homes.

The service contributed three Salvation Army officers to the Army's International Emergency Services team in Nepal following the 7.8 magnitude earthquake on April 25. The team's work included delivery of food to more than 11,000 families, distributing 1000 tents, helping 300 families build shelters, and running eight camps for displaced people. They also distributed 4000 quilts for winter, provided hygiene packs and schools supplies, and built septic-tanks and toilets.

Emergency Services, nationwide, is on 24-hour standby and volunteers train regularly. An important function of the service is to provide catering to emergency services personnel during prolonged operations. It is equipped with catering trailers, caravans, towing vehicles, generators and floodlighting.

The service's responsibilities are laid out in a memorandum of understanding with the Ministry of Civil Defence and Emergency Management.



## Beyond the Pacific

The Salvation Army's Child Sponsorship and Overseas Development programmes extend the mission's reach to Africa and Asia.

Funds were raised to sink a well in the west Kenyan village of Sabatia, negating the need for villagers to trek kilometres to collect drinking water. The project builds on literacy and micro-finance projects to assist women in rural Kenya to start their own businesses and establish cooperatives. More than 17,000 women have benefitted, more than 700 banking groups were established, and the scheme was so successful it was extended to include men. The project is a partnership with the Ministry of Foreign Affairs and Trade.

Other projects include a scholarship in the Philippines that provides six years of education for children who would otherwise be unable to afford it, a food programme for the elderly and widows and a medical programme for adults unable to afford healthcare.

The Cherish a Child sponsorship programme supported 1118 children during the year, and facilitated donations to 87 social service organisations in 20 countries. This year, funding was also provided to a Fijian centre for homeless women and children.



# Thanks for your support

In order to provide help to Kiwis when and where it's needed the most, The Salvation Army relies on the continued support and generosity of the New Zealand community.

Each year a wide range of people, organisations and businesses make the choice to care for others in need, by supporting the work of The Salvation Army. This support comes in many forms, from individuals who donate money, goods, services and their time via our Red Shield and Christmas appeals, to corporate partnerships, bequests, grants from trusts and foundations, and volunteering.

Thanks to this valued community assistance, The Salvation Army is able to provide adaptive and effective help to those in desperate need, many of whom have turned to the Sallies as a last resort—often because they have nowhere else left to turn.

Each year The Salvation Army helps over 120,000 people in need, who have turned to the Sallies seeking help with food parcels, clothing, budgeting advice, social work support, specialist accommodation, home support for the elderly and so much more.

Christmas is a particularly difficult time for individuals and families living in poverty, with over 300 new families approaching the Army for help each year. Winter is also a time of desperation, as the demand for people to have access to basic needs such as food, warmth and shelter are at their highest point.

Clients are coming to The Salvation Army not because they see it as an easy way out, but often because they are desperate—a change in circumstances might mean they may be facing crippling debt and the threat of eviction, or are no longer able to feed or provide the most basic needs for their children.

Many have run out of options to maintain a minimum level of survival, and turn up at The Salvation Army in a desperate, demoralised and

deeply anxious or depressed state.

For some, living in poverty is living with constant tension and the unending pressure of finding the money for food, rent or medical care for dependents, and this can take its toll both physically and mentally.

While the number of clients has increased in recent years, Community Ministries' staff 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. There is also a greater awareness of 'the working poor', people who are in the labour force but whose incomes fall below the poverty level.

These issues can't be solved overnight, and it typically takes great effort, time and a multi-disciplinary approach to move people from being in crisis and dependant on aid, to living independent and healthy lives. To solve the underlying problems clients face, donations and grants from the community help to fund social workers, budget advisors, counsellors, ancillary staff and a range of specialised programmes and workshops for clients.

Support from generous businesses has become a vital part of Community Ministries' work, with companies such as Kmart, Wattie's, Warehouse Stationery and Countdown supermarkets providing valuable assistance over the years.

The Salvation Army gratefully acknowledge its supporters and partners, for the crucial role they play in improving the lives of tens of thousands of people each year.

Thanks to your decision to care for others in need, you are helping us to shift clients and their families from a place of despair to a point where they can have genuine hope for a brighter future.

*"Donations and grants from the community help to fund social workers, budget advisors, counsellors, ancillary staff and a range of specialised programmes and workshops for clients."*





*“Volunteers are the life blood of The Salvation Army –without their support we simply could not do the things we do to support the community.”* MAJOR PAM WAUGH



# 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 132 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 2015, The Salvation Army recorded a \$21.9 million operating surplus. This is an increase of \$7.4 million on the previous year's surplus.

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 2015 surplus was influenced positively by money received from insurance companies for properties damaged in the Canterbury Earthquakes, sale of investment shares and the sale of property no longer required. 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.

## Trustees

### Commissioner Robert Donaldson

Territorial Commander (BSc, LTh, PGDipBusAdmin)  
Years of service: 28

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.

---

### Colonel Willis Howell

Chief Secretary  
Years of service: 30

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

---

### Lieut-Colonel Rod Carey

Territorial Secretary for Programme (BTh, DipBRS)  
Years of service: 31

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.

#### **Lieut-Colonel Lynette Hutson**

Territorial Secretary for Business Administration (GradDipSOWK, MANZASW)

Years of service: 31

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.

#### **Captain Gerry Walker**

Territorial Secretary for Personnel (PGDipMgmt)

Years of service: 9

Gerry Walker became a Salvation Army officer as a vocational change later in life, after being

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

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.

#### **Major David Bateman**

Financial Secretary (DipBus)

Years of service: 27

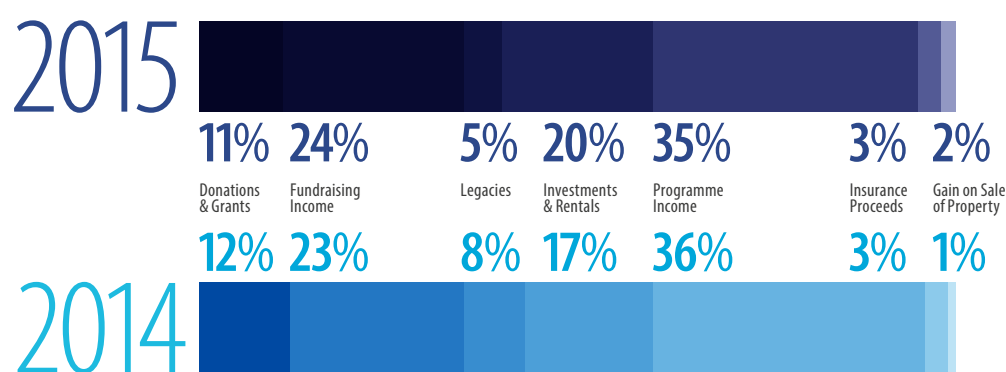
As Financial Secretary, David Bateman is a member of the Board of Trustees, Territorial Finance Council, Territorial Property Board and the Territorial General Management Board. Prior to his appointment in Jan 2010, David was Assistant Secretary for Personnel (Administration) for two years, and before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



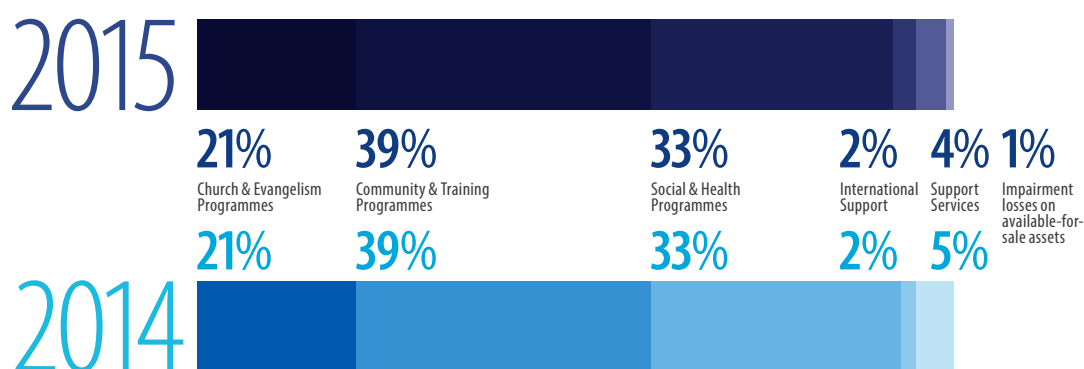
# Summary Financial Statements

Summary Statement of Financial Performance for the year ended 30 June 2015

## Operating Income



## Operating Expenses



	2015 \$000	2014 \$000
OPERATING INCOME	170,625	163,414
OPERATING EXPENSES	148,702	148,946
OPERATING SURPLUS	21,923	14,468

APPROPRIATIONS FROM /(TO) FUNDS	2015 \$000	2014 \$000
<b>Of Current Years Income</b>		
to Capital Fund	(1,207)	(1,506)
to Restricted Funds	(9,563)	(10,465)
to Designated Funds	(40,916)	(35,931)
<b>To Finance Current Costs</b>		
from Capital Fund	7,502	6,674
from Restricted Funds	7,795	8,764
from Designated Funds	10,868	12,277
from General Fund	3,598	5,719

# Summary Statements of Comprehensive Income

for the year ended 30 June 2015

	2015 \$000	2014 \$000
Operating Surplus/(Deficit)	21,923	14,468
Net fair value gains/(losses) on available-for-sale financial assets	18,272	1,591
Total Comprehensive Surplus/(Deficit) for the period	40,195	16,059

## of Changes in Equity

for the year ended 30 June 2015

	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
	Available for Sale Reserve	Retained Earnings	Total
As at 1 July 2014	17,080	449,509	466,589
Total Surplus for the period		21,923	21,923
Other Comprehensive Income	18,272		18,272
Total Comprehensive Income for the period	18,272	21,923	40,195
As at 30 June 2015	35,352	471,432	506,784

## of Financial Position

as at 30 June 2015

	2015 \$000	2014 \$000
<b>Equity</b>		
<b>Retained Earnings</b>		
Capital Fund	225,792	215,078
Restricted Purposes	63,550	70,752
Designated Purposes	174,190	159,813
General Fund (Unrestricted Purpose)	7,900	3,866
<b>Total Retained Earnings</b>	<b>471,432</b>	<b>449,509</b>
<b>Other Reserves</b>		
Available for Sale	35,352	17,080
<b>Total Equity</b>	<b>506,784</b>	<b>466,589</b>
<b>Current Assets</b>	<b>77,693</b>	<b>56,114</b>
<b>Non-Current Assets</b>	<b>465,474</b>	<b>456,994</b>
<b>Total Assets</b>	<b>543,167</b>	<b>513,108</b>
<b>Current Liabilities</b>	<b>15,986</b>	<b>26,712</b>
<b>Non-Current Liabilities</b>	<b>20,397</b>	<b>19,807</b>
<b>Total Liabilities</b>	<b>36,383</b>	<b>46,519</b>
<b>Total Net Assets</b>	<b>506,784</b>	<b>466,589</b>

# Notes to the Summary Financial Statements

for the year ended 30 June 2015

## 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 2015.

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 17 September 2015.

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 17 September 2015.

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).

## 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

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

	2015 \$000	2014 \$000
Capital Commitments	23,466	14,896

### 4 | Contingent Liabilities

There are no contingent liabilities at financial year end (2014: \$NIL).

### 5 | Contingent Assets

At year end there was one outstanding claim in relation to a property damaged in the 2011 Canterbury earthquake. This was settled post balance date.

### 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.

	2015 \$000	2014 \$000
Administration levy and grants to IHQ	1,787	1,410
Grants paid to Fiji	1,373	1,186
Grants paid to Tonga	638	1,084
Cost of Officers' Super Scheme	1,815	1,767
	5,613	5,447

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)	2015 \$000	2014 \$000
IHQ	36	21
Fiji	633	605
Tonga	362	196
	1,031	822

### 7 | Events after the Balance Sheet Date

Since balance date 4 of the properties intended for sale have been sold. The carrying value of these properties is \$1,813,000. The proceeds amount to \$6,484,000 realising a gain of \$4,671,000.

## 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 2015, 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 2015. We expressed an unmodified audit opinion on those financial statements in our report dated 17 September 2015. 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

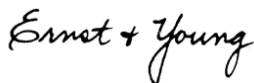
Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA(NZ)) 810, "Engagements to Report on Summary Financial Statements."

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 2015 are consistent, in all material respects, with those financial statements, in accordance with FRS-43.



17 September 2015  
Wellington

# Acknowledgements

## Trusts, Foundations, and other funding organisations

A F W & J M Jones Foundation	\$30,000.00	Dunedin City Council	\$7,680.00	Sir John Logan Campbell Residuary Estate	\$15,000.00
Acorn Foundation		Duo Trust	\$50,000.00	St Francis Charitable Trust	\$15,600.00
Eva Trowbridge Fund	\$7,332.07	E L & B M Robinson Charitable Trust	\$26,900.00	St Joans Charitable Trust	\$5,000.00
John & Philippa Laing Fund	\$5,436.69	Eastern & Central Community Trust	\$50,000.00	Stewart Charitable Trust	\$30,000.00
Alexander Harold Watson Charitable Trust	\$7,500.00	Farina Thompson Charitable Trust	\$10,000.00	T Clark Trust	\$150,000.00
Allan and Louisa Stewart Charitable Trust	\$5,293.00	Hamana Charitable Trust	\$5,000.00	Taranaki Electricity Trust	\$6,390.00
Bodmin Charitable Trust	\$15,000.00	J B W McKenzie Trust	\$7,500.00	The J N Lemon Charitable Trust	\$7,500.00
Community Organisation Grants Scheme (COGS)		J M Butland Charitable Trust	\$6,000.00	The Lois McFarlane Charitable Trust	\$6,000.00
COGS Central Otago	\$16,036.75	Jack Jeffs Charitable Trust	\$35,000.00	The Strathlachlan Fund	\$10,000.00
COGS Christchurch City/Banks Peninsula	\$5,750.00	James Say Trust	\$5,200.00	The Tindall Foundation	\$236,195.00
COGS Kahungunu Ki Heretaunga	\$6,900.00	Karo Trust	\$10,000.00	The William & Lois Manchester Trust	\$50,000.00
COGS Kirikirora/Hamilton City	\$6,325.00	Kingdom Foundation	\$5,000.00	Thomas George Macarthy Trust	\$80,000.00
COGS Manawatu/Horowhenua	\$4,600.00	Len Reynolds Trust	\$60,724.00	Timothy Blair Trust	\$9,400.00
COGS Manukau	\$1,725.00	Margaret Burns Charitable Trust	\$7,075.30	Trust Waikato	\$45,000.00
COGS Marlborough	\$3,450.00	Maurice Carter Charitable Trust	\$7,500.00	Un Cadeau Charitable Trust	\$20,000.00
COGS Nelson	\$2,300.00	Maurice Paykel Charitable Trust	\$10,000.00	Valder Ohinemuri Charitable Trust (Inc)	\$10,000.00
COGS Southland	\$9,200.00	Morgenzon Charitable Trust	\$10,000.00	W R Kettle Trust	\$5,000.00
COGS Waitakere	\$1,380.00	Mr D Picot	\$10,000.00	WEL Energy Trust	\$25,000.00
COGS Wellington	\$1,725.00	New Zealand Charitable Foundation	\$10,735.00	Wellington City Council	\$7,000.00
COGS Whangarei/Kaipara	\$2,875.00	Otago Community Trust	\$30,000.00	West Georgia Trust	\$10,000.00
Central Lakes Trust	\$20,750.00	P C & H P W Green Charitable Trust	\$40,000.00	Winton and Margaret Bear Charitable Trust	\$10,000.00
Christchurch City Council	\$40,100.00	Perpetual Trust Limited	\$14,751.78	Zena & Jack Peat Charitable Trust	\$20,000.00
Claremont Recovery Centre Trust	\$40,000.00	Phillip Verry Charitable Trust	\$10,000.00		
Community Trust Mid & South Canterbury	\$7,000.00	Rata Foundation	\$109,000.00	<b>Other significant contributors</b>	
David Levene Foundation	\$5,000.00	Ron Long Charitable Trust	\$22,097.84	B W & S W Picot Charitable Trust	
Dimock Charitable Trust	\$20,000.00	Rotorua Energy Charitable Trust	\$10,000.00	Springhill Charitable Trust & Frimley Foundation	



# Business Support

The Salvation Army gratefully acknowledges the wonderful support from a wide range of business supporters and partners. These valued supporters include:



Bluebird Foods Limited

Bosch New Zealand

Bunnings Warehouse

Crown Relocations

Event Cinemas

Foodstuffs (NZ) Limited

Fuji Xerox New Zealand Limited

Hoyts

JB Were

Kelloggs New Zealand

Leaderbrand

Marsh New Zealand

NZ Sugar Company

NZCU Baywide

OneSight – Australia New Zealand

Postie Plus Group

Reading Cinemas

Smartfoods Limited

Technology One Limited

Tegel Foods Limited

Toyota Financial Services

TSB Bank

Val Morgan Cinema Network



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

---

## Get involved in workplace giving

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

### Ways to support us:

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

---

## 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

---

## 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

**salvationarmy.org.nz**

New Zealand, Fiji and Tonga Territory



SalvationArmyNZFijiTonga



SalvationArmyNZ



Te Ope Whakaora