

Prescribed Financial Statements for 2020

DATE: 2/12/2020

ATTENTION: Wardens and Treasurers

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Key points

1. This Circular contains links to the format of the Prescribed Financial Statements (PFS) for 2020, together with links to each of the components of the required Financial Reporting packages for –
 - 1.1. parishes submitting financial statements in the format of the PFS, and
 - 1.2. parishes submitting financial statements in a different format.
2. The Financial Reporting package required from parishes that do not use the PFS includes a declaration by the wardens of the parish's Net Operating Receipts, which is to be supported by a statement from the auditor.
3. Again this year the wardens are also required to complete a Property Income Worksheet which is to be reviewed by the auditor and submitted as part of the Financial Reporting package.
4. Information to assist parishes differentiate between whether something is an irregular or infrequent 'ministry event', or a normal 'ministry activity', has been added to the relevant lines in the PFS, the Explanatory Notes and the wardens' declaration of Net Operating Receipts.

Action item

The Wardens are to forward copies of their Financial Statements, Financial Reports package (including Auditor's Report), Property Income Worksheet and Statement of Insurance Policies no later than 7 days after their AGM.

Financial Statements

The format of the Prescribed Financial Statements (PFS) for 2020 approved recently by the Finance Committee is largely unchanged from what was required for 2019. However, new item numbers have been added in the Statement of Comprehensive Income to record the amount of –

- **COVID-19 financial support received (4-2100 and 4-2200),**
- **any JobKeeper Topup payments made (6-1130 and 6-3650), and**
- **any Property Receipts Levy payable in the budget for 2021 (6-1993).**

The actual PFS documents are available using the links below and a copy of this Circular is available on the [SDS website](#).

Parishes are required to prepare their audited annual Financial Statements for 2020 EITHER –

- (a) In the format prescribed by the Finance Committee (PFS). (Parishes using the latest version of the Sydney Anglican Parish Accounting System (SAPAS) for Xero can submit reports produced by that system even though the item numbers for some line items differ from those in the PFS.) OR
- (b) In a different format designed to suit local requirements, provided that in this case the local format must give at least the same level of information as the prescribed format, and the wardens must also provide a Declaration of Parish Net Operating Receipts in the prescribed format, supported by an appropriate paragraph in the auditor's report.

Wardens must prepare the Financial Statements and associated Reports and Declarations for presentation to the Annual General Meeting of Parishioners (AGM) to be held in February or March 2021. All these documents must then be forwarded to the Diocesan Secretary within 7 days of the AGM.

The *Property Receipts Levy Ordinance 2018* requires the wardens to complete a Property Income Worksheet (PIW) each year. The PIW is to be reviewed by the auditor and a copy then forwarded to the Diocesan Secretary together with the parish's annual financial statements, within 7 days of the parish's AGM. Although the actual calculation is unchanged, the Standing Committee has prescribed a new form of PIW to be used for 2020.

Financial Reporting package – PFS format

Parishes reporting in the PFS format (and parishes using SAPAS) should submit –

- a) **Prescribed Financial Statements** (either [Excel](#) or [PDF](#) format) or a level 3 Profit and Loss account and Balance Sheet from SAPAS (including prior year comparatives and budget for the following year)
- b) **Financial Reports package** which is incorporated in the PFS and includes –
 - i. Wardens' and Treasurer's Report,
 - ii. Wardens' Declaration in relation to the Australian Charities and Not-for-profits Commission (ACNC),
 - iii. Independent Assurance Practitioner's Review Report (Auditor's Report),
- c) [Property Income Worksheet](#) (audited) and
- d) [Statement of Insurance Policies](#)

Financial Reporting package – different format

Parishes choosing to report in a format different to the PFS must submit –

- a) **Financial Statements** providing at least the same level of information as the PFS (including prior year comparatives and budget for the following year). The Financial Statements must include –
 - i. Statement of Comprehensive Income,

- ii. Statement of Financial Position,
 - iii. Statement of Changes in Funds (where applicable), and
 - iv. Notes to the Financial Statements
- b) **Financial Reports package** which includes –
- i. Wardens’ and Treasurer’s Report,
 - ii. Wardens Declaration in relation to ACNC,
 - iii. Wardens’ Declaration of Parish Net Operating Receipts in the prescribed format, and
 - iv. Independent Assurance Practitioner’s Review Report (Auditor’s Report) which incorporates a statement of satisfaction with the Declaration of Parish Net Operating Receipts,
- c) **Property Income Worksheet** (audited), and
- d) **Statement of Insurance Policies**

All parishes should refer to the following additional resources where applicable –

- [Explanatory Notes](#) to the 2020 PFS.
- Building Insurance valuation summary. Information is available on the [Parish Portal](#) (under Your Parish Documents tab) that will provide the basis for the amounts to be shown for buildings and contents in your parish’s 2020 Financial Statements.
- ACPT Client Fund statements. Use the ‘market value’ from the December 2020 statement available on the [Parish Portal](#) (under Your Parish Documents tab) as the amount to be shown for any ACPT Client Fund in your 2020 Financial Statements.

Timing

Within 7 days of the AGM of parishioners (which must be held between 1 February 2021 and 31 March 2021) the wardens are required to forward to the Diocesan Secretary a copy of the –

- Financial Statements,
- Financial Reports package (comprising the Wardens’ and Treasurer’s Report, Wardens’ Declaration(s) and Independent Assurance Practitioner’s Review Report),
- Property Income Worksheet (audited), and
- the Statement of the Insurance Policies.

Parishes are encouraged to submit all this information by email to – parish.services@sydney.anglican.asn.au

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