

2018 Session of Synod

Book 1

(Pages 1 to 102)

Annual Report of the
Standing Committee and
Other Reports and Papers

Standing Committee of the Synod
Anglican Church Diocese of Sydney



MISSION 2020 DIOCESE OF SYDNEY

Our Vision **To see Christ honoured as Lord and Saviour in every community**

Our Mission **We commit ourselves afresh, in prayerful dependence on the Holy Spirit, to glorify God and love our neighbour by proclaiming the Lord Jesus Christ, calling people to repent and living lives worthy of him.**

Our Values

Our values flow from our identity in Christ. We are created in God's image and redeemed by Christ's blood for the glory of our Heavenly Father.

We therefore value and cherish:

- God's Word, the Bible, as our ultimate authority and guide
- The reading and explanation of the Bible as the basic method of our ministry
- The centrality of the cross of Christ and his resurrection in our proclamation and in our lives
- Lives of holiness and humility that adorn the gospel
- Prayerful dependence on the Holy Spirit for power to speak and hearts to change
- An urgent love for people who, apart from faith in Christ Jesus, face certain condemnation under the righteous judgment of God
- Selfless flexibility and creativity to reach the many different peoples in our communities with the gospel
- Partnerships between and among individuals, churches, Anglican schools, diocesan organisations and faithful members of the Anglican Communion
- Repentant hearts and renewal by God's grace

Our Priorities

Priority 1 Reach all the lost in our Diocese with the life-giving gospel of Christ

Key factors include

- 1.1 Engaging with our local community and creating opportunities for evangelism at the local and diocesan level
- 1.2 Mobilising more people to share Christ's love in word and deed
- 1.3 Strengthening our invitation, welcoming and integration

Our first goal is to increase our members reporting their willingness to talk intentionally about their faith from 18% (NCLS 2011 statistic) to 22% across the Diocese by 2020.

Our second goal is to increase our members reporting that they have invited someone to church in the last 12 months from 40% (NCLS 2011 statistic) to 45% across the Diocese by 2020.

Our third goal is to increase newcomers in church from 9% (NCLS 2011 statistic) to 12% across the Diocese by 2020.*

** Newcomers are members aged 15 or more who were not regularly attending any church five years ago, as defined by the National Church Life Survey (NCLS).*

Priority 2 Deepen spiritual maturity among our members

Key factors include

- 2.1 Ensuring congregational gatherings are significant places for spiritual growth
- 2.2 Enriching Christian fellowship through small groups
- 2.3 Strengthening personal and family devotions through prayer and Bible reading

Our first goal is to increase our members reporting 'much growth' in faith from 47% (NCLS 2011 statistic) to 60% across the Diocese by 2020.

Our second goal is to increase our members reporting time spent in prayer, Bible reading, meditation, every day/most days from 43% (NCLS 2011) to 50%.

Priority 3 Equip our members to exercise their gifts

Key factors include

- 3.1 Strengthening leadership skills of clergy, especially rectors
- 3.2 Identifying and unleashing the gifts of church members
- 3.3 Encouraging risk-taking and new initiatives in outreach and discipleship

Our goal is to increase our members reporting their use of gifts 'to a great extent' from 21% (NCLS 2011 statistic) to 27% across the Diocese by 2020.

Priority 4 Respond to the changing face of our society

Key factors include

- 4.1 Loving our neighbours in local and cultural communities
- 4.2 Reaching children and youth
- 4.3 Connecting with people over 60 years of age
- 4.4 Planting new churches in rapid growth areas

Our first goal is to increase our members born in non-English speaking countries from 15% (NCLS 2011 statistic) to 20% across the Diocese by 2020.

Our second goal is to increase the retention of our members' children in church from 65% (NCLS 2011 statistic) to 70% across the Diocese by 2020.

Our third goal is to plant 15 new churches in greenfield areas by 2020.

Our fourth goal is to plant at least two new churches per Mission Area by 2020.



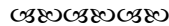
2018 Report of the Standing Committee and other Reports and Papers

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2018 Report of the Standing Committee

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1. Introduction

1.1 Charter

The Standing Committee is constituted under the *Standing Committee Ordinance 1897*. Its duties arise under a number of ordinances and include the following –

- (a) making arrangements for the meetings of the Synod and preparing the Synod's business, and
- (b) acting as a council of advice to the Archbishop (the "Archbishop-in-Council"), and
- (c) considering and reporting upon matters referred to it by the Synod and carrying out the Synod's resolutions, and
- (d) deliberating and conferring upon all matters affecting the interests of the Church, and
- (e) making ordinances under delegated powers, and
- (f) preparing and administering parochial cost recoveries and Synod appropriations and allocations, and
- (g) appointing persons to fill casual vacancies among persons elected by the Synod to boards etc, and
- (h) monitoring the finances of diocesan organisations.

1.2 Access

Meetings are usually held in the Heath Centre, Level 5, St Andrew's Cathedral School, St Andrew's House. Mail should be addressed to "The Diocesan Secretary, Standing Committee of Synod, PO Box Q190, QVB Post Office NSW 1230" (telephone (02) 9265 1555; email DiocesanSecretary@sydney.anglican.asn.au). Office hours are 9 am to 5 pm.

A report on each meeting is published a few days after the meeting on the website of Sydney Diocesan Secretariat ("SDS") at www.sds.asn.au.

1.3 Meetings and members

Since October 2017 we have met 9 times. The names of the members are listed on the [SDS website](#). During the year, the following changes took place in the membership of the Standing Committee –

- A vacancy arose in the position of a lay person elected by the South Sydney Region upon the resignation of Mrs Gillian Davidson. The Regional Electors of the South Sydney Region elected Ms Yvette McDonald to fill the vacancy.
- Mr Robert Wicks resigned as the Diocesan Secretary, but remained an ex-officio member of the Standing Committee by virtue of his position as the CEO of SDS.
- We appointed Mr Daniel Glynn as the new Diocesan Secretary, and Mr Glynn became an ex-officio member of the Standing Committee as a result.

1.4 Management and structure

Our permanent subcommittees are –

| | |
|--|--|
| Affiliated Churches Committee | Registrar's Committee for portraits, plaques & photographs |
| Diocesan Resources Committee | Religious Freedom Reference Group |
| Finance Committee | Royal Commission Steering Committee |
| General Synod Relations Committee | Service Review Committee |
| Ministry in Socially Disadvantaged Areas Committee | Social Issues Committee |
| Minute Reading Committee | Stipends and Allowances Committee |
| Ordinance Reviewers and Panels | Strategy and Research Group |
| Professional Standards Oversight Committee | Work Outside the Diocese Committee |

The terms of reference and the membership of our permanent subcommittees are posted at www.sds.asn.au.

Other committees are appointed from time to time for special tasks. We thank God for the faithfulness and expertise of the people who serve on our committees.

1.5 Resignation of Mr Robert Wicks as Diocesan Secretary

We received the resignation of Mr Robert Wicks as Diocesan Secretary and Secretary of the Synod.

1.6 Appointment of Mr Daniel Glynn as the next Diocesan Secretary and Synod Secretary

Following the resignation of Mr Wicks, we appointed Mr Daniel Glynn as Diocesan Secretary and, in accordance with 2.8(3) of the *Conduct of the Business of Synod Ordinance 1990*, also appointed Mr Glynn as the Secretary of Synod until the next session of the Synod.

1.7 Resignation of Mrs Gillian Davidson

We noted the resignation of Mrs Gillian Davidson from membership on the Standing Committee, thanked Mrs Davidson for her service to the Standing Committee and prayed for God's blessing on her family, and her continued ministry in this Diocese.

1.8 Ms Yvette McDonald

We welcomed Ms Yvette McDonald to the meeting as a member elected by the Regional Electors of the South Sydney Region, and looked forward to her contribution to our meetings.

1.9 Change in Chair of Property Trust

We noted the resignation of Dr Robert Tong AM as Chair of the Property Trust, having served on the Property Trust since 1979 and as its Chair for the last 15 years. We thanked and applauded Dr Tong for his service on the Property Trust, especially as the Chair, and welcomed his continued service as a member.

We also noted and welcomed the appointment of Mr Richard Neal as Chair of the Property Trust and Mrs Melinda West as Deputy Chair of the Property Trust.

1.10 Appointment of Chair of Mission Property Committee

We noted that Mr Trevor Ratcliff was elected Chair of the Mission Property Committee on 27 November 2017, and congratulated him on his appointment, looking forward to his contribution as Chair of the MPC.

1.11 Appointment of Chair of Social Issues Committee

We noted that Mrs Emma Penzo was elected Chair of the Social Issues Committee on 14 February 2018, and congratulated her on her appointment, looking forward to her contribution as Chair of the SIC.

1.12 Appointment of Chair of Sydney Diocesan Secretariat

We noted that Mr John Pascoe was appointed Chair of the Sydney Diocesan Secretariat on 27 June 2018, and congratulated him on his appointment.

1.13 Appointment of Ms Nicola Warwick-Mayo as Executive Director School Services, St Andrew's Cathedral School

We noted that Ms Nicola Warwick-Mayo commenced as Executive Director School Services, St Andrew's Cathedral School, on 9 July 2018 and congratulated her on her appointment.

1.14 Resignation of the Rt Rev Dr Sarah Macneil as Bishop of Grafton

We noted the resignation of the Rt Rev Dr Sarah Macneil as Bishop of Grafton, and conveyed our prayers and best wishes to Bishop Macneil.

1.15 Election of the Rt Rev Dr Peter Stuart as the next Bishop of Newcastle

We noted that the Synod of the Diocese of Newcastle elected the Rt Rev Dr Peter Stuart as the Bishop of Newcastle, and congratulated Bishop Stuart and assured him of our prayers and good wishes for his new role.

1.16 Resignation of the Rt Rev Stuart Robinson as Bishop of Canberra and Goulburn

We noted the resignation of the Rt Rev Stuart Robinson, Bishop of Canberra and Goulburn, and conveyed our prayers and best wishes to Bishop Robinson.

We subsequently welcomed Bishop Robinson's return to the Diocese of Sydney, and assured him of our prayers as he commenced as rector of Vacluse and Rose Bay.

1.17 Election of the Rt Rev Dr Matthew Brain as the tenth Bishop of Bendigo

We noted that the Rt Rev Dr Matt Brain, formerly Assistant Bishop in the Diocese of Canberra and Goulburn, was appointed as the tenth Bishop of Bendigo. We congratulated Bishop Brain on his appointment, and assured him of our prayers and good wishes in his new role.

1.18 Appointments in the Diocese of Newcastle

We noted the appointments in the Diocese of Newcastle of the Ven Canon Sonia Roulston and the Ven Canon Charlie Murry as Assistant Bishops in the Diocese of Newcastle. We also noted the appointment of the Ven Arthur Copeman as Archdeacon of Newcastle. We assured them of our prayers as they undertook their new responsibilities.

1.19 Resignation of the Rt Rev Rob Gillion as Bishop of Riverina

We noted a statement from the Rt Rev Rob Gillion, Bishop of Riverina indicating his decision to resign as Bishop of the Diocese of Riverina, and assured Bishop Gillion of our prayers and best wishes.

1.20 Archbishop of Perth

We noted that Archbishop Kay Goldsworthy was installed as the Archbishop of Perth on 10 February 2018, and wished Archbishop Goldsworthy a fruitful ministry in this new role.

1.21 Election of Canon Murray Harvey as the 12th Bishop of Grafton

We noted that Canon Murray Harvey is to be installed by the Metropolitan as the 12th Bishop of Grafton on 29 September 2018, congratulated Canon Harvey on his appointment, and assured him of our prayers as he commences in his new role.

1.22 Election of the Rev Dr Ian Coutts as the next Bishop of Bunbury

We noted that the Rev Dr Ian Coutts had been elected as the next Bishop of Bunbury, congratulated Dr Coutts on his appointment, and assured him of our prayers as he commences in his new role.

2. Actions with the Archbishop**2.1 Strategy and Research Group**

We agreed to amend the name of the 'Strategic Research Group' to 'Strategy and Research Group', and also amended its terms of reference in the manner shown in the following marked form –

- '1. To be an advisory group for the Archbishop and the Standing Committee in their formulation of high level vision and missional goals for consideration and adoption by the Synod.
2. To identify, research, evaluate and develop for Standing Committee's consideration high level vision, the strategies strategy and structures which optimise the capacity of the diocesan network to achieve the vision and missional goals adopted by the Synod.
3. To oversee the objective measurement of and reporting to the Standing Committee on progress toward achieving those missional goals.'

A further report about the SRG is printed separately.

2.2 Parramatta '54 Free Fund

The income of this fund is to be distributed among the objects of the Diocese of Sydney as determined by the Archbishop-in-Council. Early in the year, the amount of \$5,551 was paid to the General Synod Office for the attendance and travel equalisation costs for 6 Sydney Bishops attending the March 2017 Australian Bishops' Conference on the Gold Coast. Later in the year, a further \$2,226 was paid from this fund to cover the attendance and travel equalisation costs for the March 2018 Australian Bishops' Conference (which included spouses) held in Canberra. The fund did not have a sufficient amount available to cover the entire cost of the 2018 conference travel and equalisation costs. The Archbishop made up the balance with a distribution of \$5,505 from the Archbishop of Sydney's Discretionary Trust.

3. Financial and Property Administration**3.1 Accounts, Audits and Annual Reports Ordinance 1995**

Organisations of the Synod which manage church trust property must report annually to the Synod. These reports include information in relation to members, structure, activities and a summary of the financial results, together with audited financial statements, a liquidity report, a risk management report and a charities group status report. During the first ordinary session of each Synod, the reports also include a statement which assesses an organisation's compliance with the Synod's governance policy and explains any areas of non-conformity.

8 Report of Standing Committee & Other Reports & Papers

The reports must be lodged by 30 June each year. A later lodgement date has been approved for two organisations, Anglican Community Services and Anglican Aid whose financial year ends on 30 June.

Some of these organisations are also required to provide us with certain internal management financial information during the year.

The annual reports and audited financial statements for about 40 organisations will be tabled in the Synod. Any major problems found by the Finance Committee from a review of these financial statements and the additional internal management financial information will be reported.

3.2 Annual Financial Statements for the Synod Funds, Parish Funds and the Synod-St Andrew's House Fund

The annual financial statements for the Amalgamated Synod Funds, Amalgamated Parish Funds and the Synod – St Andrew's House Fund have been prepared and reviewed according to agreed upon procedures rather than a formal audit.

These reports are printed separately.

3.3 Ordination Training Fund

In 2018 this Fund received a Synod allocation of \$40,000 (2017 \$40,000) which it used to provide a book allowance of \$1,000 to first year candidates studying through Moore Theological College or Youthworks College for ordination in Sydney, and to meet a number of specific costs associated with preparing candidates for ordination. In exceptional cases the Fund may also provide bursaries or financial assistance to some of the candidates.

3.4 Ordinances

The following table shows the number of ordinances passed and assented to in 2012 to 2017 and in 2018 up to 27 August 2018 –

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------------------|------|------|------|------|------|------|------|
| Standing Committee | 53 | 60 | 42 | 46 | 53 | 40 | 22 |
| Synod | 3 | 6 | 7 | 6 | 4 | 11 | 0 |
| | 56 | 66 | 49 | 52 | 57 | 51 | 22 |

A separate report lists the ordinances passed by us since the 2017 session of the Synod. There are 9 ordinances of particular interest.

The *Sydney Diocesan Sickness and Accident Fund Ordinance 1969 Amendment Ordinance 2017* amended the Sydney Diocesan Sickness and Accident Fund Ordinance 1969 to disallow claims on the Sydney Diocesan Sickness and Accident Fund for any period of time where a person or parochial unit would also receive a benefit payment under the Stipend Continuance Insurance Policy.

The *Moore Theological College (But-Har-Gra) Variation of Trusts Ordinance 2017* varied the trusts of the property at Croydon known as "But-Har-Gra" (the Property) and a client fund (the Fund) held by the Anglican Church Property Trust Diocese of Sydney. The Property had, prior to this ordinance, been held on trust by the Moore Theological College Council solely for such charitable purposes for and in connection with the Diocese as determined from time to time by the Archbishop and the Standing Committee, and has been under the management and control of Moore College since 1956. The Fund had been held by the Property Trust as an endowment for 'the upkeep of But-Har-Gra and its activities'.

This ordinance varied the trusts of the Property so that it would be held on trust for the purposes of the Council of the College. In consideration that part of the Property may otherwise have been used for a residence of the Bishop of South Sydney, this ordinance also varied the trusts of the Fund to be held for the purposes of the Endowment of the See Expenditure Fund for use towards the costs of a residence for the Bishop of South Sydney.

The *Sydney Diocesan Superannuation Fund Ordinance 1961 Amendment Ordinance 2017* amended the Sydney Diocesan Superannuation Fund Ordinance 1961. The amendment provided a suite of changes, most notably –

- Renaming the body as the Anglican National Superannuation Board, and the principal ordinance as the *Anglican National Superannuation Board Ordinance 2017*, reflecting the name of the Fund.
- Providing the following purpose for the Board – "to advance the purposes of the Anglican Church of Australia in the Diocese of Sydney by overseeing the management, administration and control of the Fund."

- Amending the membership of the Board to comprise up to 10 persons, 5 who are notionally representatives of Participating Organisations and 5 who are notionally representatives of Fund Members, as well as other changes to comply with the Diocesan Policy on Corporate Governance.
- Establishing Plan Principles, which note the primary purpose of the Fund as being the primary provision of superannuation and other benefits (in accordance with superannuation law) for qualified members, and requires the investment of the Fund consistently with diocesan ethical investment principles.
- Providing the Board with powers to arrange insurance to indemnify the Directors.

See item 4.5.

The *Anglican Church Diocese of Sydney Christian Education Building Fund Ordinance 2018* repealed the *Anglican Church Diocese of Sydney Christian Education Building Fund Ordinance 2009* and empowered the trustee of the Anglican Church Diocese of Sydney Christian Education Building Fund to make rules for the operation of the fund. This ordinance was passed in conjunction with NCNC Funds Limited becoming the trustee of the fund. See item 3.24.

The *Anglican Schools Ministry Ordinance 2016 Amendment Ordinance 2018* amended the *Anglican Schools Ministry Ordinance 2016* to achieve consistency with the terminology employed by the Archbishop and the Registry. The current practice is for the Archbishop to grant a "licence" to a clergy person who is proposed to be an Assistant Chaplain or Chaplain, and for the Archbishop to grant a lay person who is proposed to be an Assistant Chaplain or Chaplain an "authority". The amended form of ordinance reflects this form of language.

The *St Andrew's House Trust Ordinance 2015 Amendment and Variation of Trusts Ordinance 2018* amended the *St Andrew's House Trust Ordinance 2015* and varied the trusts of the income of the property which relates to the one undivided half of the Property held for the purposes of the Endowment of the See Capital Fund so that –

- distributions of income from the St Andrew's House Trust ("SAHT") are paid directly to the EOS Expenditure Fund rather than be paid to the EOS Capital Fund and then subsequently distributed to the EOS Expenditure Fund in accordance with a determination by the Property Trust, and
- the distributions of the EOS interest in SAHT are treated consistently with the changes made by the *St Andrew's House Trust (Variation of Trusts) Ordinance 2017*, and
- the responsibilities of the Property Trust are streamlined.

The *St Andrew's House Ordinance 1975 Amendment Ordinance 2018* changed the composition of the members of St Andrew's House Corporation (SAHC) to reflect the fact that the Glebe Administration Board no longer has an interest in this property, and ensured the *St Andrew's House Ordinance 1975* complies as appropriate with the Governance Policy for Diocesan Organisations. Previously, the membership of SAHC consisted of 4 persons appointed by resolution of the Standing Committee, on the recommendation of the Archbishop, known as the "See Nominees", and 4 persons appointed by the Glebe Administration Board, known as the "Board Nominees". The revised membership comprises 11 members in total, 9 of whom are elected by the Synod and 2 appointed by SAHC. Of the 11 members, at least 2 must be ordained clergy, licensed in the Diocese of Sydney.

The *Barker College Ordinance 1978 Amendment Ordinance 2018* amended *The Barker College Ordinance 1978*, by reducing the required minimum number of clergy from 4 to 2 and reducing the term of members from four years to three.

The *Moore Theological College Ordinance 2009 Amendment Ordinance 2018* amended the *Moore Theological College Ordinance 2009* in several ways, the key amendments are summarised as follows –

- The Executive Committee is defined in the new form of ordinance (for the past two decades, it existed only by resolution of the Governing Board).
- Previously, one member of the Governing Board was appointed by the Board of Anglican Deaconess Ministries Limited. Under the revised form of ordinance, that member is 'the Archdeacon for Women's Ministry or her nominee'. Among other reasons for this change, the board position in question has not been filled for some years and it was noted that the Archdeacon for Women's Ministry is responsible for female Sydney candidates.
- Where appropriate, gender neutral language has been employed.

The *Sydney Anglican (National Redress Scheme) Corporation Ordinance 2018* constituted the Sydney Anglican (National Redress Scheme) Corporation in order to act on behalf of the Diocese in respect to the provision of redress under the National Redress Scheme. See item 3.25.

3.5 Parochial cost recoveries – arrears

The following table compares the arrears of cost recovery charges as at 30 June 2018 and 2017 –

| | 2018 | 2017 |
|--------------------------|-----------------|-----------------|
| Greenacre | 4,719 | - |
| Guildford with Villawood | - | 6,505 |
| Longueville | - | 4,720 |
| Norfolk Island | - | 1,498 |
| Picton | | 2,946 |
| Richmond | 5,875 | 2,985 |
| | <u>\$10,594</u> | <u>\$18,654</u> |

3.6 Annual financial statements from parishes

Under the *Parish Administration Ordinance 2008*, parochial units are required to lodge their audited financial statements within 7 days after their annual general meeting of parishioners.

As at 30 April 2018, 103 parochial units (38%) had not lodged a set of prescribed financial statements (compared with 84 at the same time in 2017). By 30 June 2018 this had improved so that only 20 parochial units had not lodged their financial statements, although some others had only lodged incomplete or unsigned financial statements.

The Finance Committee has processes in place to remind parochial units of their obligations under the Ordinance, to assist with any enquiries and to review the statements lodged. The Finance Committee also works with the Regional Bishops to investigate and report to us on the status of the audited financial statements for parochial units that are late in lodging the required information.

We instructed the Sydney Diocesan Secretariat to calculate the net operating receipts for any parish that had not lodged its 2017 audited financial statements by 31 August 2018, based on the figure for the previous year + 20% (in accordance with clause 15 of the *Cost Recoveries Framework Ordinance 2008*). We also asked the Diocesan Secretary to write to all parishes that had not submitted their 2017 audited financial statements, to ask them to do so promptly and provide reasons why the parish did not comply with the requirements of the *Parish Administration Ordinance 2008*.

We also noted the parishes that had not provided any information advising the names of those elected or appointed at the 2018 Annual General Meeting, and asked the Diocesan Secretary to write to each of these parishes to ask them to do so promptly and to provide reasons why the parish did not comply with the requirements of the *Parish Administration Ordinance 2008*.

3.7 Local revenues test for parish status

As at 31 May 2018, the parishes of Balmain, Coogee, Greystanes-Merrylands West, Mt Druitt, Mulgoa and Watsons Bay had local revenue below the requisite amount in 2017. In the case of Watson's Bay, this was the third consecutive year of revenue below the threshold and accordingly this parish will revert to provisional status on 31 December 2018 unless the South Sydney Regional Council exercises its discretion under clause 8(1A) of the *Parishes Ordinance 1979*. The other parishes have been advised of the importance of ensuring their 2018 and future revenues meet the relevant threshold figures in order to retain their parish status.

3.8 Stipends, allowances and benefits for 2019

A report on stipends, allowances and benefits for 2019 is printed separately.

3.9 Large Property Sale Receipts Policy

Following the Synod's support in principle in 2017 for a Property Receipts Levy, we adopted a new Large Property Sale Receipts Policy. The new policy is listed at item 2.3 in the Policies of the Standing Committee on the SDS website. See item 7.12.

3.10 Work Outside the Diocese

In the 6 months to 30 June 2018, the Work Outside the Diocese Committee had applied \$242,076 from a total Synod allocation in 2018 of \$223,000. It is expected that further amounts will be applied during the 6 months to 31 December 2018 from the 2018 allocation, and the opening reserves of \$98,323.

We instructed the Diocesan Resources Committee to include in the draft *Synod Appropriations and Allocations Ordinance 2018* (covering 2019-2021) an allocation to the Work Outside the Diocese Committee of 5% of the total funds available to Synod. The allocation to work outside the Diocese had been reduced to 4% following the substantial reduction in total funds available to Synod as a result of the Global Financial Crisis. We felt that this year was the appropriate year to give effect to Synod resolution 40/09 and

return the allocation of funds to Gospel work outside the Diocese to its previous level of 5% of total Synod funds.

3.11 Recommended distribution from the Diocesan Endowment for 2019

We noted the advice of the Glebe Administration Board that, for the purposes of clause 5(1) of the *Diocesan Endowment Ordinance* 1984, \$2.804 million could prudently be distributed from the Diocesan Endowment for spending by the Synod in 2019 being the first year in the next funding triennium (2018: \$4.69 million).

In 2017 the Synod's 50% interest in St Andrew's House was transferred from the Glebe Administration Board to a new entity controlled directly by the Synod. So, although the distribution proposed from the Diocesan Endowment is \$1.89 million lower than the 2018 figure, this shortfall is more than made up by the proposed distribution from the new St Andrew's House Fund 134.

3.12 Distribution from St Andrew's House Fund 134

We noted the advice of the Finance Committee that the amount of the distribution from the newly created Synod – St Andrew's House Fund 134 in 2018 available for appropriation by Synod in 2019 is expected to be \$2.460 million.

3.13 Synod Appropriations and Allocations for 2019-2021

Under clause 3 of the *Synod Estimates Ordinance 1998* we are required to prepare for the 2nd ordinary session of the 51st Synod a Bill for an ordinance which contains estimates for 2019, 2020 and 2021 of –

- (a) the amount required for meeting the cost of sittings of the Synod, the maintenance of diocesan offices and the expenses of such other diocesan activities and commitments as, in our opinion, should be supported, and
- (b) the amount which, in our opinion, should be granted to organisations under the control of Synod or to other organisations, and
- (c) the amount of income available from endowments or other trusts for meeting the amounts referred to above in the relevant financial year.

A Bill for the *Synod Appropriations and Allocations Ordinance 2018* and explanatory report is printed separately.

3.14 Parochial cost recoveries for 2019-2021

Under clause 5 of the *Cost Recoveries Framework Ordinance 2008*, we are required to prepare for the 2nd ordinary session of the 51st Synod an ordinance which specifies the cost recoveries charge in respect of ministry costs and parochial network costs to be paid by each parochial unit in 2019, 2020 and 2021.

A Bill for the *Parochial Cost Recoveries and Church Land Acquisitions Levy Ordinance 2018* and an explanatory report is printed separately.

3.15 Future of St Andrew's House

We invited the members of the St Andrew's House Corporation to make a presentation concerning the strategic direction and future of St Andrew's House. We agreed in principle that St Andrew's House should remain as an integral part of an Anglican "precinct".

3.16 Mission Property Committee Strategic Update

We revised our policy regarding development of ministry centres in new greenfield residential areas (for the purposes of clause 9(3) of the *Mission Property Ordinance 2002*). The new policy is listed at item 4.3 in the [Policies of the Standing Committee](#) on the SDS website.

3.17 Mission Property Committee

We supported the agreement of the MPC and Wilton–Picton parish to fund provision of a relocatable building.

3.18 Parish of Toongabbie – Proposed Seniors Living Development

We supported in-principle Toongabbie Parish proceeding with a competitive tender process for a development partner to construct a 48 Independent Living Unit seniors living village on the church site. This is the first stage in a multistage process, and we expect the matter to be reported back to us for a final approval in due course.

3.19 Clergy Contact Persons

In May 2017 we agreed to a twelve month trial of the Clergy Contact Persons (CCP) program. The CCP offers confidential face to face assistance to clergy and their spouses struggling with the pressures of parish ministry in developing and implementing a plan to address those difficulties. (The CCP is not to be confused with the Clergy Assistance Program, which provides counselling and other mental health care assistance.)

Early in the year we agreed that if the trial of the CCP is deemed successful and remains in operation, to create a 'spouses' contact person program. At the end of the review period, and following a review of the rate of takeup as well as feedback provided, we agreed that unless there is a marked increase in the number of new cases, to close the CCP at the end of 2018.

3.20 Review of ACPT management fee

Currently, the Anglican Church Property Trust (ACPT) recovers most of the cost of the services it provides to parishes (and some diocesan organisations) through a management fee of 1.1% pa of the balance of invested funds under management (in accordance with a resolution of the Standing Committee made 12 December 2005). This form of management fee is administratively efficient to collect, but lacks equity in that it is only paid by entities with invested funds (approximately 1/3rd of parishes) – while the ACPT is providing services to all parishes (and a number of diocesan organisations).

We approved the ACPT charging the following fees from 1 January 2019 –

- (a) 0.5% pa of the market value of all invested funds (other than estate bequests), payable quarterly,
- (b) a new line item for ACPT management fee of approximately \$600,000 (subject to a detailed review of all existing client funds, indexed for inflation) in the list of parochial network costs recovered as part of the variable PCR charge (excluding recognised and provisionally recognised churches without property),
- (c) 1.1% of the market value of any estate bequest received, plus 1.1% pa of the market value of any estate bequest funds that continue to be administered by the ACPT beyond 12 months, and
- (d) direct time/cost recovery for work in project management, the administration of large construction contracts and dispute resolution, invoiced separately to the client.

With regard to paragraph (d), in making this decision we noted the view of the ACPT Board that –

- 'while the proposal for direct time/cost recovery from parishes is sensible in theory, given the historical experience it can be difficult to implement in practice,
- ACPT will not wish this to become a contentious issue between parishes and ACPT, and
- this means that a fee for direct time/cost recovery is likely to be imposed only for substantial projects and then as a minor part of the overall project fee structure.'

3.21 Costs associated with attendance of, and preparation for, General Synod

Synod Fund 130 (the Fund) was established to provide for the accommodation and related costs of representatives from the Diocese attending sessions of the General Synod. The Fund is also used to pay for the support provided by SDS to Sydney representatives during General Synod, and to the General Synod Relations Committee in between sessions of General Synod.

In the 2016-2018 funding triennium, \$20,000 was added to the Fund each year from Synod grants. However, expenses associated with representatives of the Diocese attending sessions of the General Synod typically average out to approximately \$38,000 pa. Accordingly, we allocated a further \$20,000 from Synod Fund Contingencies to Synod Fund 130 to make up an expected shortfall in funding in 2018, and recommended to the Diocesan Resources Committee that an amount of \$40,000 pa be allocated to the Fund from 2019.

3.22 Synod's interest in St Andrew's House Trust – Fund 134

We confirmed SDS's fee in 2018 of \$184,000 for the establishment and administration of Fund 134, provided SDS takes steps to move to its usual cost recovery basis for its fees in relation to Fund 134 by 2020. The amount for 2018 includes a restructure component due to the impact of the restructure of the Diocesan Endowment.

3.23 Anglican Media Digital Strategy

We allocated \$230,000 from the Publishing Reserve Fund to enable Anglican Media to design, build and pursue a social media / digital publishing strategy. We expect that Anglican Media will report back to the Standing Committee by November 2019 regarding progress and implementation.

3.24 Anglican Church Diocese of Sydney Christian Education Building Fund

We changed the trustee of the Anglican Church Diocese of Sydney Christian Education Building Fund from the Anglican Church Property Trust Diocese of Sydney to NCNC Funds Limited.

3.25 Participation in the National Redress Scheme

On 1 July 2018 the Commonwealth Government commenced its National Redress Scheme (NRS) in response to the Royal Commission into Institutional Responses to Child Sexual Abuse. The NRS, among other things, provides redress and access to counselling and psychological services to those who

experienced sexual abuse as children in Australian institutions.

The NRS relies upon institutions throughout Australia joining the scheme in order provide a nationally consistent approach to redress. The NRS allows entities to apply to join the scheme in their own right, but also provides the opportunity for related entities (such as Anglican institutions) to join the scheme as 'associates' of a 'participating group'.

We agreed that the Diocese of Sydney should participate in the NRS and that this should be done as an associate of an Anglican participating group being established by the General Synod, subject to any unexpected issues which become known. Accordingly, we constituted the Sydney Anglican (National Redress Scheme) Corporation to act on behalf of the Diocese in respect to the provision of redress under the NRS through membership of the Anglican participating group.

4. General Administration

4.1 Elections

The appointment of persons to serve on committees etc. continued to be a major part of our business. Some appointments are to fill casual vacancies among Synod appointees, while others are made by the Standing Committee in its own right.

From November 2017 to August 2018, 165 such positions were filled (71 for the same period in 2016 – 2017).

4.2 Trial of online voting to fill casual vacancy for a member of the Standing Committee elected by the Regional Electors of a region

In accordance with 3(3A) of the *Standing Committee Ordinance 1897*, we authorised the Diocesan Secretary to trial an online ballot to administer the next contested casual vacancy for a member of the Standing Committee elected by the Regional Electors of a region.

4.3 Reports from Regional Councils

Under clause 9 of the *Regions Ordinance 1995* each regional council must give us an annual report for inclusion in our report to the Synod. This year the annual reports are printed as a compilation. Any reports for reclassification of provisional parishes under the *Parishes Ordinance 1979* are printed separately.

4.4 Review of the services of Sydney Diocesan Secretariat to the Synod and Standing Committee

We undertook a review of the services provided by the SDS during 2017. We confirmed that the services had been provided in a satisfactory manner and commended SDS for the high standard of services provided to the Standing Committee and Synod.

4.5 Anglican National Superannuation Board Funding Request

We authorised payment from Synod Fund contingencies up to \$25,000 in order to acquire adequate Directors' and Officers' insurance coverage for the members of the Board and to obtain legal advice for purposes related to the future of the fund.

4.6 Declaration of Stanhope Anglican Church as a Recognised Church

We noted the declaration made under clause 8 of the *Recognised Churches Ordinance 2000* that Stanhope Anglican Church is a Recognised Church. We joined the Western Sydney Regional Council in extending our prayers and best wishes to the members of the church as they continue their ministry in the fellowship of the Diocese.

4.7 Declaration of Church at the Peak as a Provisional Recognised Church

We noted the declaration made under clause 8 of the *Recognised Churches Ordinance 2000* that Church at the Peak is a Provisional Recognised Church. We joined the Georges River Regional Council in extending our prayers and best wishes to the members of the church as they continue their ministry in the fellowship of the Diocese.

4.8 NSW Ecumenical Council

We declined to make a requested financial contribution to the NSW Ecumenical Council.

4.9 Membership of Inter-Church Commission on Religious Education in Schools (NSW)

We agreed that the Diocese of Sydney should apply to re-join the Inter-Church Commission on Religious Education in Schools (NSW) Inc. (ICCOREIS), and agreed that the representation of the Diocese on ICCOREIS should be recommended jointly by Anglican Youthworks and the Anglican Education Commission.

4.10 Safe Ministry Training

We noted with thanks the successful launch online and use of the Safe Ministry Refresher course and the Safe Ministry Essentials course, both of which are becoming widely known and used both inside and outside of the Diocese of Sydney. We thanked and congratulated all those involved in this welcome development.

4.11 Site for New Residence for the Archbishop

Last year we reported that we varied the trusts on land owned by the Property Trust so that instead of being held for the Parish of Broadway, the land is now held for the purposes of the EOS Capital Fund to enable the site to be used as the location of a new residence for the Archbishop.

We received advice from the Registrar on behalf of the EOS Committee that a Development Application to amend the boundary between Lots was submitted in late 2017 and approval of the DA, subject to acceptable conditions, was received on Friday 20 April 2018. A Design Brief was prepared and sent to a number of firms of architects seeking Expressions of Interest in designing the new structures. In July 2018 Allen Jack + Cottier was appointed as Architect for the project.

4.12 Amalgamation of Anglicare Northern Inland with Anglicare Sydney

We noted a letter dated 12 April 2018 from the CEO of Anglicare, Mr Grant Millard, which advised amalgamation of Anglicare Northern Inland with Anglicare Sydney.

4.13 Registrar's Committee for portraits, plaques and photographs

We constituted a new permanent subcommittee, the *Registrar's Committee for portraits, plaques and photographs*, consisting of the Registrar (Chair), 2 members appointed by the Standing Committee triennially and 2 members appointed by the Chapter of St Andrew's Cathedral triennially, with the following purpose –

- (a) To be responsible to the Standing Committee for the safekeeping and appropriate display of portraits and insignia of Archbishops of Sydney.
- (b) To ensure that portraits are commissioned as required.
- (c) To ensure that memorial plaques are erected in St Andrew's Cathedral to commemorate the life and ministry of Archbishops of Sydney.

4.14 NCLS Community Social Profiles

We noted that National Church Life Survey (NCLS) will be again be producing Community Profiles for parishes, following the 2016 ABS Census, and encouraged the SRG to bring a proposal regarding the dissemination of these profiles to as many parishes as possible with partial subsidy by the Synod.

4.15 Guidelines for Remuneration of Parish Ministry Staff in 2019

We approved guidelines for the remuneration of parish ministry staff in 2019 reflecting a 1.6% increase in recommended minimum stipend.

4.16 AICD governance training for members of diocesan boards and school councils

We agreed to contribute \$5,000 from Synod fund contingencies to fund the participation of persons who might not otherwise have the resources to participate in the 3 day AICD governance training course being run by SDS in November 2018.

5. Relations with Government

5.1 Social Issues Committee

The Social Issues Committee ("SIC") comprises the following members –

| | |
|------------------------|----------------------|
| Mrs Emma Penzo (Chair) | Dr Chase Kuhn |
| Dr Megan Best | Mr Darren Mitchell |
| The Rev Dr Andrew Ford | Dean Kanishka Raffel |
| Mrs Patricia Jackson | The Hon John Ryan AM |

The SIC provides advice to the Archbishop on issues which are referred by him. It also provides advice on issues referred to it by the Standing Committee or at the request of the Synod. When resources allow, the SIC also identifies and initiates the study and discussion of social issues and matters of public policy among Anglicans in the Diocese and interacts with Government and other external organisations through submissions to parliamentary and public inquiries. The SIC is often the first point of contact for community groups and other organisations wishing to engage with the Diocese on matters of public policy.

Since the last Synod, the SIC has met 7 times and has devoted the bulk of its time to the further development of the Gender Identity Report received by Synod in 2017. The Report was circulated in revised form in November 2017 for comments and feedback. The period for comments and feedback ended on 31

April 2018. Since then, the SIC has revised the Terms of Reference of its Gender Identity subcommittee (GISC) and refreshed its membership for the purposes of –

- (a) finalising the Initial Principles of Engagement, and
- (b) the development of Pastoral Guidelines for matters relating to Gender Identity.

The refreshed GISC now comprises of the following –

| | |
|------------------------------|---------------------------|
| Bishop Peter Hayward (Chair) | The Rev Barry McGrath |
| Ms Maryanne Davis | The Rev Dr David Sandifer |
| Mrs Patricia Jackson | Dr Claire Smith |
| Dr Chase Kuhn | |

The following are advisors to the GISC –

The Rev Joe Wiltshire
Mrs Lorrae Sampson

Through formal correspondence the Committee has been engaged in advocacy relating to the Voluntary Assisted Dying Bill 2017 (NSW). The SIC also prepared a letter on behalf of the Archbishop to Members of the NSW Legislative Assembly regarding the Public Health Amendment (Safe Access to Reproductive Health Clinics) Bill 2018.

Submissions have been provided to –

- (a) The NSW Parliamentary Working Group on Assisted Dying regarding the Draft Voluntary Assisted Dying Bill NSW 2017,
- (b) The Federal Government's Senate Community Affairs References Committee Inquiry into Science of mitochondrial donation and related matters, and
- (c) The South Australian Law Reform Institute regarding a suitable regulatory framework for surrogacy in South Australia.

The significance of the Gender Identity work and the refreshment of the SIC has delayed the SIC's response to resolutions of the 2016 Synod in respect to reports on 'Diversity and Inclusion' (16/16) and 'Consumerism' (30/16). The Committee now expects this work to be provided to the 2019 Synod.

In its 2017 report to the Synod, the SIC indicated it had taken initial steps to partner on a research project, 'The Experiences of People with Disability in the Sydney Diocese of the Anglican Church'. Ultimately, this project did not proceed.

The SIC acknowledged and expressed deep gratitude to members retiring during the year – Dr Karin Sowada (Chair) who served the committee faithfully over 24 years, including many years as Chair, and the Rev Dr Michael Jensen who served faithfully for 4 years.

5.2 Religious Freedom Review

We approved a submission prepared by the Religious Freedom Reference Group on behalf of the Standing Committee for lodgement with the Ruddock Religious Freedom Review Panel.

5.3 Review of the Australian Charities and Not-for-Profits Commission legislation

We authorised the submission of a report prepared by the Religious Freedom Reference Group regarding the review of Australian Charities and Not-for-Profits Commission legislation.

6. The International, National and Provincial Church

6.1 17th Session of the General Synod in 2017

The 17th session of the General Synod was held at the Novotel Twin Water Resort, Maroochydore, Queensland on 3 – 8 September 2017. Last year we provided a report on the proceedings of the General Synod and promoted a number of Bills to the Sydney Synod to adopt canons made at the General Synod session.

This year, we agreed to promote a further two Bills to the Sydney Synod to adopt or assent to canons made at the General Synod session in 2017. An updated report about the General Synod legislation, as well as two Bills and accompanying explanatory material are printed separately.

6.2 18th Session of the General Synod in 2020

We noted that the next General Synod will be held from 31 May to 5 June 2020, and that the Primate's Mandate issue date, which determines the number of representatives from each diocese, is anticipated to be 1 October 2019.

6.3 GAFCON Primates Communiqué April 2018

We noted the communiqué of the GAFCON Primates Council following their meeting in Uganda in April 2018. We also noted that the Archbishop attended this meeting.

6.4 GAFCON Assembly 2018

We authorised the printing for the Synod of a suitable form of the Letter to the Churches from the GAFCON Assembly 2018 and asked that a motion be moved at this Synod regarding the letter, and a further motion be moved regarding the contribution to GAFCON of the Most Rev Dr Peter Jensen.

6.5 Participation in References to the Appellate Tribunal

We reported last year that in August 2017, references were made to the Appellate Tribunal concerning our *Affiliated Churches Ordinance 2005*, and the participation of the Archbishop and other Australian bishops in the consecration of a bishop of the Anglican Church of North America (ACNA).

The matter related to the *Affiliated Churches Ordinance 2005* is ongoing. The proceedings on the reference related to the participation of the Archbishop and other Australian bishops in the consecration of a bishop of the ACNA were discontinued as at 7 December 2017.

6.6 Royal Commission into Institutional Responses to Child Sexual Abuse

We approved an allocation from the Synod Fund and requested the Property Trust to provide an equal amount, to meet the needs of the Royal Commission Steering Committee as it continues to monitor and advise regarding matters related to the Royal Commission and Redress.

6.7 New Zealand General Synod Motion 29

Following a series of changes to the canons of the Anglican Church in Aotearoa, New Zealand and Polynesia which enabled, among other things, clergy to conduct services blessing same gender relationships, we conveyed to the three Primates of the Anglican Church in Aotearoa, New Zealand and Polynesia that we –

- (a) noted with deep regret that the Anglican Church in Aotearoa, New Zealand and Polynesia has amended its Canons to allow bishops to authorise clergy to bless same-sex unions,
- (b) noted with regret that this step is contrary to the teaching of Christ (Matt 19:1-12) and is contrary to Resolution I.10 of the 1998 Lambeth Conference,
- (c) expressed our support for those Anglicans who have left or will need to leave the Anglican Church in Aotearoa, New Zealand and Polynesia because of its abandonment of biblical teaching, and those who struggle and remain, and
- (d) prayed that the Anglican Church in Aotearoa, New Zealand and Polynesia will return to the doctrine of Christ in this matter and that impaired relationships will be restored.

We subsequently noted the Archbishop's *Proposal for the Anglican Church of Aotearoa, New Zealand and Polynesia* (available on www.sydneyan Anglicans.net), which he delivered during his meeting with Church leaders in New Zealand on 23 August 2018.

6.8 Uniting Church in Australia

We noted with deep regret that on 13 July 2018 the Uniting Church in Australia's National Assembly adopted an additional statement of belief allowing ministers of the Uniting Church to conduct same-sex marriages, and wrote to the President of the Uniting Church in Australia Assembly to –

- (a) advise of our disappointment with the Assembly's decision to adopt the additional statement of belief, and
- (b) ask the National Assembly, when they next meet, to repent of this decision, and remove the additional statement of belief that allows ministers to bless and to marry same-sex couples.

We also respectfully requested that the Archbishop write to the President of the Assembly of Confessing Congregations to inform him of this motion and express our prayerful support.

6.9 Matters relating to the Diocese of Bathurst

We agreed in principle, and subject to several conditions, to promote an ordinance to the Synod which will enable the provision of significant financial support for the Bishop of Bathurst and his Registrar.

A report about this matter is expected to be printed with the supplementary materials.

7. Sydney Synod Matters

7.1 6/15 Purpose and nature of episcopal leadership

By resolution 6/15, the Synod requested the Sydney Diocesan Doctrine Commission to prepare a report on the purpose and nature of episcopal leadership.

The report of the Doctrine Commission is printed separately.

7.2 34/16 Opening, closure, merger or takeover of Schools Corporation schools

By resolution 34/16, among other things, the Synod requested that –

- (a) we review the Anglican Schools Corporation Ordinance, especially regarding the interaction between the Corporation Board, individual school councils and broader stakeholders regarding the opening, closure, merger or takeover of Corporation schools, and
- (b) the Schools Corporation Board review its internal processes and procedures regarding consultation and the sharing of information concerning the opening, closure, merger or takeover of Corporation Schools (or other similarly major decisions) with broader stakeholders, including school councils and local parishes.

We noted revised Guidelines from Anglican Schools Corporation on opening, closure, merger or takeover of Anglican Schools Corporation schools, and urged the Board to conduct real and appropriate consultation with all those Anglican entities directly affected by the opening, closure, merger or takeover of such schools.

7.3 3/17 Coordinating the planting of churches

By resolution 3/17, among other things, the Synod requested us to consider –

- (a) ways to facilitate appropriate coordination between the Mission Property Committee (MPC), Evangelism and New Churches, and New Churches for New Communities, in supporting church planting and revitalisation throughout the diocese, and
- (b) amending the *Mission Property Ordinance 2002* to implement the recommendations in the MPC Report in relation to the composition of the Mission Property Committee.

The Committee we constituted to undertake this work has prepared a report along with a proposal to establish an Anglican Church Growth Corporation, having objects intended to address the request of paragraph (a) of the resolution. We have agreed in principle to the proposal, but have not yet resolved a number of matters relating to the proposed corporation.

Given the interrelation of paragraphs (a) and (b) of the resolution, we have agreed that changes requested in paragraph (b) of the resolution were best implemented in tandem with any recommendations regarding paragraph (a).

7.4 8/17 Statement of Anglican doctrine of marriage

By resolution 8/17, the Synod requested, among other things, that we appoint a committee of suitably qualified persons to consider as a matter of urgency whether the Diocesan Education Policy, the Corporate Governance Policy Statement of Faith, or any other relevant diocesan policies, statements or ordinances should be amended to state formally our Anglican doctrine that marriage is the union of a man and a woman for life to the exclusion of all others, so as to assist the ability of our Anglican schools and other organisations to maintain that it is a genuine, legitimate and justified occupational requirement for their board members, principals, executive officers and other relevant staff and office holders to hold to this traditional Christian belief about marriage, in order to maintain the Christian religious ethos of our institutions.

The committee that we asked to address the request of resolution 8/17 has not yet completed its work.

7.5 14/17 Forum of Synod

By resolution 14/17, the Synod requested us to review the arrangements for the Diocesan Synod and report to the next Synod in relation to –

- (a) the logistics of contracting the meeting time from the current format which comprises 5 afternoon and evenings,
- (b) possible alternative arrangements in relation to the convening of Synod in so far as they relate to the times and where Synod meets.

The committee we constituted to address the request of this resolution has not yet completed its work.

7.6 16/17 Implementation of the Domestic Abuse Response

At its session in 2017, the Synod noted the report 24/16 *Domestic Violence* (the 'Report') and adopted the *Provisional Sydney Anglican Policy on Responding to Domestic Abuse* (the 'Provisional Policy'), and among other things, asked us –

- (a) to bring to this session of Synod proposed amendments to the Provisional Policy, and
- (b) to consider and, if thought fit, act on the recommendations referred to in the Report.

A report about this matter is expected to be printed with the supplementary materials.

7.7 20/17 General Synod – Safe Ministry to Children Canon 2017 Adopting Ordinance 2017

At its session in 2017, the Synod adopted the *General Synod – Safe Ministry to Children Canon 2017* but delayed its implementation to enable us to promptly engage with the General Synod Standing Committee about changes that would make the standards in the canon more suitable and workable within the Diocese of Sydney.

By resolution 20/17, among other things, the Synod called upon us to –

- (a) prioritise the preparation, drafting and other work which it considers would make the standards set out in the canon more suitable and workable within the Diocese of Sydney,
- (b) promptly engage in the consultation process required in order to present proposed changes to the General Synod Standing Committee meeting on the 8 – 9 December 2017,
- (c) take all necessary steps to make preparations within the Diocese for the implementation of this Canon, and
- (d) where possible consider implementing those aspects of the Canon (and its Schedules) that are not subject to the processes in part (a) and (b) of this motion.

We constituted a taskforce to address the requests in the resolution which has not yet completed its work.

7.8 22/17 Appointment of assistant ministers and stipendiary lay workers

By resolution 22/17, among other things, the Synod requested us to appoint a committee to review and report to this session of Synod on the appropriate terms and conditions for appointment of assistant ministers and stipendiary lay workers to parishes and other church organisations including, inter alia, the following matters –

- (a) the applicability of a probationary period,
- (b) circumstances where a fixed term contract may apply,
- (c) appropriate review mechanisms for performance,
- (d) appropriate mechanisms for transition from being a Deacon to a Presbyterian in the case of assistant ministers,
- (e) terms and conditions for the appointment of assistant ministers and stipendiary lay workers,
- (f) terms and conditions in relation to the termination of assistant ministers and stipendiary lay workers,
- (g) appropriate dispute resolution mechanisms in the event of a breakdown in relationship between the Senior Minister and the Assistant Minister or the stipendiary lay worker,
- (h) comparison of these matters with any relevant employment legislation, and
- (i) such other matters as the Committee may consider appropriate for consideration by Synod.

The committee we appointed to address the request of the resolution has not yet completed its work.

7.9 23/17 Gender Identity Initial Principles of Engagement

24/17 Development of a final form of diocesan policy for gender identity issues

By resolutions 23/17 and 24/17, among other things, the Synod requested us to bring to the Synod session in 2018 a revised form of the Initial Principles of Engagement with a view to the revised form being adopted as a policy of the Synod.

A report about this matter is printed separately.

7.10 27/17 Gender representation on Diocesan boards and committees

By resolution 27/17, the Synod requested us to bring a report to the next session of Synod which outlines the composition of the various Diocesan boards, committees and councils in so far as they reflect the gender participation of those groups. Synod requested the report to include –

- (a) the numbers and percentages of women and men on the Synod Diocesan boards, committees and councils,
- (b) goals or targets that the Diocesan organisation could work towards to ensure greater balance of diverse representation of Diocesan boards, committees and councils,
- (c) recommendations as to how to improve participation by women, and
- (d) a summary of any theological considerations involved in reaching their decisions.

The Committee we appointed to address the request of the resolution has not yet completed its work.

7.11 33/17 Licensing of incumbents interim report

By resolution 33/17, the Synod requested us to undertake work in a number of areas. Each is listed below along with comments regarding our progress.

- (a) Synod asked us to amend the Ministry Training and Development (MT&D) Ordinance Objects to provide an approved accreditation system for clergy Professional Development. We have liaised with the Council of MT&D in order to determine a suitable form of amendment to its objects, but have not yet completed this work.
- (b) Synod asked us to amend the parish Prescribed Financial Statement (PFS) to include an expense line for Professional Development and to ask the Stipends and Allowances Committee to make a recommendation of an appropriate amount per clergy to be included in annual parish budgets for professional development. We approved a form of the Remuneration Guidelines for 2019 which recommends parish councils include an appropriate dollar amount each year for professional development expenses in their annual parish budget, having regard to the ongoing professional development of each member of the ministry staff (item 6-1300).
- (c) Synod asked us to determine how the concept of Voluntary Relinquishment of Incumbency (a mechanism to assist Rectors who are choosing, or being encouraged to leave a parish) could be implemented in this Diocese. A report about this matter is printed separately, along with a proposal for the adoption of a policy of Synod with regard to Voluntary Relinquishment of Incumbency.
- (d) Synod asked us to bring a bill to this session of Synod that would constitute as misconduct 'unreasonable and persistent failure to attend the triennial *Faithfulness in Service* training' and 'unreasonable and persistent failure to complete the triennial Safe Ministry training'. A Bill to amend the *Ministry Standards Ordinance 2017* and an explanatory report is printed separately.

7.12 34/17 Proposal for a Property Receipts Levy

By resolution 34/17, among other things, the Synod requested us to pass an ordinance to implement a Property Receipts Levy with respect to property income from 2018.

A report about this matter is expected to be printed in the supplementary materials.

7.13 43/17 Composition, purpose and role of Synod

By resolution 43/17, the Synod asked us to bring a report to the October 2018 session of Synod on the composition, purpose and role of Synod.

The committee we constituted to address the request of the resolution has not yet completed its work. It is anticipated that a report will be provided to the 2019 session of Synod.

7.14 44/17 Proposed review of the Standing Committee Ordinance 1897

By resolution 44/17, the Synod asked us to review the *Standing Committee Ordinance 1897* particularly in respect to the inconsistency between the definition of a "Regional Elector" in clause 1(1) and the definition of a "Qualified Lay Person" in clause 1(2)(b), and any other inconsistencies it may find in the Ordinance.

We asked for a report to be provided to a future meeting with a recommendation which addresses the specific inconsistency referred to in the resolution, and allowed opportunities for Standing Committee members to provide any comments or suggestions with regard to any further inconsistencies. We have not yet received the final report.

7.15 Principles for the scheduling of presentations at Synod

We requested that those responsible for the order of business for Synod operate according to the following principles regarding presentations, as far as practical, in order to maximise the amount of time available to directly advance the regular business of Synod via motions, ordinances, and questions, etc. –

- (a) Presentations should be ordinarily scheduled before 4:30pm, but not before the time for petitions, questions and answers, and notices of motion has concluded.
- (b) Presentations should not be considered for scheduling unless the intending presenter has indicated to the Secretary of Synod prior the August meeting of Standing Committee –
 - (i) what the missional importance of the presentation is,
 - (ii) what the proposed time limit is,
 - (iii) what action is desired from Synod members, and
 - (iv) why it is that Synod members need to receive the information this way, and not by some other means (for example, by regular notice of motion, or by SDS website access available to Synod members).

- (c) Presentations should be limited in time (including any prayers or ancillary comments) to no more than ten minutes and preferably to five or less.
- (d) No organisation should ordinarily expect to present to Synod two years in a row.

7.16 Jesus is _____

We asked that a motion be moved at the Synod regarding the recent “Jesus is _____” mission held throughout the Wollongong region.

7.17 Resolutions made by the Synod in 2017 and not mentioned in this report

Circulars were sent to parishes and organisations about the matters arising from the 2017 Synod session. Copies of Synod resolutions were sent to appropriate persons and organisations.

7.18 Ordinances for this session

The bills for ordinances for this session of the Synod are printed separately, together with accompanying reports or explanatory statements.

For and on behalf of the Standing Committee.

DANIEL GLYNN
Diocesan Secretary

30 August 2018

Synod Funds – Amalgamated

Annual Financial Report – 31 December 2017

Incorporating –

| | |
|----------|--|
| Fund 127 | Work Outside the Diocese Fund |
| Fund 128 | Mission Areas Fund |
| Fund 129 | Synod Appropriation and Allocation Fund |
| Fund 130 | Sydney Representative at General Synod Fund |
| Fund 131 | Sydney Diocesan Synod Fund |
| Fund 132 | Social Issues Committee Fund |
| Fund 133 | Diocesan Research Fund |
| Fund 153 | The Archbishop's Professional Standards Unit |
| Fund 189 | Ordination Training Fund |

Discussion and Analysis report for the year ended 31 December 2017

The Synod Funds' (the Fund) Discussion and Analysis report provides an overview of the Fund's financial activities for the year ended 31 December 2017. The Discussion and Analysis should be read in conjunction with the unaudited annual report for the same period, and the notes thereto, beginning on page 23.

The Fund is an amalgamation of the individual funds listed below. At 31 December 2017 the Synod Funds comprised of 9 funds (2016: 9 funds):

| | |
|----------|--|
| Fund 127 | Work Outside the Diocese Fund |
| Fund 128 | Mission Areas Fund |
| Fund 129 | Synod Appropriation and Allocation Fund |
| Fund 130 | Sydney Representatives at General Synod Fund |
| Fund 131 | Sydney Diocesan Synod Fund |
| Fund 132 | Social Issues Committee Fund |
| Fund 133 | Diocesan Research Fund |
| Fund 153 | The Archbishop's Professional Standards Unit |
| Fund 189 | Ordination Training Fund |

New fund, Fund 134 Synod – St Andrew's House (Fund 134) is not included in this amalgamated report. Fund 134 has been established to administer the Synod's interest in one undivided half of St Andrew's House Corporation (the Property). The St Andrew's House Trust Ordinance 2015 has been varied so that the Property be no longer held by the Diocesan Endowment (DE) but be held for the general purposes of the Anglican Church of Australia in the Diocese of Sydney. That transfer was effected on 1 September 2017. Reasons for not including Fund 134 in the amalgamated report include:

- the substantially different purposes of those funds which are amalgamated to that of Fund 134, and
- the disproportionate difference in Net Assets.

The main sources of funds during 2017 were distributions from the DE and various parish ordinances. A distribution from the DE of \$4,400,000 (2016: \$4,300,000) was made available to the Fund for spending in 2017. The amount distributed to the Fund by various parish ordinances totalled \$1,703,718 (2016: \$1,024,602). The Professional Standards Unit received \$563,000 (2016: \$350,000) as proceeds of claims from the ACPT Church Insurance Fund 0799. The Fund also received contributions under the Parochial Cost Recoveries (PCR) Ordinance to support the Professional Standards Unit, the Safe Ministry program and the costs associated with membership of the Anglican Church in Australia, the Province of New South Wales and the NSW Council of Churches. Interest is earned on surplus cash held on deposit with the Glebe Administration Board and the Diocesan Cash Investment Fund.

The Fund's total revenues increased by \$1,013,270 or 15% to \$7,748,854 (2016: \$6,735,584). Parish/ACPT distributions were up \$679,116 (66.3%), due to resumption of distributions from St James King Street, now received via ACPT fund 400 with a year's delay, and under the Hunters Hill (Woolwich Land Sale) ordinance. Other income was also up due to an insurance receipt in Synod Fund 0131, and

claim proceeds received from the ACPT Insurance Fund for the Care and Assistance program being higher by \$213,000 or 60.8%.

The application of funds is divided between:

- grants appropriated by the Standing Committee in the Synod Appropriations and Allocations Ordinance 2015,
- grants as appropriated under the delegations of the various committees of the comprising funds, and
- administrative and Care and Assistance Scheme expenses of the Professional Standards Unit.

The Fund's total outgoings rose \$718,789 or 10.99% to \$7,258,734 (2016: \$6,539,585). This increase reflects a greater quantum of payments for professional standards matters through both the Care and Assistance Scheme and Synod Fund 131 than paid in 2016.

The Net Assets of the Fund increased by 31.69% to \$2,036,456 (2016: \$1,546,336) principally due to the parish/ACPT distributions. The assets of the Fund are composed mainly of cash and receivables. Liabilities of the Fund represent accrued expenses and provisions for staff leave entitlements.

Fund 131 will receive \$300,000 during 2018 from the Synod Appropriation Fund 129. As such Fund 131 will achieve the target equity of \$1,000,000, depending whether any settlements are paid.

There are no matters that have arisen since 31 December 2017 which are likely to have a significant effect on the Fund.

This report has been adopted at a duly constituted and convened meeting of the members of the Finance Committee of the Standing Committee of Synod on 12 April 2018.

Standing Committee of Synod - Synod Funds

Income Statement for the 12 months ended 31 December 2017

| | Fund 127 Work Outside the Diocese Fund | Fund 128 Mission Areas Fund | Fund 129 Synod Approp. & Allocation Fund | Fund 130 Sydney Reps at General Synod | Fund 131 Sydney Diocesan Synod Fund | Fund 132 Social Issues Committee Fund | Fund 133 Diocesan Research Fund | Fund 153 Archbishop's Professional Standards Unit | Fund 189 Ordination Training Fund | Elimination | Total | Actual 12 Months ending 31 December 2016 |
|--|---|-----------------------------------|--|---|---|---|--|---|--|------------------|------------------|--|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Income | | | | | | | | | | | | |
| Distributions - Diocesan Endowment | - | - | 4,400,000 | - | - | - | - | - | - | - | 4,400,000 | 4,300,000 |
| Distributions - Anglican Church Property Trust - Refer to Note 2 | - | - | 1,324,897 | - | - | - | - | - | - | - | 1,324,897 | 1,024,602 |
| Distributions - Hunters Hill (Woolwich Sales Proceeds) | - | - | 378,821 | - | - | - | - | - | - | - | 378,821 | - |
| Interest | 1,745 | 1,988 | 6,242 | 616 | 15,059 | 361 | 67 | 647 | 708 | - | 27,433 | 18,215 |
| PCR Contributions | - | - | - | - | - | - | - | 906,510 | - | - | 906,510 | 981,581 |
| Synod Grants | 221,000 | - | - | 40,000 | 300,000 | - | 42,000 | - | 40,000 | (643,000) | - | - |
| Other Income | 392 | - | - | - | 100,000 | - | - | 738,285 | 1,120 | (128,604) | 711,193 | 411,186 |
| Total income | 223,137 | 1,988 | 6,109,960 | 40,616 | 415,059 | 361 | 42,067 | 1,645,442 | 41,828 | (771,604) | 7,748,854 | 6,735,584 |
| Expenses | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | 171 | - | - | 171 | - |
| Staff & Related | - | - | - | - | - | - | 23,629 | 627,442 | - | - | 651,071 | 508,271 |
| Professional Fees | - | - | 119,195 | - | 7,434 | - | 520 | 114,138 | 2,066 | (18,604) | 224,749 | 279,094 |
| SDS Fees | 12,360 | 3,096 | 831,984 | 15,456 | 3,096 | - | 6,180 | 38,112 | 3,096 | - | 913,380 | 894,996 |
| Computer & Software | - | - | - | - | - | 243 | - | 55,138 | - | - | 55,381 | 2,493 |
| Rent & Occupancy | - | - | - | - | - | - | - | 28,352 | - | - | 28,352 | 27,988 |
| Printing & Stationery | - | - | - | - | - | 7 | - | 12,751 | - | - | 12,758 | 4,375 |
| Entertainment & Travel | - | - | - | 67,258 | - | - | - | 54,823 | 6,087 | - | 128,168 | 15,505 |
| Depreciation | - | - | - | - | - | - | - | 3,315 | - | - | 3,315 | 2,654 |
| Advertising | - | - | - | - | - | 1,000 | - | 12,574 | - | - | 13,574 | 9,480 |
| Office | 1,458 | - | - | 297 | - | - | - | 10,307 | - | - | 12,062 | 6,911 |

continued...

| continued... | Fund 127 Work Outside the Diocese Fund | Fund 128 Mission Areas Fund | Fund 129 Synod Approp. & Allocation Fund | Fund 130 Sydney Reps at General Synod | Fund 131 Sydney Diocesan Synod Fund | Fund 132 Social Issues Committee Fund | Fund 133 Diocesan Research Fund | Fund 153 Archbishop's Professional Standards Unit | Fund 189 Ordination Training Fund | Elimination | Total | Actual 12 Months ending 31 December 2016 |
|--|---|-----------------------------------|--|---|---|---|--|---|--|------------------|------------------|--|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Miscellaneous | - | - | 14,527 | 339 | - | 1,595 | - | 48,856 | 229 | - | 65,546 | 36,277 |
| Grants | 154,048 | 13,092 | 4,691,494 | - | 400,000 | - | - | 612,239 | 32,334 | (753,000) | 5,150,207 | 4,751,901 |
| Fund reserves | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenses | 167,866 | 16,188 | 5,657,200 | 83,350 | 410,530 | 2,845 | 30,329 | 1,618,218 | 43,812 | (771,604) | 7,258,734 | 6,539,945 |
| Net surplus/(deficit) | 55,271 | (14,200) | 452,760 | (42,734) | 4,529 | (2,484) | 11,738 | 27,224 | (1,984) | - | 490,120 | 196,359 |
| Transfer from current year surplus/(deficit) | - | - | 155,000 | - | - | - | - | 27,952 | - | - | 182,952 | (360) |
| Net available surplus/(deficit) after transfer to reserve | 55,271 | (14,200) | 297,760 | (42,734) | 4,529 | (2,484) | 11,738 | (728) | (1,984) | - | 307,168 | 195,999 |

Standing Committee of Synod - Synod Funds

Balance Sheet as at 31 December 2017

| | Fund 127 Work Outside the Diocese Fund | Fund 128 Mission Areas Fund | Fund 129 Synod Approp. & Allocation Fund | Fund 130 Sydney Reps at General Synod | Fund 131 Sydney Diocesan Synod Fund | Fund 132 Social Issues Committee Fund | Fund 133 Diocesan Research Fund | Fund 153 Archbishop's Professional Standards Unit | Fund 189 Ordination Training Fund | Elimination | Total | Actual 31 December 2016 |
|--------------------------|--|-----------------------------------|--|---|---|---|--|---|--|-------------|------------------|-------------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Asset | | | | | | | | | | | | |
| Cash | 108,457 | 158,349 | 668,803 | 33,478 | 933,563 | 31,813 | 20,404 | 125,344 | 50,119 | - | 2,130,330 | 1,659,003 |
| Receivables | 491 | 605 | 4,853 | 46 | 3,828 | 116 | 30 | 3,972 | 193 | - | 14,134 | 815 |
| Fixed Assets | - | - | - | - | - | - | - | 5,961 | - | - | 5,961 | 4,200 |
| Other | 10 | - | 1,564 | - | - | - | - | 1,463 | 140 | - | 3,177 | 2,341 |
| Total assets | 108,958 | 158,954 | 675,220 | 33,524 | 937,391 | 31,929 | 20,434 | 136,740 | 50,452 | - | 2,153,602 | 1,666,359 |
| Liabilities | | | | | | | | | | | | |
| Payables | 10,635 | - | 14,428 | - | - | 1,000 | - | 21,762 | 3,466 | - | 51,291 | 65,891 |
| Provisions | - | - | - | - | - | - | - | 65,855 | - | - | 65,855 | 54,132 |
| Total liabilities | 10,635 | - | 14,428 | - | - | 1,000 | - | 87,617 | 3,466 | - | 117,146 | 120,023 |
| Net assets | 98,323 | 158,954 | 660,792 | 33,524 | 937,391 | 30,929 | 20,434 | 49,123 | 46,986 | - | 2,036,456 | 1,546,336 |
| Equity | | | | | | | | | | | | |
| Capital | - | - | - | - | 985,000 | 34,186 | - | - | - | - | 1,019,186 | 1,019,186 |
| Reserve | - | - | 155,000 | - | - | - | - | 32,592 | - | - | 187,592 | 4,640 |
| Accumulated Funds | 43,052 | 173,154 | 208,032 | 76,258 | (52,138) | (773) | 8,696 | 17,259 | 48,970 | - | 522,510 | 326,511 |
| Current year | 55,271 | (14,200) | 297,760 | (42,734) | 4,529 | (2,484) | 11,738 | (728) | (1,984) | - | 307,168 | 195,999 |
| Total Equity | 98,323 | 158,954 | 660,792 | 33,524 | 937,391 | 30,929 | 20,434 | 49,123 | 46,986 | - | 2,036,456 | 1,546,336 |

Notes to the financial report for the year ended 31 December 2017

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

This is a special purpose financial statement that has been prepared for the sole purpose of providing amalgamated financial information to Synod and for distribution to the members of Synod and must not be used for any other purpose. The Finance Committee of Standing Committee has determined that the accounting policies adopted are appropriate to meet the needs of Synod.

The income statement and balance sheet are submitted as amalgamated statements for administrative purposes. The process of amalgamation consists of adding all the balances of the individual funds on a line by line basis. There is no consideration of beneficial interests, which is involved or implied in the preparation of the amalgamated financial report. Material transactions have been eliminated between the funds.

The net assets at the date of exit of funds exiting the amalgamated accounts are debited to the relevant category of equity. The items of the statement of income for a fund that has exited the amalgamated accounts during the period are only included in the amalgamated accounts until the date of exit. When a fund is joining the amalgamated accounts a credit to equity is generally recognised to record the net assets that have been included in the amalgamated accounts.

Historical cost convention

These financial statements have been prepared under the historical cost convention.

(b) Revenue recognition

Revenue and other income is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of taxes paid. Revenue and other income is recognised for the major business activities as follows:

Grants and donations

Grants and donations are recognised to the extent they have been deposited in the bank, or credited to the Fund's current account with the Sydney Diocesan Secretariat, which is the point at which the entity gains control of the grant or donation.

Disposal of plant and equipment

Income from the disposal of plant and equipment is measured at fair value of the consideration received or receivable less the carrying value of the fixed asset or group of assets sold. Gain or loss arising from the sale is recognised at net amount in the income statement.

Distributions

Distributions are recognised on an accruals basis when the right to receive payment is established.

Interest

Interest revenue is recognised on a time proportion basis using the effective interest method.

(c) Grants and donations expense

Grants and donations are generally recognised upon payment.

(d) Acquisitions of assets

The purchase method of accounting is used to account for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Cash includes an unsecured loan to the Diocesan Cash Investment Fund (DCIF). This loan is at call. DCIF pays interest quarterly.

(f) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Receivables are due for settlement no more than 30 days from the date of recognition.

The collectability of receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. A provision for doubtful receivables is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the income statement.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

(h) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated using the straight-line method to allocate their cost or re-valued amounts, net of their residual values, over their estimated useful lives as follows –

- Computer hardware and printers 3 years
- Furniture and fittings 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

(i) Payables

These amounts represent liabilities for goods and services provided prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(k) Reserves

Appropriate reserves are created to enable PSU to meet projected Domestic Violence Task Force expenditure. A reserve within Synod Appropriation and Allocation Fund has been established in 2017 to part compensate for loss of income under St Matthew's Manly ordinance in 2018.

(l) Employee benefits

Wages, salaries, annual leave and personal leave

Liabilities for wages and salaries including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised either in payables or current provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

No liability has been recognised for personal leave, as there is no provision made for personal leave and it is not considered that any personal leave taken will incur in additional costs.

Long service leave

The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised as a provision and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(m) Goods and Service Tax (GST)

The funds are members of the Sydney Diocesan Secretariat GST group.

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

(n) Income tax

The funds are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

2. Distributions – Anglican Church Property Trust – Synod Appropriation and Allocation Fund (Fund 400)

| | 2017 | 2016 |
|---|------------------|------------------|
| | \$ | \$ |
| Narellan (Elderslie) Land Sale Ordinance 1980 | 20,065 | 21,561 |
| Ryde (Kirkby Gdns. & Archbold) Ordinance 2000 | 529,877 | 463,124 |
| Sydney St Phillip (Resumption) Ordinance 19/1983 | 3,908 | 4,153 |
| Church Hill Trust (No1 York Street) | 247,964 | 243,854 |
| Manly Leasing and Variation of Trusts Ordinance 2006 | 257,742 | 241,866 |
| South Sydney Variation of Trusts Ordinance 50/97 | 5,682 | 6,050 |
| Wollongong Parish Leasing and Licensing Property Fund | 29,465 | 28,869 |
| St James Hall | 216,992 | - |
| Surry Hills Trust | 387 | - |
| Retained net income from ACPT Fund 0400 for year ended 31/12/2015 | 12,815 | 15,125 |
| | 1,324,897 | 1,024,602 |

3. Current liabilities – Provisions

| | 2017 | 2016 |
|--|---------------|---------------|
| Current | \$ | \$ |
| Employee benefits - annual leave | 34,109 | 35,894 |
| Employee benefits - long service leave | 12,987 | - |
| | 47,096 | 35,894 |

4. Non-current liabilities – Provisions

| | 2017 | 2016 |
|--|---------------|---------------|
| Non-current | \$ | \$ |
| Employee benefits - long service leave | 18,759 | 18,238 |
| | | |
| | | |
| Provisions | \$ | \$ |
| Provisions - Current | 47,096 | 35,894 |
| Provisions - Non-current | 18,759 | 18,238 |
| Balance 31 December | 65,855 | 54,132 |

5. Equity – Capital

Use of the capital of the Sydney Diocesan Synod Fund (Fund 131) is restricted to meeting material external liabilities which affect the diocese as a whole and which are not properly met by other Diocesan organisations or funds.

There are no restrictions on the use of the capital of Fund 132.

6. Events occurring after the end of the reporting period

The members are not aware of any events occurring after the reporting period that impact on the financial report as at 31 December 2017.

The financial statements were authorised for issue on 12 April 2018 by the Finance Committee of Standing Committee.

MEMBERS DECLARATION

The members of the Finance Committee of Standing Committee of Synod declare that the financial statements and notes set out on pages 23 to 29:

- (a) comply with the accounting policies summarised in note 1;
- (b) give a fairly presented view of the Fund's financial position as at 31 December 2017 and of its performance for the year ended on that date.

In the members' opinion there are reasonable grounds to believe the individual funds will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the members.

Assurance Procedures

The Finance Committee engaged PricewaterhouseCoopers to undertake a range of "Agreed upon procedures" to provide assurance to the Finance Committee on the matters attested to in this declaration. The Agreed upon procedures covered the range of funds in the Synod group and included procedures covering the validity of the balances by reference to the general ledger, tests of income received, and tests of key expenses including Synod grants. The Finance Committee reviewed the results of the work undertaken by PricewaterhouseCoopers in forming its opinion on the Annual financial report.

JAMES FLAVIN
Member

NICOLA WARWICK-MAYO
Member

12 April 2018

Synod Funds Amalgamated

Report of factual findings to the members of the Finance Committee of the Standing Committee

Agreed upon procedures for the following funds –

| | |
|----------|--|
| Fund 127 | Work Outside the Diocese Fund |
| Fund 128 | Mission Areas Fund |
| Fund 129 | Synod Appropriation and Allocation Fund |
| Fund 130 | Sydney Representative at General Synod Fund |
| Fund 131 | Sydney Diocesan Synod Fund |
| Fund 132 | Social Issues Committee Fund |
| Fund 133 | Diocesan Research Fund |
| Fund 153 | The Archbishop's Professional Standards Unit |
| Fund 189 | Ordination Training Fund |

We have performed the procedures agreed with you to report factual findings for the purpose of assisting you in assessing, in combination with other information obtained by you, the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2 below. The procedures performed are detailed in the terms of the engagement dated 20 November 2017 and described below Appendix 1 and Appendix 2 with respect to the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. [*Appendix 1 and Appendix 2 not reproduced here.*]

The responsibilities of the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for the procedures agreed

The members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney (“the Finance Committee”) are responsible for the adequacy or otherwise of the procedures agreed to be performed by us. You are responsible for determining whether the factual findings provided by us, in combination with any other information obtained, provide a reasonable basis for any conclusions which you wish to draw on the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2.

Assurance Practitioner’s Responsibility

Our responsibility is to report factual findings obtained from conducting the procedures agreed. We conducted the engagement in accordance with Standard on Related Services *ASRS 4400 Agreed-Upon Procedures Engagements to Report Factual Findings*. We have complied with ethical requirements equivalent to those applicable to Other Assurance Engagements, including independence.

Because the agreed-upon procedures do not constitute either a reasonable or limited assurance engagement in accordance with AUASB standards, we do not express any conclusion and provide no assurance on validity, accuracy and authorisation of the selected transactions of the entities listed in Appendix 1 and Appendix 2. Had we performed additional procedures or had we performed an audit or a review of the entities listed in Appendix 1 and Appendix 2 in accordance with AUASB standards, other matters might have come to our attention that would have been reported to you.

Factual findings

The procedures were performed solely to assist you in evaluating the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. Please refer to Appendix 1 and Appendix 2 [*not reproduced here*] for the procedures performed and the factual findings obtained.

Restriction on Distribution and Use of Report

This report is intended solely for the use of the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for the purpose set out above. As the intended user of our report, it is for you and other intended users to assess both the procedures and our factual findings to determine whether they provide, in combination with any other information you have obtained, a reasonable basis for any conclusions which you wish to draw on the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. As required by ASRS 4400, distribution of this report is restricted to those parties that have agreed the procedures to be performed with us and other intended users identified in the terms of the engagement (since others, unaware of the reasons for the procedures, may misinterpret the results). Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for any consequences of reliance on this report for any purpose.

PricewaterhouseCoopers

FRANCOIS BRUDER
Principal

Sydney
5 April 2018

Parish Funds – Amalgamated

Annual Financial Report – 31 December 2017

Incorporating –

| | |
|----------|--|
| Fund 951 | Parish Costs Recovery Fund |
| Fund 952 | Stipend Continuance Fund |
| Fund 953 | Sydney Diocesan Long Service Leave Fund |
| Fund 954 | Sydney Diocesan Sickness and Accident Fund |
| Fund 955 | Clergy Removals Fund |

Discussion and Analysis report for the year ended 31 December 2017

The Parish Funds' Discussion and Analysis provides an overview of the Parish Funds' financial activities for the calendar year ended 31 December 2017. The Discussion and Analysis should be read in conjunction with the unaudited annual report for the same period beginning on page 33.

The Parish Funds is a group of funds amalgamated in 2006 to administer clergy entitlements under the oversight of the Finance Committee of the Standing Committee of Synod.

This is a special purpose financial statement that has been prepared for the sole purpose of providing amalgamated financial information to Synod and for distribution to the members of Synod and must not be used for any other purpose.

At 31 December 2017 the Parish Funds amalgamation is comprised of 5 funds (2016: 5) –

| | |
|----------|--|
| Fund 951 | Parish Costs Recovery Fund |
| Fund 952 | Stipend Continuance Fund |
| Fund 953 | Sydney Diocesan Long Service Leave (Clearing) Fund |
| Fund 954 | Sydney Diocesan Sickness and Accident Fund |
| Fund 955 | Clergy Removals Fund |

The source of funds during 2017 were mainly from Parochial Cost Recoveries Charges on Parochial units as determined in the *Parochial Cost Recoveries and Church Land Acquisitions Levy Ordinance 2015* passed by the Synod of the Diocese of Sydney on 13 October 2015, and signed by the Archbishop of Sydney on 19 October 2015, and as amended by various Amendment Ordinances. Certain Diocesan organisations are also levied Long Service Leave and Stipend Continuance Insurance charges for ordained staff. A distribution is received from ACPT Fund Moorebank Estate for the purposes of the Clergy Removal Fund. Interest is earned on deposits held with the Diocesan Cash Investment Fund (DCIF). Significant monies are also received from the Long Service Leave Fund and Stipend Continuance Insurer in respect to individual claims.

The Parish Funds total revenues increased by \$175,330 or 1.03% to \$17,266,645 (2016 \$17,091,315). This reflects increased recoveries for the annual parish property and liability insurance program, clergy superannuation and Stipend Continuance Insurance.

Claims on insurers via the Stipend Continuance Fund were up \$1,626 or 0.13% to \$1,234,088 (2016: \$1,232,462). At 31 December 2017 there were 11 clergy receiving stipend continuance claims (2016: 11). LSL claims fell \$275,054 or 20.15% to \$1,089,751 (2016: \$1,364,805). Clergy with large LSL balances had been provided an incentive to use their entitlements during 2016 due to a change to the supplementary allowance component of LSL claims.

The application of funds is divided predominately between fixed “ministry costs” and variable “parochial network costs”. Ministry costs are a fixed cost per minister, comprising contributions to superannuation funds, the Long Service Leave Fund, the Sydney Diocesan Sickness and Accident Fund and cost of effecting stipend continuance insurance.

Under the *Parochial Cost Recoveries and Church Land Acquisitions Levy Ordinance 2015* parochial network costs during 2017 were principally comprised of –

- the property and liability insurance program,
- the parish risk management program,
- the parish related work of the Professional Standards Unit,
- the safe ministry training program,
- the Church Land Acquisition levy, and
- the contribution towards the costs of the Diocesan archives.

Funds were also applied to expenses such as Sydney Diocesan Secretariat administration fees. The Parish Fund total outgoings increased by \$450,536 or 2.67%, to \$17,351,810 (2016: \$16,901,274).

The Net Assets of the Parish Funds decreased by 4.2% (2017: \$1,943,559, 2016 \$2,028,727) due to the deficit within Fund 0952 Stipend Continuance Fund. Fund 952 Stipend Continuance Fund produced a 2017 deficit of \$102,956 (2016: Surplus \$153,859) due to an increase in the stipend continuance insurance premium. This fund is expected to return to a surplus or breakeven position as the increased premiums are included in the Parish Cost recoveries income. The assets of the Parish Funds are composed of deposits with DCIF and receivables. Liabilities of the Parish Funds represent accrued expenses and other payables.

The Equity of each Parish Fund represents accumulated surpluses from operations which are retained to provide working capital for the operations of each Fund. The principal component of working capital is in Fund 951. It is required to provide liquidity for the timing differences between payment of ministry costs (principally superannuation which is paid monthly) and receipts of Parish Costs Recoveries (PCR) monies (collected March to December).

Remaining unpaid as at 31 December 2017 was \$17,627 of the Parish Cost Recoveries invoiced to parishes, and \$21,569 of the fourth quarter Long Service Leave charges invoiced to organisations. By mid-January \$12,307 and \$19,478 had been received for PCR and LSL respectively. The amounts that remain outstanding are expected to be received.

The Stipend Continuance insurance premium is paid in advance based on estimates of the number of clergy eligible for cover and stipend rates. After the conclusion of the year the underwriter (AMP) calculates the premium due and an adjustment premium is invoiced. An amount of \$34,667 is accrued as a payable in anticipation of the premium adjustments for 2017.

There are no other matters that have arisen since 31 December 2017 which are likely to have a significant effect on the Funds.

This report has been adopted at a duly constituted and convened meeting of the members of the Finance Committee of the Standing Committee of Synod on 12 April 2018.

Sydney Diocesan Parish Funds

Amalgamated income and expenditure statement for the period ending 31 December 2017

| | FUND 951 PARISH COSTS RECOVERY | FUND 952 STIPEND CONTIN- UANCE FUND | FUND 953 LONG SERVICE LEAVE | FUND 954 SICKNESS & ACCIDENT | FUND 955 CLERGY REMOVALS FUND | ELIMIN- ATIONS | TOTAL | Dec-16 TOTAL |
|--|---|---|--------------------------------------|---------------------------------------|--|--------------------|-------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| INCOME | | | | | | | | |
| Parochial Network Costs recoveries | | | | | | | | |
| PCR Variable Charge Recovery | 3,881,957 | - | - | - | - | - | 3,881,957 | 3,705,999 |
| PCR Professional Standards Unit Recovery | 764,742 | - | - | - | - | - | 764,742 | 842,357 |
| PCR Risk Management Recovery | 225,623 | - | - | - | - | - | 225,623 | 221,353 |
| PCR Safe Ministry Recovery | 141,768 | - | - | - | - | - | 141,768 | 139,224 |
| PCR Administration Fee | 196,678 | - | - | - | - | - | 196,678 | 194,314 |
| PCR Archives Recovery | 67,888 | - | - | - | - | - | 67,888 | 68,109 |
| PCR Relief or Remission Recovery | 9,988 | - | - | - | - | - | 9,988 | 10,012 |
| PCR Clergy Assistance Program | 63,879 | 65,076 | - | - | - | (63,879) | 65,076 | 65,178 |
| Parochial Network Costs recoveries Sub-total | 5,352,523 | 65,076 | - | - | - | (63,879) | 5,353,720 | 5,246,546 |
| Clergy Support Cost recoveries | | | | | | | | |
| PCR Superannuation Recovery | 5,381,678 | - | - | - | - | - | 5,381,678 | 5,291,818 |
| PCR LSL Recovery | 752,735 | - | 751,805 | - | - | (751,805) | 752,735 | 739,206 |
| PCR LSL - Admin Fees | 44,453 | - | 44,396 | - | - | (44,397) | 44,452 | 39,427 |
| LSL - Organisations | - | - | 146,664 | - | - | - | 146,664 | 140,511 |
| LSL - Organisations - Admin Fees | - | - | 8,661 | - | - | - | 8,661 | 7,544 |
| PCR Stipend Continuance Recovery | 886,121 | 886,121 | - | - | - | (886,121) | 886,121 | 725,901 |
| PCR Stipend Continuance Admin Fees | 43,224 | 43,224 | - | - | - | (43,224) | 43,224 | 38,487 |
| Stipend Continuance Organisations | - | 104,485 | - | - | - | - | 104,485 | 74,264 |
| Stipend Continuance Orgs - Admin Fees | - | 5,155 | - | - | - | - | 5,155 | 4,001 |
| PCR S&A Recovery | 61,664 | - | - | 61,664 | - | (61,664) | 61,664 | 61,602 |
| Clergy Support Cost recoveries Sub-totals | 7,169,875 | 1,038,985 | 951,526 | 61,664 | - | (1,787,211) | 7,434,839 | 7,122,761 |
| PCR Church Land Acquisition Levy | 2,091,430 | - | - | - | - | - | 2,091,430 | 2,024,630 |
| AMP Stipend Continuance receipts | - | 1,234,088 | - | - | - | - | 1,234,088 | 1,232,462 |
| LSL - Buy-backs | - | - | 18,121 | - | - | - | 18,121 | 60,347 |
| LSL - Claims - Anglican LSL Fund | - | - | 1,089,751 | - | - | - | 1,089,751 | 1,364,805 |
| Interest on cash | 16,465 | 607 | 2,563 | 3,901 | 810 | - | 24,346 | 17,658 |
| Moorebank Estate - Distribution | - | - | - | - | 20,350 | - | 20,350 | 20,850 |
| Sundry Income | - | - | - | - | - | - | - | 1,256 |
| TOTAL INCOME | 14,630,293 | 2,338,756 | 2,061,961 | 65,565 | 21,160 | (1,851,090) | 17,266,645 | 17,091,315 |
| EXPENSES | | | | | | | | |
| Parochial Network Costs | | | | | | | | |
| PCR Insurance | 3,893,583 | - | - | - | - | - | 3,893,583 | 3,700,000 |
| Professional Standards Unit | 764,742 | - | - | - | - | - | 764,742 | 842,357 |
| Parish Risk Management Program | 225,623 | - | - | - | - | - | 225,623 | 221,353 |
| Safe Ministry Training Program | 141,768 | - | - | - | - | - | 141,768 | 139,224 |
| Accounting & Secretarial Fees | 201,876 | 49,440 | 49,440 | 12,360 | 5,460 | - | 318,576 | 309,300 |
| PCR Archives Charges | 67,888 | - | - | - | - | - | 67,888 | 68,109 |
| PCR Clergy Assistance Program | 63,879 | 45,575 | - | - | - | (63,879) | 45,575 | 22,973 |
| Parochial Network Costs Sub-total | 5,359,359 | 95,015 | 49,440 | 12,360 | 5,460 | (63,879) | 5,457,755 | 5,303,316 |

continued...

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| continued.... | FUND 951 PARISH COSTS RECOVERY | FUND 952 STIPEND CONTIN- UANCE FUND | FUND 953 LONG SERVICE LEAVE | FUND 954 SICKNESS & ACCIDENT | FUND 955 CLERGY REMOVALS FUND | ELIMIN- ATIONS | TOTAL | Dec-16 TOTAL |
|--|---|---|--------------------------------------|---------------------------------------|--|--------------------|-------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Clergy Support Cost contributions | | | | | | | | |
| PCR Superannuation | 5,379,811 | - | - | - | - | - | 5,379,811 | 5,291,818 |
| PCR LSL | 796,202 | - | - | - | - | (796,202) | - | - |
| LSL - Payments to the Anglican LSL Fund | - | - | 907,590 | - | - | - | 907,590 | 939,903 |
| PCR Stipend Continuance | 929,345 | - | - | - | - | (929,345) | - | - |
| Stipend Continuance Insurance Expense | - | 1,111,882 | - | - | - | - | 1,111,882 | 680,264 |
| PCR S&A | 61,664 | - | - | - | - | (61,664) | - | - |
| Clergy Support Cost contributions Sub-total | 7,167,022 | 1,111,882 | 907,590 | - | - | (1,787,211) | 7,399,283 | 6,911,985 |
| Church Land Acquisition Levy | 2,091,430 | - | - | - | - | - | 2,091,430 | 2,024,630 |
| Claims Paid | - | 1,234,088 | 1,089,781 | 48,911 | 12,833 | - | 2,385,613 | 2,639,755 |
| Audit Fees | 12,597 | - | - | - | - | - | 12,597 | 12,144 |
| Bad Debts Expense | - | - | - | - | - | - | - | 6,214 |
| Consulting Costs | - | - | - | - | - | - | - | 2,630 |
| Operating Costs | 341 | 567 | - | - | - | - | 908 | 600 |
| Sundry Expenses | 4,224 | - | - | - | - | - | 4,224 | - |
| TOTAL EXPENSES | 14,634,973 | 2,441,552 | 2,046,811 | 61,271 | 18,293 | (1,851,090) | 17,351,810 | 16,901,274 |
| NET SURPLUS/(DEFICIT) | (4,680) | (102,796) | 15,150 | 4,294 | 2,867 | - | (85,165) | 190,041 |

Amalgamated Balance Sheet as at 31 December 2017

| | FUND 951 PARISH COSTS RECOVERY | FUND 952 STIPEND CONTIN- UANCE FUND | FUND 953 LONG SERVICE LEAVE | FUND 954 SICKNESS & ACCIDENT | FUND 955 CLERGY REMOVALS FUND | ELIMIN- ATIONS | TOTAL | Dec-16 TOTAL |
|--------------------------------------|---|---|--------------------------------------|---------------------------------------|--|-------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Assets | | | | | | | | |
| Cash | 1,148,850 | 193,746 | 414,128 | 365,457 | 76,461 | - | 2,198,642 | 2,318,074 |
| Fund 951 - Receivable | - | - | - | - | - | - | - | - |
| PCR Receivables - Parishes | 17,627 | - | - | - | - | - | 17,627 | - |
| Less: Provision for Doubtful Debts | - | - | - | - | - | - | - | - |
| Organisations Receivable | - | - | 21,569 | - | - | - | 21,569 | 521 |
| Prepayments | - | - | - | - | - | - | - | - |
| Other receivables | 7,133 | 161 | 945 | 1,433 | 5,365 | - | 15,037 | 5,178 |
| TOTAL Assets | 1,173,610 | 193,907 | 436,642 | 366,890 | 81,826 | - | 2,252,875 | 2,323,773 |
| Liabilities | | | | | | | | |
| LSL Fund Payable | - | - | 223,251 | - | - | - | 223,251 | 217,699 |
| S&A Fund Payable | - | - | - | - | - | - | - | - |
| Stipend Continuance Fund Payable | - | - | - | - | - | - | - | - |
| Superannuation Clearing Account | 6,876 | - | - | - | - | - | 6,876 | - |
| Other Payables | 12,623 | 66,089 | 477 | - | - | - | 79,189 | 77,347 |
| TOTAL Liabilities | 19,499 | 66,089 | 223,728 | - | - | - | 309,316 | 295,046 |
| Net Assets | 1,154,111 | 127,818 | 212,914 | 366,890 | 81,826 | - | 1,943,559 | 2,028,727 |
| Equity | | | | | | | | |
| Accumulated Surplus - Prior Year | 1,158,791 | 230,614 | 197,764 | 362,596 | 78,959 | - | 2,028,724 | 1,838,686 |
| Net Surplus/(Deficit) - Current Year | (4,680) | (102,796) | 15,150 | 4,294 | 2,867 | - | (85,165) | 190,041 |
| TOTAL Equity | 1,154,111 | 127,818 | 212,914 | 366,890 | 81,826 | - | 1,943,559 | 2,028,727 |

Notes to the financial report for the year ended 31 December 2017

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

This is a special purpose financial statement that has been prepared for the sole purpose of providing amalgamated financial information to Synod and for distribution to the members of Synod and must not be used for any other purpose. The Standing Committee has determined that the accounting policies adopted are appropriate to meet the needs of Synod.

The statement of income and balance sheet are submitted as amalgamated statements for administrative purposes. The process of amalgamation consists of adding all the balances of the individual funds on a line by line basis. There is no consideration of beneficial interests, which is involved or implied in the preparation of the amalgamated financial report. Material transactions have been eliminated between the funds.

The net assets at the date of exit of funds exiting the amalgamated accounts are debited to the relevant category of equity. The items of the statement of income for a fund that has exited the amalgamated accounts during the period are only included in the amalgamated accounts until the date of exit. When a fund is joining the amalgamated accounts a credit to equity is generally recognised to record the net assets that have been included in the amalgamated accounts.

Historical cost convention

These financial statements have been prepared under the historical cost convention.

(b) Revenue recognition

Revenue and other income is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of taxes paid. Revenue and other income is recognised for the major business activities as follows:

Grants and donations

Grants and donations are recognised to the extent they have been deposited in the bank, which is the point at which the entity gains control of the grant or donation.

Distributions

Distributions are recognised on an accruals basis when the right to receive payment is established.

Interest

Interest revenue is recognised on a time proportion basis using the effective interest method.

Recoveries

Personnel cost recoveries from parochial and non-parochial units have been accounted for as income received in respect of certain clergy entitlements to cover superannuation contributions, insurances and other premiums paid on behalf of parochial and non-parochial units.

Diocesan program costs recovered from parochial units have been accounted for as income received in respect of insurances and other centrally managed programs.

Recognition is on an accruals basis.

(c) Grants and donations expense

Grants and donations are generally recognised upon payment.

(d) Acquisitions of assets

The purchase method of accounting is used to account for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(f) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Receivables are due for settlement no more than 30 days from the date of recognition.

The collectability of receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. A provision for doubtful receivables is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the income statement.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

(h) Payables

These amounts represent liabilities for goods and services provided prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(j) Goods and Service Tax (GST)

The funds are members of the Sydney Diocesan Secretariat GST group.

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

(k) Income tax

The funds are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

2. Events occurring after the end of the reporting period

The members are not aware of any events occurring after the reporting period that impact on the financial report as at 31 December 2017.

The financial statements were authorised for issue on 12 April 2018 by the Finance Committee of Standing Committee of Synod.

MEMBERS DECLARATION

The members of the Finance Committee of Standing Committee of Synod declare that the financial statements and notes set out on pages 33 to 37 –

- (a) comply with the accounting policies summarised in note 1;
- (b) give a fairly presented view of the Fund's financial position as at 31 December 2017 and of its performance for the year ended on that date.

In the members' opinion there are reasonable grounds to believe the individual funds will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the members.

Assurance Procedures

The Finance Committee engaged PricewaterhouseCoopers to undertake a range of "Agreed upon procedures" to provide assurance to the Finance Committee on the matters attested to in this declaration. The Agreed upon procedures covered the range of funds in the Parish Funds group and included procedures covering the validity of the balances by reference to the general ledger, tests of key expenses, tests of the accuracy of Parish Cost Recoveries charges and a test of the accuracy of superannuation payments for ministers under the Parish Cost Recoveries system. The Finance Committee reviewed the results of the work undertaken by PricewaterhouseCoopers in forming its opinion on the Annual financial report.

JAMES FLAVIN
Member

NICOLA WARWICK-MAYO
Member

12 April 2018

Parish Funds Amalgamated

Report of factual findings to the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney

Agreed upon procedures for the following funds –

| | |
|----------|--|
| Fund 951 | Parish Costs Recovery Fund |
| Fund 952 | Stipend Continuance Fund |
| Fund 953 | Long Service Leave Clearing Fund |
| Fund 954 | Sydney Diocesan Sickness & Accident Fund |
| Fund 955 | Clergy Removals Fund |

We have performed the procedures agreed with you to report factual findings for the purpose of assisting you in assessing, in combination with other information obtained by you, the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2 below. The procedures performed are detailed in the terms of the engagement dated 20 November 2017 and described below Appendix 1 and Appendix 2 with respect to the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. [*Appendix 1 and Appendix 2 not reproduced here.*]

The responsibilities of the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for the procedures agreed

The members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney ("the Finance Committee") are responsible for the adequacy or otherwise of the procedures agreed to be performed by us. You are responsible for determining whether the factual findings provided by us, in combination with any other information obtained, provide a reasonable basis for any conclusions which you wish to draw on the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2.

Assurance Practitioner's Responsibility

Our responsibility is to report factual findings obtained from conducting the procedures agreed. We conducted the engagement in accordance with Standard on Related Services *ASRS 4400 Agreed-Upon Procedures Engagements to Report Factual Findings*. We have complied with ethical requirements equivalent to those applicable to Other Assurance Engagements, including independence.

Because the agreed-upon procedures do not constitute either a reasonable or limited assurance engagement in accordance with AUASB standards, we do not express any conclusion and provide no assurance on validity, accuracy and authorisation of the selected transactions of the entities listed in Appendix 1 and Appendix 2. Had we performed additional procedures or had we performed an audit or a review of the entities listed in Appendix 1 and Appendix 2 in accordance with AUASB standards, other matters might have come to our attention that would have been reported to you.

Factual findings

The procedures were performed solely to assist you in evaluating the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. Please refer to Appendix 1 and Appendix 2 [*not reproduced here*] for the procedures performed and the factual findings obtained.

Restriction on Distribution and Use of Report

This report is intended solely for the use of the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for the purpose set out above. As the intended user of our report, it is for you and other intended users to assess both the procedures and our factual findings to determine whether they provide, in combination with any other information you have obtained, a reasonable basis for any conclusions which you wish to draw on the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. As required by ASRS 4400, distribution of this report is restricted to those parties that have agreed the procedures to be performed with us and other intended users identified in the terms of the engagement (since others, unaware of the reasons for the procedures, may misinterpret the results). Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for any consequences of reliance on this report for any purpose.

PricewaterhouseCoopers

FRANCOIS BRUDER
Principal

Sydney
5 April 2018

Synod – St Andrew’s House Fund

Financial Report – 1 September 2017 to 31 December 2017

Statement of comprehensive income for the period 1 September 2017 to 31 December 2017

| | Notes | 2017 \$ |
|---|-------|-------------------------|
| Share of net profit of investments | 3 | <u>1,521,985</u> |
| Surplus for the year | | <u>1,521,985</u> |
| Other comprehensive income for the year | | - |
| Total comprehensive income for the year | | <u>1,521,985</u> |
| Transfer from current year surplus | | |
| Transfer to future rental costs reserve | | (250,000) |
| Transfer to future non-sinking fund capital works reserve | | (346,250) |
| Transfer to strategic projects reserve | | (1,375,000) |
| Net available (deficit) after transfer to reserves | | <u>(449,265)</u> |

The above Statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position as at 31 December 2017

| | Notes | 2017 \$ |
|---------------------------------------|-------|--------------------------|
| ASSETS | | |
| Non-current assets | | |
| Investment in St Andrew's House Trust | 3 | <u>81,747,031</u> |
| Total assets | | <u>81,747,031</u> |
| EQUITY | | |
| Capital | 4 | 78,945,046 |
| Reserves | 5 | 3,251,250 |
| Accumulated surplus | | (449,265) |
| Total equity | | <u>81,747,031</u> |

The above Statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity for the period 1 September 2017 to 31 December 2017

| | Notes | Capital | Reserves | Accumulated surplus | Total |
|---|-------|-------------------|------------------|---------------------|-------------------|
| | | \$ | \$ | \$ | \$ |
| Initial transfer of half share of SAHT | | 78,945,046 | 1,280,000 | - | 80,225,046 |
| Surplus for the period held | | - | - | 1,521,985 | 1,521,985 |
| Total comprehensive income for the year | | - | - | 1,521,985 | 1,521,985 |
| Transactions with beneficiaries: | | | | | |
| Share of SAHT's movement in future rental costs reserve | 5 | - | 250,000 | (250,000) | - |
| Share of SAHT's movement in future non-sinking fund capital works reserve | 5 | - | 346,250 | (346,250) | - |
| Share of SAHT's movement in strategic projects reserve | 5 | - | 1,375,000 | (1,375,000) | - |
| | | - | 1,971,250 | (1,971,250) | - |
| Balance at 31 December 2017 | | 78,945,046 | 3,251,250 | (449,265) | 81,747,031 |

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flow for the period 1 September 2017 to 31 December 2017

No cash transaction occurred in the period commencing with the initial transfer of the half share of SAHT on 1 September 2017, and ending 31 December 2017.

The above Statement of cash flow should be read in conjunction with the accompanying notes.

Notes to the financial report for the year ended 31 December 2017**1. Purpose**

The Synod – St Andrew's House Fund (the Fund) is held by the Anglican Church of Australia Diocese of Sydney (Synod) upon the trusts set out in the *St Andrew's House Trust (Variation) Ordinance 2017*.

The purposes of the Trust are:

- Hold the half share of the trust property for the general purposes of the Anglican Church of Australia in the Diocese of Sydney;
- Act so that the income of the property be paid to and applied or otherwise dealt with by the Standing Committee in accordance with the determination and direction of the Synod as the governing body of the Diocese.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Fund is not-for-profit.

(a) Basis of preparation

These special purpose financial statements have been prepared in accordance with the *Accounts, Audits and Annual Statements Ordinance 1995* and the *St Andrew's House Trust (Variation of Trusts) Ordinance 2017* for the sole purpose of providing financial information to Synod and for distribution to the members of Synod and must not be used for any other purpose.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss, and revaluation of land and buildings to market value.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund’s accounting policies.

The material area of the financial statements where assumptions or estimates are used is the valuation of the beneficial interest in the St. Andrew’s House Trust (refer note 3).

(b) Investment in St Andrew’s House Corporation

Under the St Andrew’s Trust (Variation of Trusts) Ordinance 2017 the Fund has a 50% beneficial interest in St Andrew’s House Trust (SAHT). The principal asset of SAHT is the land and building known as St Andrew’s House.

In the statement of financial position the beneficial interest in SAHT is stated at fair value, measured as 50% of the SAHT’s accumulated funds and provision for distribution. Revaluation increments/decrements are credited/debited directly to the statement of comprehensive income.

The key accounting policies and critical accounting estimates applied in St Andrew’s House Trust are:

(i) Lease income

Lease income from operating leases is recognised in income on a straight-line basis over the lease term, where it has a material effect on the accounts.

(ii) Investment property

Investment property, comprising an office complex, carpark and a retail arcade, is held for long-term rental yields. In St Andrew’s House Trust, investment property is carried at fair value, representing open-market value determined annually by external valuers. Changes in fair values are recorded in St Andrew’s House Trust’s profit or loss. The valuation of investment property requires the use of critical accounting estimates.

Valuation basis

Fair value of investment property is the price at which the property could be exchanged between market participants under current market conditions. The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition.

An independent valuation of the Tower, the St Andrew’s House car park and Town Hall Square Arcade has been undertaken by Mr Richard Lawrie FAPI MRICS (valuer no. 3826) of Jones Lang LaSalle Advisory Services Pty Ltd as at 31 December 2017. For valuation purposes, St Andrew’s House is considered to be a single asset and its separate parts not independently realisable. The values provided for the Tower, Car Park and Town Hall Square Arcade are notional assessments of the value of the separate parts of the building.

The capitalisation rates adopted by the valuer are as follows:

| | 2017 % |
|-------------------------|-----------|
| Tower and Car Park | 7.000 |
| Town Hall Square Arcade | 6.000 |

The valuation is as follows:

| | 2017 \$ |
|-------------------------|-------------|
| Tower and Car Park | 123,500,000 |
| Town Hall Square Arcade | 42,000,000 |
| | 165,500,000 |

The fair value of the investment properties at 31 December 2017 includes the amortised cost of lease incentives and the impact of straight-lining rental income in accordance with Australian Accounting Standards.

(iii) *Sinking fund*

On 16 February 2001 the Glebe Administration Board, in its capacity as owner and manager of St Andrew's House Corporation (lessor), entered into a lease agreement with St Andrew's Cathedral School (the lessee). Under the agreement the school leased levels 6-8, the roof and the school's Kent Street entrance for a period of 120 years. Part of the lease agreement required the establishment of a fund (sinking fund) to provide for structural works. The school currently contributes 34.36% and the lessor 65.64% of the required amounts.

The St Andrew's House Corporation's share of the sinking fund is set aside as a restricted cash balance. The St Andrew's Cathedral School's share of the sinking fund which is not spent at year end is classified as a deferred income in the balance sheet. The deferred income will be released to the income statement as and when the capital expenditure relating to the maintenance of the building is occurring.

(iv) *Reserves*

Reserves are set aside under the terms provided for in the St Andrew's House Trust Ordinance 2015.

Clause 5(b) for the ordinance provides for amounts to be reserved for replacement or refurbishment of the St Andrew's House tower, shopping arcade and car park.

Clause 5(b) of the ordinance provides amounts to be reserved for other purposes that St Andrew's House Corporation may determine including amounts set aside for distributions in future years.

(c) Revenue recognition

Income (with the exception of grants and donations) is recognised on an accruals basis. It is measured at the fair value of the consideration received or receivable. Grants and donations are recognised on a cash basis. Amounts disclosed as revenue are net of goods and services tax (GST) where applicable.

Income from the disposal of plant and equipment is measured at fair value of the consideration received or receivable less the carrying value of the fixed asset or group of assets sold. Gain or loss arising from the sale is recognised at net amount in the Statement of comprehensive income.

Dividends and distribution from unlisted trusts are brought to account as revenue when equities and units are quoted "ex distribution". Distributions are recorded as revenue in the period in which they are received. The Trust's proportion of the unpaid surplus is included in the value of the beneficial interest owned.

Other revenue is brought to account on an accruals basis, except as otherwise disclosed.

(d) Income tax

The Trust is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997*.

(e) Acquisitions of assets

The purchase method of accounting is used to account for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

(f) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Trust would, if deprived of the asset, replace its remaining future economic benefits, value in use is the depreciated replacement cost of the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units).

(g) Cash and cash equivalents

For statement of cash flow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(h) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impaired receivables. Receivables are generally due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. A provision for impaired receivables is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the Statement of comprehensive income.

(i) Payables

These amounts represent liabilities for goods and services provided prior to the end of financial year that is unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Goods and Service Tax (GST)

The Fund is a member of the Sydney Diocesan Secretariat GST group.

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from operating, investing or financing activities, which are recoverable from, or payable to the ATO, are presented as operating cash flow.

(k) Capital

Amounts will be added to the capital of the Trust where they represent additions to the “Capital Fund” as defined in the Capital Ordinance.

3. Non-current assets – Investment in St Andrew’s House Trust

| | Notes | 2017 \$ |
|---|-------|-------------------|
| Beneficial interest in the St Andrew’s House Trust | | <u>81,747,031</u> |
| Movements in carrying amounts of investment in associate | | |
| Initial transfer of half share in SAHT’s capital and accumulated surplus as at 1 September 2017 | | 78,945,046 |
| Initial transfer of half share in SAHT’s reserves as at 1 September 2017 | | 1,280,000 |
| Share of net profit of investments | | <u>1,521,985</u> |
| Carrying amount at 31 December | | <u>81,747,031</u> |
| Comprised of: | | |
| Capital invested | | 4,714,615 |
| Future rental costs reserve | | 760,000 |
| Non-sinking fund capital works reserve | | 1,116,250 |
| Strategic projects reserve | | 1,375,000 |
| Accumulated surplus | | <u>73,781,166</u> |
| | | <u>81,747,031</u> |

(a) Summarised financial information of associates

The Fund’s share of the results of its investment in the St Andrew’s House Trust and its aggregated assets and liabilities are as follows:

| | Ownership | Synod - St Andrew's House's share of: | | | |
|------------------------|-----------|---------------------------------------|-------------|------------|-----------------------|
| | Interest | Assets | Liabilities | Revenues | Surplus /(Deficit) |
| | % | \$ | \$ | \$ | \$ |
| 2017 | | | | | |
| St Andrews House Trust | 50 | 87,986,426 | 6,239,395 | 22,158,881 | 19,674,436 |

| | 2017 |
|------------------------------|---------------|
| | \$ |
| Share of capital commitments | <u>11,449</u> |

4. Capital

| | 2017 |
|---------------------|-------------------|
| | \$ |
| Balance 31 December | <u>78,945,046</u> |

Capital has been contributed by variations of the trusts declared in the St Andrew's House Trust Ordinance 2015. New trusts were established by St Andrew's House Trust (Variation of Trusts) Ordinance 2017 so that the trust by which one undivided half of the SAHC property was held for the purposes of the Diocesan Endowment Fund were varied and such undivided half of the property is to be held for the general purposes of the Anglican Church of Australia in the Diocese of Sydney. The balance transferred as at 1 September 2017 represents a 50% share of the capital and accumulated surplus of SAHT as at 31 August 2017, while recognising the 31 December 2017 valuation as also applying to the 31 August transfer date. Also transferred at 1 September was a 50% share of the SAHT reserves, refer Note 5.

5. Reserves

| | 2017 |
|---|------------------|
| | \$ |
| Share of SAHT's future rental costs reserve | 760,000 |
| Share of SAHT's future non-sinking fund capital works reserve | 1,116,250 |
| Share of SAHT's strategic projects reserve | <u>1,375,000</u> |
| | <u>3,251,250</u> |

Movements:

Future rental costs reserve (a)

| | |
|---|----------------|
| Initial transfer of half share of SAHT | 510,000 |
| Share of increase in SAHT's future rental costs reserve | <u>250,000</u> |
| Balance at 31 December | <u>760,000</u> |

Future non-sinking fund capital works reserve (b)

| | |
|---|------------------|
| Initial transfer of half share of SAHT | 770,000 |
| Share of increase in SAHT's future non-sinking fund capital works reserve | <u>346,250</u> |
| Balance at 31 December | <u>1,116,250</u> |

Strategic projects reserve (c)

| | |
|---|------------------|
| Share of increase in St Andrew's House Corporation's strategic projects reserve | <u>1,375,000</u> |
| Balance at 31 December | <u>1,375,000</u> |

| | |
|-----------------------|-------------------------|
| Total Reserves | <u><u>3,251,250</u></u> |
|-----------------------|-------------------------|

Nature and purpose of reserves

(a) Future rental costs reserve

This represents the Fund’s share of the reserve of St Andrew’s House Trust to provide for future rental void, incentive and leasing costs for St Andrew’s House.

(b) Future non-sinking fund capital works reserve

This represents the Fund’s share of the reserve of St Andrew’s House Trust to provide for future non-sinking fund capital works for St Andrew’s House.

(c) Strategic projects reserve

This represents the Fund’s share of the reserve of St Andrew’s House Trust to provide for strategic projects to better position St Andrew’s House.

6. Events occurring after the end of the reporting period

The members are not aware of any events occurring after the reporting period that impact on the financial report as at 31 December 2017.

The financial statements were authorised for issue on 12 April 2018 by the Finance Committee of Standing Committee of Synod.

MEMBERS DECLARATION

The members of the Finance Committee of Standing Committee of Synod declare that the financial statements and notes set out on pages 39 to 45 –

- (a) comply with the accounting policies summarised in note 2;
- (b) give a fairly presented view of the Fund’s financial position as at 31 December 2017 and of its performance for the year ended on that date.

In the members’ opinion there are reasonable grounds to believe the individual funds will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the members.

Assurance Procedures

The Finance Committee engaged PricewaterhouseCoopers to undertake a range of “Agreed upon procedures” to provide assurance to the Finance Committee on the matters attested to in this declaration. The Agreed upon procedures covered the range of funds in the Parish Funds group and included procedures covering the validity of the balances by reference to the general ledger, tests of key expenses, tests of the accuracy of Parish Cost Recoveries charges and a test of the accuracy of superannuation payments for ministers under the Parish Cost Recoveries system. The Finance Committee reviewed the results of the work undertaken by PricewaterhouseCoopers in forming its opinion on the Annual financial report.

JAMES FLAVIN
Member

NICOLA WARWICK-MAYO
Member

12 April 2018

Synod – St Andrew’s House Fund

Report of factual findings to the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney

Agreed upon procedures for the following fund –

Fund 134 Synod – St Andrew’s House Fund

We have performed the procedures agreed with you to report factual findings for the purpose of assisting you in assessing, in combination with other information obtained by you, the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2 below. The procedures performed are detailed in the terms of the engagement dated 20 November 2017 and described below Appendix 1 and Appendix 2 with respect to the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. [*Appendix 1 and Appendix 2 not reproduced here.*]

The responsibilities of the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for the procedures agreed

The members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney (“the Finance Committee”) are responsible for the adequacy or otherwise of the procedures agreed to be performed by us. You are responsible for determining whether the factual findings provided by us, in combination with any other information obtained, provide a reasonable basis for any conclusions which you wish to draw on the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2.

Assurance Practitioner’s Responsibility

Our responsibility is to report factual findings obtained from conducting the procedures agreed. We conducted the engagement in accordance with Standard on Related Services *ASRS 4400 Agreed-Upon Procedures Engagements to Report Factual Findings*. We have complied with ethical requirements equivalent to those applicable to Other Assurance Engagements, including independence.

Because the agreed-upon procedures do not constitute either a reasonable or limited assurance engagement in accordance with AUASB standards, we do not express any conclusion and provide no assurance on validity, accuracy and authorisation of the selected transactions of the entities listed in Appendix 1 and Appendix 2. Had we performed additional procedures or had we performed an audit or a review of the entities listed in Appendix 1 and Appendix 2 in accordance with AUASB standards, other matters might have come to our attention that would have been reported to you.

Factual findings

The procedures were performed solely to assist you in evaluating the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. Please refer to Appendix 1 and Appendix 2 [*not reproduced here*] for the procedures performed and the factual findings obtained.

Restriction on Distribution and Use of Report

This report is intended solely for the use of the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for the purpose set out above. As the intended user of our report, it is for you and other intended users to assess both the procedures and our factual findings to determine whether they provide, in combination with any other information you have obtained, a reasonable basis for any conclusions which you wish to draw on the validity, accuracy and authorisation of the selected transactions for the entities listed in Appendix 1 and Appendix 2. As required by ASRS 4400, distribution of this report is restricted to those parties that have agreed the procedures to be performed with us and other intended users identified in the terms of the engagement (since others, unaware of the reasons for the procedures, may misinterpret the results). Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than the members of the Finance Committee of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney for any consequences of reliance on this report for any purpose.

PricewaterhouseCoopers

FRANCOIS BRUDER
Principal

Sydney
5 April 2018

Regional Councils' Annual Reports for 2017

(A compilation of the annual reports from the Regional Councils.)

Key Points

- Under clause 9(2) of the *Regions Ordinance 1995* each Regional Council must present an annual report of its proceedings and the exercise of its general functions for inclusion in the Standing Committee's report to Synod for that year
- These reports are in addition to the annual reports prepared by the Regional Councils and tabled at the Synod under the *Accounts, Audits and Annual Reports Ordinance 1995*

Background

1. Under clause 9(2) of the *Regions Ordinance 1995*, each Regional Council must present to the Standing Committee an annual report of its proceedings and the exercise of its general functions under clause 6 in sufficient time each year to enable the Standing Committee to include the report in the report for that year of the Standing Committee to Synod.

2. The general functions of the Regional Councils under clause 6 are –

- (a) to carry out or assist in carrying out any resolutions passed by the Synod or the Standing Committee and referred to it for implementation;
- (b) to develop ministry strategies in the Region;
- (c) to assess applications for grants in the Region made or referred to it;
- (d) to make grants or loans from money (consistent with any trusts on which that money may be held) available to it for distribution or for lending;
- (e) to accept gifts and grants;
- (f) to raise and expend money for any purpose connected with ministry in the Region;
- (g) to employ persons for any purpose connected with ministry within the Region, and to dismiss any person so employed;
- (h) to manage and control any endowment held for the Region as a whole;
- (i) to discuss matters affecting the Region and to disseminate information in the Region;
- (j) to make recommendations to the Archbishop about alterations to regional boundaries; and
- (k) to exercise such other functions as the Synod or the Standing Committee may from time to time prescribe.

3. The following are the reports from the Regional Councils for 2017 for the purposes of clause 9(2). These reports are in addition to the annual reports prepared by the Regional Councils and tabled at the Synod under the *Accounts, Audits and Annual Reports Ordinance 1995*.

Georges River Regional Council

4. The Regional Council had three meetings in 2017 plus a day conference and all were held in parishes within the Region. At the meetings, the Rector of the parish was invited to give a Bible study and then report on the activities within the parish. This gave the Council a good indication of the challenges facing the parish and highlighted that different strategies had to be implemented to face some of the challenges of a changing society.

5. Our meetings provided input and feedback on regional strategy and ministry within the region. Though not flushed with funds, the Council continued to think through the most strategic use of those funds and is also considering some asset re-alignment.

6. The Region continued to support the vital and unique ministry of the Rev Margaret Powell amongst women. We are thankful to God for the financial and prayer support given to Margaret Powell from Anglican Deaconess Ministries, parishes in the diocese and individual donors that support this work.

Northern Regional Council

7. The Council met formally once during the year. Further urgent business was dealt with by circular resolution to which all members participated.

8. Our meetings enabled discussion of a range of matters relating to ministry strategies in the region, including consideration of ways the Council might assist parish ministry in line with the Diocesan Mission.

Following work commenced in 2015 and a survey of parishes undertaken by the Council in 2016, the Council continued to consider the implications of the survey report. In addition, the Council considered the results of the Bilton Report. These results were compared and contrasted to the NRC survey noting that the two exercises addressed different questions. NRC focusing more on enablers and inhibitors of ministry although responses showed some overlap. The Bilton Report often reflected resources shortages which were evident through the NRC report; shortages of resources (people, skills, property and finance) were highlighted.

9. In May, the Council hosted the Northern Region Conference at St Paul's Chatswood. Over 150 people attended, mostly clergy from the region. The conference covered a number of topics including the Diocesan Mission, whole life in ministry, safe ministry, use of NCLS data, and reflecting on what enables and detracts from effective ministry. Presenters included Archbishop Dr Glenn Davies, the Rev Bruce Clark, the Rev Neil Atwood, Sam Sterland (NCLS), the Rev Dr Keith and Sarah Condie (ADM) and Bishop Chris Edwards.

10. In accordance with its authority under relevant ordinances the Council approved the amalgamation of the parishes of Beacon Hill and Frenchs Forest.

South Sydney Regional Council

11. The South Sydney Region comprises the area of the CBD of Sydney and is bordered by the Tasman Sea, Parramatta River, Cooks River and Rookwood Cemetery.

12. The Council met once during the year as well as consultation by email and phone.

13. In 2017, the main activities of the Council either by way of report or action was as follows –

- Review of NCLS and other statistical data and its implication for evangelism, church growth and future strategies for the region
- Safe ministry, ministry training & pastoral care of clergy with some additional funds approved for those in need but not covered by the Clergy Assistance Program
- Continued financial support for the Ministry of the Church of England on Norfolk Island (\$36,000) and Living Water (Indigenous Ministry - \$25,000)
- Consideration of conditions for and approval of the amalgamation of Waverley and Bondi Parishes
- Promotion of evangelism
- Progress on the appointment of clergy to vacant parishes
- Consideration of various property matters, including the sale of St Columba's Homebush West; the sale of Wentworth Memorial Church, the co-located of Living Water Indigenous Fellowship with the Maori Anglican Fellowship (Redfern), St Barnabas Broadway land transfer, Cathedral – Chapter House Renovations, St Nicholas Coogee – Christian Preschool, St Matthew's Botany – new hall.

Western Sydney Regional Council

14. The main committees are the Executive Committee, the Ordinance Review Panel and the Architectural Panel.

15. The Council met on 1 occasion at St Peter's, Seven Hills. The main areas of consideration included Mission 2020, the Clergy Contact Persons program, the new Rectors program, pastoral difficulties in parishes, parish vacancies and new appointments, NCLS data, the Regional Conference and building projects in the region.

Wollongong Regional Council

16. Bishop Peter Hayward and the Regional Council worked closely to further support ministry across the Region. This included –

- financial support for the ministries at Oran Park, Gregory Hills, Leppington and Wilton
- financial support with subsidised rectories at Sussex Inlet and Leppington
- financial support with subsidised demountable at Helensburgh and Denham Court
- meeting with and support of Mission Area leaders
- support for Rectors
- specific regional training for Rectors and Wardens
- 3 day Regional Ministry conference with David Helm as guest speaker
- Preparation for the 2018 *JESUS IS* Mission

- Support of the Gong Men's Day and SWITCH Women's Conference
- ongoing support for ESL English classes
 - ESL classes were delivered in 12 Parishes across the Region
 - Support through provision of office space for the Regional Anglicare ESL Coordinator, Mrs Sue Radkovic
- ongoing support for Indigenous Ministries
 - Pastor Michael Duckett linked with St Peter's Campbelltown in partnership with the SAIPMC.
 - Mr Phil Miles linked with All Saints Nowra in partnership with the SAIPMC.

17. During 2017 funding from the Region's assets was allocated to the specific ministry in the South West growth sector.

| Ministry | Purpose | Allocation | Total |
|-----------------|------------------|-------------------|--------------|
| Oran Park | Housing Support | \$16,570 | |
| Leppington | Church Plant | \$70,000 | |
| Gregory Hills | Church Plant | \$10,000 | |
| Wilton Junction | Ministry Support | \$40,000 | \$136,570 |

18. The three day Wollongong Regional Ministry Conference continues to be a "high point" in the life of the Region. This enables clergy and lay parish staff to meet together for mutual fellowship and teaching. Various guest speakers and Diocesan organisations join in the conference.

19. The Council received reports from Bishop Hayward and the Assistant to the Bishop at each meeting. For and on behalf of the Standing Committee.

DANIEL GLYNN
Diocesan Secretary

28 August 2018

An Evangelical Episcopate 6/15 Purpose and Nature of Episcopal Leadership

(A Report of the Sydney Diocesan Doctrine Commission.)

Reference

1. Synod Resolution 6/15: Purpose and Nature of Episcopal Leadership:
Synod requests the Diocesan Doctrine Commission to prepare a report for the 1st Session of the 51st Synod on the purpose and nature of episcopal leadership, giving particular attention to the nature of episcopal and archiepiscopal ministry in a diocese such as ours where there are assistant bishops, and provide both a biblical and theological rationale as well as a practical description of the roles, responsibilities and priorities of bishops and archbishops.

Introduction

2. It is clear that leadership and pastoral care were exercised by recognised and authorised individuals within Christian congregations in the time of the New Testament, and a pastoral office in its various guises has been a feature of Christian ecclesial life ever since. In the undivided church of the first ten centuries, and in Catholic, Orthodox, Anglican and Lutheran streams in later centuries, the office of 'bishop' or 'overseer' has been particularly significant. From 1836 there has been a bishop (from 1897 styled Archbishop) leading Anglican Christians in Sydney. However, the second decade of the twenty-first century in Australia brings its own unique challenges. The Diocese of Sydney is presently served by an archbishop and five assistant bishops who operate in a context in which the diocesan synod and its standing committee have a role in the government of the Diocese and its churches, and where there are complex yet real relationships with those outside the Diocese including the Province of New South Wales, the Anglican Church of Australia, the Anglican Communion, and entities such as GAFCON and the Global South. The wider context is even more complex given the size of the city of Sydney and its environs, and an overtly post-Christian stance on the part of the city's legislators, judiciary, print and electronic media.

3. The approach of this report is to examine the biblical concept of 'oversight', to reflect upon the Anglican formularies, and in particular the Ordinal, to see how the biblical material was applied to the changed circumstances of the churches at the time of the Reformation, to sketch the development of the episcopal role in Sydney from the time of Bishop Broughton to the present day, and finally to deduce principles that might provide the biblical and theological rationale asked for by the synod reference.

Biblical Roots

4. The Greek nouns which we translate as 'bishop' or 'overseer' and the verbs we translate 'oversee' (*episkopos*, *episkopē*, *episkopeō*, *episkeptomai*, etc.) are found not only in the New Testament, but in both the Greek version of the Old Testament in use in Jesus' day (the LXX), and the wider Greek literature of the time.¹ In neither of these latter sources is it a technical term, nor is it specifically religious. For example, it could be used of state officials protecting the interests of Athens in the Attic league, or of builders erecting a public building. It could also be used of the benevolent care and patronage of the gods (Homer, *Iliad*, 22, 254f.).

5. In the LXX the word group's range of meaning includes 'to take interest in', 'to care for', 'to visit', 'to inspect', 'to investigate'. It mostly translates the Hebrew word-group *pqd*, whose range of meaning is similar. Which of these meanings is on view in any given case depends to a great extent on the identity and role of the overseer, whether it be God, a king, an ordinary citizen, etc.

6. The foundational use of the word group in the LXX is in relation to **God**. God is the quintessential 'overseer': the one who cares for his people (Zech 10:3), his land (Deut 11:11–12) and humanity in general (Ps 8:5); who sees and helps those in need (Gen 21:1; 50:24; Ru 1:6); and who, most commonly, visits judgment upon the wicked (Ex 32:34; Jer 10:15; Ps 59:5). God's anointed **king** was to shepherd the people on behalf of Yahweh, Israel's Shepherd. This involved healing the injured, feeding the healthy, bringing back the strays; and it also involved caring for the perishing (*episkepsomai*, see Ezek 34:4; Zech 11:16). Eleazar the **priest** was to exercise oversight of the oil, incense, grain offerings and furnishings of the tabernacle (*episkopē*, Num 4:16). Unit **commanders** designated as overseers of the army gave orders to the troops (*episkopos*, 2 Kings 11:15). The royal secretary gave money to **workmen** with oversight of the temple, who paid it out to the builders (*episkopos*, 2 Kings 12:11).

¹ Throughout this section of the report the English translation 'overseer' will be used in an effort to avoid importing contemporary associations of the word 'bishop' into the discussion.

7. In these various contexts it might be one person who is the ‘overseer’ or there might be many ‘overseers’. An ‘overseer’ was responsible to pay careful attention to their sphere of responsibility—whether that be a building, an army, the kingdom, or the whole of creation—in order to ensure that it was ordered properly, and to take appropriate action if it was not. The careful attention involved in oversight was not passive, but involved active investigation and the taking of action to ensure that what had to be done was done.

8. It is against this general backdrop that the New Testament makes use of the language of ‘oversight’ and ‘visitation’. Perhaps unsurprisingly, there is an overarching divine reference which frames the application of the terms to Christians themselves. The New Testament echoes the Old Testament language of God visiting [*epeskepsato*] his people and bringing deliverance (Lk 1:68). James the elder even told the assembly of apostles and elders in Jerusalem that God had visited [*epeskepsato*] the Gentiles ‘to take from them a people for his name’ (Acts 15:14).

9. The most important development in the New Testament is that Christ is spoken of as ‘the Shepherd and Overseer [*episkopon*] of your souls’ (1 Pet 2:25). This is the only time the word is used with reference to Christ, yet the association with the idea of shepherd here (again echoing the Old Testament connection of the concepts) enables us to see references to Christ as ‘the good shepherd who lays down his life for the sheep’ (Jn 10:11) and as ‘the chief shepherd’ who is coming again (1 Pet 5:4), as relevant to this theme. This overseer and shepherd watches over his flock, guards it against predators, nurtures and cares for it, and directs it for its benefit. The extent of his care and provision is shown by his self-sacrifice for their salvation. As he arrives in Jerusalem at the climactic moment, Luke records that Jesus wept over the city and the judgment that will befall it ‘because you did not know the time of your visitation [*ton kairon tē episkopē sou*]’ (Lk 19:44). It is highly significant that in this context it is the coming of the Christ to Jerusalem that represents God’s visitation.

10. There is a general usage of the terms when applied to human beings. Disciples are expected to visit [*episkeptesthai*] those in distress (Matt 25:36, 43; Jas 1:27). In this sense ‘visitation’ is a responsibility of the entire congregation. Watching over and providing care and support for the vulnerable among God’s people is not limited to a particular group of people. However, in the light of the decision of Paul and Barnabas to ‘return and visit [*episkepsōmetha*] the brothers in every city where we proclaimed the word of the Lord’ (Acts 15:36), this could also be something more specific, arising not just from their membership of the congregation at Antioch, but from the role they exercised in evangelising and planting churches throughout the eastern Mediterranean.

11. The idea of an office of ‘overseer’ emerges rather early in the New Testament. What is more, the evidence is compelling that this office is identical to that of the ‘elder’ (Lightfoot, *Ministry*, 36–37). So the letter of Paul to the Philippians is addressed ‘to all the saints in Christ Jesus who are at Philippi, with the overseers [*episkopoi*] and deacons’ (Phil 1:1). The plural form is significant, indicating that there were a number of overseers in the Philippian congregation. Titus 1 begins by addressing the appointment of elders (v. 5) but moves to a discussion of the qualities of the overseer. Paul gathers ‘the elders [*presbuteros*] of the church in Ephesus’ in Acts 20:17 — again plural — but when they arrive reminds them that they must pay careful attention to themselves and to all the flock ‘in which the Holy Spirit has made you overseers [*episkopous*], to shepherd the church of God, which he obtained with his own blood’ (Acts 20:28). The elders are overseers and there is no sense of Paul turning his attention from the elders he has gathered to a subset of this group. Paul explicitly connects oversight and pastoral care as he addresses those he has gathered, with the intensity of the care envisaged indicated by reference to the cost at which the church was purchased by God: ‘with his own blood’.

12. The Pastoral Epistles and 1 Peter contain the most direct teaching on the office of overseer, indicating not only the qualifications for appointment but in some measure how the office is to be exercised. The lists of qualities in 1 Timothy for overseers and in Titus for elders and overseers are almost identical.

| 1 Timothy 3:2–7 (overseers) | Titus 1:5–6 (elders) | Titus 1:7–9 (overseers) |
|-----------------------------|-------------------------------------|-------------------------|
| above reproach | above reproach | above reproach |
| husband of one wife | husband of one wife | not arrogant |
| sober-minded | children are believers | not quick-tempered |
| self-controlled | children not involved in debauchery | not a drunkard |
| respectable | children not insubordinate | not violent |
| hospitable | | not greedy for gain |
| able to teach | | hospitable |

| 1 Timothy 3:2–7 (overseers) | Titus 1:5–6 (elders) | Titus 1:7–9 (overseers) |
|--|----------------------|--|
| not a drunkard | | a lover of good |
| not violent | | self-controlled |
| gentle | | upright |
| not quarrelsome | | holy |
| not a lover of money | | disciplined |
| manage own household well with dignity | | holding firmly to the trustworthy word |
| keeping his children submissive | | able to give instruction in sound doctrine |
| not a recent convert | | able to rebuke those who contradict it |
| well thought-of by outsiders | | |

In Titus, the transition from the brief list of qualities for ‘elders’ to that which at first glance seems to be headed ‘overseers’ involves both the conjunction ‘for’ [*gar*] in verse 7 and a move from plural to singular. The initial use of the plural ‘elders’ [*presbuterosus*] is explained by reference to there being ‘elders in each city’ [*kata polin*]. The ‘for’ introduces a reason or basis for what has just been said. I. H. Marshall explains.

The writer begins by affirming the need for elders to be blameless, and he then details the two areas of marriage and family life in which this must be true. Then he proceeds to explain *why* it is necessary. In his capacity as an overseer the candidate must be blameless inasmuch as he is acting on behalf of God in his household ... In fact, the logic of the connection demands the identity of the two offices. (*The Pastoral Epistles*, 149, 160)

What is abundantly clear is that a particular stress is placed on being beyond reproach (and by extension being well thought of by outsiders), on faithful domestic behaviour (husband of one wife, children who commend his leadership in the home), and on an ability to teach (both positively in terms of instruction in the truth and negatively in terms of recognising and rebuking error). There are also common warnings about drunkenness, violence, greed and quarrelsomeness. There is an exemplary dimension to oversight: providing an example which encourages the faithful discipleship of others. Almost all the qualifications listed are qualities of character, though managing their own household well and an ability to teach in accordance with ‘the trustworthy word as taught’ are skills or abilities.

13. What are we to make of the fact that Titus is charged to appoint [*katastēsē*] elders in each city (Tit 1:5)? At first glance this does look like a responsibility of oversight exercised beyond the congregation in which he, Titus, was an elder. However, the context indicates that the task given to Titus is to be done on behalf of Paul. That is, Titus is completing something that Paul had begun but had not finished when he had to leave Crete. Titus, then, is acting at Paul’s direction; Paul does not appoint him to an office of supra-congregational oversight (cf. Acts 14:23).

14. Peter highlights the example of Christ for the exercise of leadership among God’s people (1 Pet 5:1–4). In addressing elders, Peter connects the images of shepherding and oversight in a particular way. ‘Shepherding [*poimante*] the flock of God’ and ‘exercising oversight’ [*episkopountē*] are not two distinct activities but rather exercising oversight fills out what it means to shepherd. Of particular importance for Peter is the way this oversight is exercised: ‘not under compulsion, but willingly, as God would have you; not for shameful gain, but eagerly; not domineering over those in your charge, but being examples to the flock’ (vv. 2–3). The example of Christ, who gave himself willingly, did not seek his own advantage, and provided a model of service in contrast to the coercive leadership experienced in the world, is meant to shape the exercise of oversight among God’s flock. This is because it is Christ himself who is ‘the Chief Shepherd’ [*archipoimenos*] (v. 4).

15. Seven summary observations arise from the biblical teaching about ‘oversight’ among the people of God.

- a. The apostles and prophets are never called ‘overseers’ in the New Testament, though Peter does self-identify as a ‘fellow elder’ when exhorting the elders to whom he writes (1 Pet 5:1). The supra-congregational, itinerant ministry of the apostles and prophets is not automatically transferable to those appointed as ‘overseers’. An overseer, like any other elder, is an overseer *in a congregation*.

- b. There appears to be no biblical warrant for a distinction between a ministry of 'oversight' and a ministry of 'eldership'. This is seen particularly in Acts, in the qualification lists in the Pastoral Epistles, and in 1 Peter, where these appear to be different words for the same office, reflecting a fairly fluid situation in the early church.
- c. It would seem that in many places there was a plurality of overseers or elders within a given Christian congregation. This was most certainly the case in Philippi (Phil 1:1) and in Ephesus where Paul could speak of the 'council of elders' (1 Tim 4:14).
- d. We ought not to overlook the fact that Paul spoke to the Ephesian elders of how 'the Holy Spirit has made you overseers' (Acts 20:28). Like all the other gifts given by the ascended Christ (Eph 4:11), the ministry of oversight is recognised as a gift of the Spirit to the churches.
- e. In both the description of the work of the elders/overseers in Ephesus in Acts 20, and in the qualification lists in Timothy and Titus, the ministry of the word of God is prominent. The overseer is to be 'able to teach', to 'hold firm to the trustworthy word', to 'give instruction in sound doctrine', and to 'rebuke those who contradict it'.
- f. The qualification lists in the Pastoral Epistles all emphasise godly character. Elders/overseers are to be 'above reproach'. In their personal and public life they are to model godliness in a way which provides an example to other Christians and commends them to outsiders.
- g. The association of 'overseer' and 'shepherd' in 1 Peter 5 points to the importance of imitating Christ's self-sacrificial care of the flock (Acts 20:28). The overseer seeks the welfare of the church and its members, providing what otherwise might be labelled 'pastoral care'. The overseer is a pastor as well as a teacher who guards the church from the danger of false-teaching. Teaching the truth and driving away error are critical ways of providing this pastoral care, but so too is gentle compassion and self-sacrificial service.
- h. The overseer is accountable first and foremost to Christ, the 'chief Shepherd' (1 Pet 5:4).

In contrast to the Old Testament offices, all of which speak to us of the Christ to come, the first Christians borrowed everyday titles from the surrounding culture which best described the sorts of functions the church needs its leaders to perform. It is the function, not the office, that makes an overseer what he is. For this reason, there is no impediment to giving the name to a supra-congregational office with the same functions.

The Pre-Reformation Catholic Episcopate

16. The biblical ministry of oversight in the congregation was quickly transformed into a distinct office of 'bishop' in the generation after the death of the apostles, sometimes in ways that do not sit comfortably with what we have seen in the New Testament. So Clement of Rome (ca. 35–99), at the end of the first century, spoke of how the apostles had appointed 'bishops and deacons', instructing that 'if these should fall asleep, other accredited persons should succeed them in their office' (1 *Clement*, 42, 44). Clement's particular concern was to challenge those in the congregation at Corinth who were rebelling against their bishop, urging his readers to 'make submission to the clergy' (1 *Clement*, 54, 57). Clement himself, acting as bishop in Rome, was intervening in a quarrel going on in a congregation in Corinth, something which in itself raises questions about how quickly a supra-congregational responsibility was being attached to the role. Clement's final admonition shows how seriously he took this responsibility: 'But if there are any who refuse to heed the declarations [Christ] has made through our lips, let them not doubt the gravity of the guilt and the peril in which they involve themselves' (1 *Clement*, 59).

17. Ignatius of Antioch (35–108) filled out this development of the office in terms of what some have seen as an embryonic 'threefold order' of ministry: 'Let the bishop preside in the place of God, and his clergy in the place of the Apostolic conclave, and let my special friends the deacons be entrusted with the service of Jesus Christ ...' (*To the Magnetians*, 6). Bishops, clergy, and deacons are distinguished and a pattern is already emerging of only one bishop in a city. 'Be as submissive to the bishop and to one another as Jesus Christ was to his Father', he wrote, and finished his letter with a reference to 'Polycarp, the Smyrnaean bishop' (*To the Magnetians*, 13, 15). In his letter to the Smyrnaeans, he famously wrote:

Where the bishop is to be seen, there let all his people be; just as wherever Jesus Christ is present, we have the world-wide Church. Nor is it permissible to conduct baptisms or love-feasts without the bishop. On the other hand, whatever does have his sanction can be sure of God's approval too. This is the way to make certain of the soundness and validity of anything you do. (*To the Smyrnaeans*, 8)

18. Irenaeus of Lyon (130–202) saw bishops as guardians of the faith and so successors of the apostles.

True knowledge is the doctrine of the apostles, and the ancient constitution of the Church throughout all the world, and the distinctive manifestation of the body of Christ according to the successions of the bishops [*successiones episcoporum*], by which they have handed down that Church which exists in every place, and has come even unto us, being guarded and preserved, without any forging of

Scriptures, by a very complete system of doctrine, and neither receiving addition nor suffering curtailment ... (*Against Heresies*, 4.33.8)

Bishops have a critical role in the Church according to Irenaeus. However, the evidence suggests that even as late as Irenaeus there was no clear and consistent distinction between the terms 'presbyter/elder' and 'overseer/bishop'. Irenaeus could speak of both 'bishops' and 'presbyters' as those who stand in the succession of the apostles (compare *Against Heresies* 3.3.1,2 and 4.26.2). In an intriguing sentence he even uses the terms interchangeably.

Such elders [*presbuterosus*] does the Church nourish, of whom also the prophet says: 'I will give your rulers in peace and your bishops [*episkopous*] in righteousness ... (*Against Heresies*, 4.26.5)

19. It is Cyprian of Carthage (200–258), though, who most demonstrates the directions in which the episcopate had developed and which would lead eventually to papal primacy. 'Our Lord' he writes, 'whose precepts and admonitions we ought to observe, describing the honour of a bishop and the order of his Church, speaks in the Gospel, and says to Peter, "I say unto you, that you are Peter ..."' A hierarchical view of the church is clear in the lines that follow in that letter.

Thence, through the changes of times and successions, the ordering of bishops [*episcoporum ordinatio*] and the order of the Church is handed down; so that the Church is constituted by the bishops [*Ecclesia super episcopos constituatur*], and every act of the Church is directed by these same presiding officers. Since this has been established by divine law, I am astonished that certain persons have been rash and bold enough to choose to write to me in such a manner as to send their letter in the Church's name, when the Church consists of the bishop, the clergy, and all the faithful [*ecclesia in episcopo et clero et in omnibus stantibus sit constituta*] ... (Cyprian, *Epistle* 33.1)

20. So within just two hundred years, the exercise of oversight by a plurality of elders had developed into a distinct and principal office in an ecclesiastical hierarchy: bishop, clergy, people. This shift in practice may well have begun for sociological reasons, as 'a wise and effective way of ruling and shepherding the flock of God but with no doctrinal or theological significance' (Burkill), but very early on it was fleshed out in theological terms. Cyprian went so far as to insist that bishops constitute the church: they were no longer a wise and appropriate ordering of ministry for the welfare or well-being (*bene esse*) of the church; rather they were seen by Cyprian as necessary and critical for the very being (*esse*) of the church. Authority and dignity continued to accrue to the office, along with distinctive clerical dress. Following the Edict of Milan (313), which brought the recognition of Christianity within the Roman Empire, bishops became civic figures as well. The case of Leo I, the bishop of Rome who in 452 persuaded Atilla the Hun to turn back from his invasion of Italy, and who did all he could to cement the role of Rome as the chief patriarch (Pope) of the Western church, is illustrative of this fact. The trajectory towards the idea of a 'prince-bishop' was set very early in Christian history.

21. In succeeding centuries as the institutional structure of Roman Catholicism developed and a new political order in Europe emerged, the role of bishops continued to change. Bishops played a dual role as ecclesiastical leaders and as civic leaders. As one recent study paints the picture,

Every bishop was a successor of the Apostles and a prince of the Church, possessing both sacramental and jurisdictional powers, and with a solemn responsibility for the salvation of Christian souls. Moreover, most bishops were also princes of this world, whose duties demanded the combined talents of a politician, an administrator, and even sometimes ... a soldier. Many bishops bore the rank and title of prince or baron, and their bishoprics held vast lands and far-reaching powers of secular jurisdiction ... Belonging simultaneously to two governmental hierarchies, the bishop derived a portion of his jurisdictional and administrative powers from his monarch, although a portion of his powers was inherent within his ecclesiastical office. (Benson, pp. 3, 4).

22. By the eve of the Reformation in many places throughout Europe bishops were not only powerful in legal, political and sometimes even military terms, many were corrupt. Given the wealth, prestige and power associated with a bishopric, these were often bought from the papacy, which approved any episcopal appointment. A notorious example was Albrecht, Archbishop of Mainz in the early sixteenth century, who sanctioned the sale of papal indulgences in his diocese as a way of raising the money to pay his bankers, to whom he was in debt as the result of loan he had acquired in order to pay the Pope to allow him to procure this archbishopric when he was already a bishop elsewhere.

The Understanding of the Episcopate in the reformed Church of England

23. At the time of the Reformation it was clear that the government of the church needed to be reformed but there was disagreement about what this meant for the office of bishop. In the Lutheran branch of the Reformation, the office was retained; in Geneva and Switzerland it was not, and governance of the churches was placed in the hands of a Company of Pastors and the Consistory. In England, where a key element of reform was to abolish only what needed to be abolished while retaining what could be retained

without compromise to the Christian gospel, the episcopate was preserved, since, according to the preface to the new Ordinal which Archbishop Cranmer published in 1550, 'It is evident unto all men, diligently reading holy Scripture, and ancient authors, that from the Apostles' time there have been these orders of Ministers in Christ's church, bishops, priests and deacons'. Notwithstanding this appeal to apostolic practice, and his even stronger statements about the divine institution of the order and ministry of priests and bishops in his *On the Order and Ministry of Priests and Bishops* (1538), Cranmer significantly remodelled the episcopate as part of a general 'evangelical renovation of holy orders' (Tong, 34; MacCulloch, 454). Among his chief concerns, according to the same preface, was that no one be admitted to any of these orders 'except he were first called, tried, examined, and known, to have such qualities as were requisite for the same'. However, the new Ordinal was not received well. Controversy erupted over the extent of the ceremonial elements that remained, in particular the retention of clerical vestments. When the *Book of Common Prayer* was reissued in a revised form in 1552, it had a revised form of the Ordinal attached.

24. In the examination of the new bishop in the 1552 Ordinal, after the first question about being called 'to this ministration according to the will of our Lord Jesus Christ and the order of this realm', the next three questions have to do with teaching and guarding the doctrine of Scripture in the churches.

Are you persuaded that the holy Scriptures contain sufficiently all doctrine required of necessity for eternal salvation through the faith of Jesus Christ? And are you determined with the same holy Scriptures to instruct the people committed to your charge, and to teach and maintain nothing, as required of necessity to eternal salvation, but what you shall be persuaded may be concluded and proved by the same?

Will you then faithfully exercise yourself in the said holy Scriptures, and call upon God by prayer for the true understanding of the same, so as you may be able by them to teach and exhort with wholesome doctrine, and to withstand and convince the gainsayers?

Are you ready with all faithful diligence to banish and drive away all erroneous and strange doctrine contrary to God's word, and both privately and openly to call upon, and encourage others to the same?

Both the positive and negative aspects of this guardianship role were emphasised: to instruct, teach, and exhort on the one hand; to withstand, banish and drive away on the other. The priority of this role is demonstrated in the service by the gift of a Bible as the instrument of ministry (the presentation of a 'pastoral staff' disappeared between the first and second forms of the Ordinal) accompanied by an exhortation rich in allusions to the Pastoral epistles and the call to 'think upon these things contained in this book, be diligent in them, that the increase coming thereby may be manifest unto all men'. Cranmer's bishops were to be learned men, gifted in teaching and diligent in private study, able to discern truth from error, and prepared to call God's people to a life of obedient discipleship under the word of God.

25. The next three questions have to do with character and demeanour.

Will you deny all ungodliness, and worldly lusts, and live soberly, righteously, and Godly in this world, that you may show yourself in all things an example of good works unto others, that the adversary may be ashamed, having nothing to lay against you?

Will you maintain and set forward (as much as shall lie in you) quietness, peace, and love, among all men? And such as be unquiet, disobedient, and criminous within your Diocese, correct and punish, according to such authority as you have by God's word, and as to you shall be committed by the ordinance of this realm?

Will you show yourself gentle, and be merciful for Christ's sake, to poor and needy people, and to all strangers destitute of help?

Here the issues are being beyond reproach in the world, being an example among God's people, and exercising mercy and compassion towards those in need. The teaching/guardianship role is exercised within the context of a life that commends what is taught, both inside and outside the churches.

26. The great apologists for the Elizabethan Settlement, John Jewel (1522–1571) and Richard Hooker (1554–1600), both wrote on the nature of episcopacy. Jewel, speaking in particular about the bishop of Rome, insisted 'except he do his duty as he ought to do, except he minister the sacraments, except he instruct the people, except he warn them and teach them, we say that he ought not of right once to be called a bishop' (*Defence of the Apology*, 308). Hooker's treatment is found in the seventh book of his *Laws of Ecclesiastical Polity*, which was only published in 1662. Hooker began with the antiquity and continuity of the office.

A thousand five hundred years and upward the Church of Christ hath now continued under the sacred Regiment of Bishops. Neither for so long hath Christianity been ever planted in any Kingdom throughout the world but with this government alone, which to have been ordained of God, I am for mine own part even as resolutely perswaded, as that any other kind of Government in the world whatsoever is of God. (*Laws*, VII.1.4)

The next question for him was whether the essentials of the reformed bishop's office and role could be compared with bishops as they operated in antiquity. This involved identifying the essentials of the office.

A Bishop is a Minister of God, unto whom with permanent continuance, there is given not onely power of administring the Word and Sacraments, which power other Presbyters have; but also a further power to ordain Ecclesiastical persons, and a power of Cheifty in Government over Presbyters as well as Lay men, a power to be by way of jurisdiction a Pastor even to Pastors themselves. So that this Office, common unto him with other Pastors, as in ministering the Word and Sacraments: But those things incident unto his Office, which do properly make him a Bishop, cannot be common unto him with other Pastors. (*Lawes*, VII.2.3)

Three things are particularly notable here. Firstly, Hooker acknowledges much that is held in common between bishops and 'other presbyters' or 'other pastors', most importantly the administration of the Word and sacraments. Secondly, he identifies a particular distinction between the Bishop and others in the 'power to ordain Ecclesiastical persons'. The authorisation of others for public ministry in the churches is the peculiar responsibility of bishops. Thirdly, Hooker uses the expression 'a pastor even to pastors themselves'. The bishop has a special responsibility to care for those with whom he shares the ministry of the word and sacraments.

27. It is beyond doubt that in the Reformation period the English bishops had other administrative responsibilities. In an established church the bishops had an important role in public life as well as within the congregations in their diocese. A number of bishops sat in the House of Lords as 'the Lords Spiritual'. They very often had their own secretaries and theological advisors (so John Ponet's service to Thomas Cranmer before himself becoming Bishop of Winchester). Bishops presided over diocesan administrations of various sizes and levels of complexity. However, this dimension of their life and activity did not receive explicit attention either in the Ordinal or when the office and its function were considered by Elizabethan divines. Perhaps the closest we come to a recognition of these wider activities is the description of the office as 'government of the congregation of Christ' in the 1552 Ordinal.

Thinking about Episcopacy in the Centuries Following

28. A more elevated view of episcopacy became a feature of the High Church Anglican stream of thought and practice which first gained prominence during the reign of James I (1566-1625). Lancelot Andrewes (1555-1626), Bishop of Winchester, in correspondence with Peter Moulin, at the time a Huguenot theological student, argued for a distinction between the office of bishop and that of presbyter and insisted that the office of bishop exists by divine right, having been constituted by the apostles (*Of Episcopacy*, I.3). Intriguingly, he made clear to Moulin that 'though our Government be by Divine Right, it follows not, either that there is no salvation, or that a Church cannot stand, without it' (*Of Episcopacy*, II). Archbishop William Laud (1572-1645) argued, with copious appeal to the writings of the early church fathers, that 'it is *traditio universalis*, the constant and universal tradition of the whole Church of Christ, which is of greatest authority next to Scripture itself, that Bishops are successors of the Apostles, and Presbyters made in resemblance of the Seventy Disciples' (*Liturgy, Episcopacy and Church Ritual*, 197). He went on to defend the involvement of bishops on the Council, in the Parliament, the Star Chamber, Embassies, and civil affairs more generally (200-216). He insisted that 'our office be from God and Christ immediately' (348).

29. Laud was executed in 1645 and the English episcopate was abolished a year later by the Long Parliament. When the monarchy was restored in 1660, so too was church government by bishops. Bishops were returned to the House of Lords, individual bishops, such as Gilbert Sheldon of London, exercised considerable influence on the new parliament, and the Savoy Conference of 1661-2 which resulted in the Act of Uniformity and the Great Ejection. However, dissenters and others still called for a more radically reformed episcopate. Richard Baxter reported the disdain for the argument of some for 'a bishop in every parish' (*Autobiography*, 260-1). Bishop James Ussher of Armagh (1581-1656) had authored *A Reduction of Episcopacy unto the form of Synodical Government received in the ancient church*, which was only published after his death. An important subtitle in the tract sets out its intention: 'How the Church might synodically be governed, archbishops and bishops being still retained' (*Reduction*, 534). Ussher argued that the most ancient form of church government was in fact a plurality of elders from which was chosen one to act as president, and later named bishop. Yet the president 'joined in the common government of the church' (*Reduction*, 532). Though long 'disused', Ussher argued it could and should be revived and he provided suggestions for synods to govern the church under episcopal leadership at the deanery, diocesan and provincial level. He even suggested that suffragans might be appointed 'conformed to the number of

the several rural deaneries' and they could then preside over the deanery synods (*Reduction*, 534–536). Ussher's proposal is an early form of the principle that Anglicans are 'episcopally led and synodically governed'. It was not taken up at the time in Britain.

30. The eighteenth century brought new challenges, particularly as the British colonial presence in places like India and America raised the prospect of appointing bishops to serve in those places. Timothy Cutler, the Rector of Yale University, wrote to the Society for the Propagation of the Gospel (SPG) in 1724: 'I speak not this as if our condition were easy without a Bishop, for we need such a one to guide us and protect us from the scorn, insults and hardships we are exposed to ...' (Perry, *Massachusetts*, 143). Many Anglicans in the colonies were keen for the guardianship and public advocacy of a bishop, particularly in the context of multiple religious groupings and denominations. The nominal oversight of the Bishop of London, exercised by commissaries, was judged insufficient. However, one difficulty, among others, was the requirement of unqualified assent to the 39 Articles and the customary oaths of allegiance as part of a bishop's consecration. The difference between the way a bishop might function in an established church (England) and in the context of multiple religious groupings and denominations (colonial America) presented a new challenge. It would not be until the 1780s, immediately after the cessation of the War of Independence, that the first American bishops were consecrated, first at the hands of nonjuring Scottish bishops and then at Lambeth with the aid of special legislation passed through the British parliament.

31. Notwithstanding the way political action had secured the ministry of bishops in America, the catalyst for the Tractarian movement in the early nineteenth century was political interference in the administration of the episcopate, this time in Ireland. This is what led to John Keble's famous assize sermon 'National Apostasy', delivered in Oxford in 1833. A number of the *Tracts for the Times* dealt with episcopacy in one way or another. John Henry Newman treated the idea of apostolic succession in *Tract 1* and the history and usefulness of employing suffragan bishops in *Tract 33*. A number of addresses by the High Church bishop, Thomas Wilson (1663–1755) were reprinted in the series under the title 'Bishop Wilson's Meditations on His Sacred Office' (1834–5). In what became *Tract 42* he spoke of the bishop as 'a Pastor set over other Pastors'. In *Tract 65* he commented, 'It being entirely at the Bishop's discretion, whether he will admit any one to the order of Priest or Deacon, and being not obliged to give any reason for his refusal, he will be more accountable to God, both for ordaining unfit persons, and for any prejudice against such as are worthy'.

The Episcopate Comes to Sydney

32. It is in this context that the first Bishop of Australia was appointed in 1836. Since 1822, oversight of the Australian church was exercised by an archdeacon licensed to the Bishop of Calcutta. William Grant Broughton had succeeded Thomas Hobbes Scott as Archdeacon of New South Wales in 1829, so he had not been in England when the Tractarian movement had begun its work. Broughton began as a traditional High Churchman, thoroughly committed to the principles of the established Church in England, but quickly adopted Tractarian principles, such as the spiritual autonomy of the church, as he became acquainted with them. However, Broughton found his Tractarian sympathies resisted by many of the clergy of the Diocese. Throughout his episcopate, however, his was 'the only institution which had any legal authority in the Church of England in Australia' (Cable & Judd, 142), then known only as the United Church of England and Ireland.

33. In 1855 Frederic Barker became Bishop of Sydney and Metropolitan of Australia. Barker's convinced evangelicalism contrasted with the character of Broughton's episcopate but found more resonance with the older clergy in the Diocese. Barker himself had been strongly influenced at Cambridge by Charles Simeon (the leading evangelical clergyman of his day, who mentored generations of clergy and missionaries) and then by Bishop John Bird Sumner (who as Archbishop of Canterbury would gain notoriety by upholding the cause of the evangelical clergyman George Gorham against the High Church bishop, Henry Philpotts). The influence of Simeon and Sumner can be seen in the way the necessity of both proclaiming the truth of Scripture and defending it against all attacks remained central to Barker's practice of ministry both in the parish and as a bishop.

34. Barker maintained a punishing schedule of pastoral visitation, preaching and public representation. He toured the entire Diocese, enacted the provisions of Thomas Moore's will in order to establish a theological college, established the Sydney Church Society to help fund ministry in Sydney after the government indicated it would phase out financial support of the churches and both the SPCK and SPG signalled they were no longer able to do so, set up new dioceses in Goulburn (1863) and Bathurst (1869), defended church schools, and paved the way for a general church property trust (Maple, 25–6). Barker was a pastor first and foremost, and then a defender of Protestant doctrine. He engaged in public debate and political lobbying in the interests of the churches and its mission, and strongly opposed Catholic doctrine. Yet he was also an excellent administrator. He saw his administrative efforts, though, as extensions of his pastoral, theological and missionary concerns.

35. The question of synodical government in Australia had first been aired during Bishop Broughton's time. He had gathered a conference of bishops to consider the question of how the Church in Australia could better be organised back in 1850. However, there was no real progress in New South Wales until several years into Barker's episcopate. One significant change was the way Barker included laymen in the proposal. He invited the clergy of the Diocese 'to meet with lay representatives of the various parishes, for the purpose of considering the subject of synodical action' in December 1864. Two conferences were held in 1865 and the legal structures were put in place by *The Church of England Synod Act 1866*. The Constitutions annexed to this Act did, however, ensure a continuing role for episcopal leadership alongside synodical governance: '... no such ... Ordinance shall take effect or have any validity unless within one month after the passing of the same the Bishop shall signify to the Synod his assent thereto'. The first Sydney Diocesan Synod met on 5 December 1866. The place of synodical government and its relation to episcopal leadership has been reaffirmed in *The Church of England Constitutions Act 1902* (the constitution of the Anglican Church within the state of New South Wales is a schedule to that Act), which provided for a meeting of the diocesan synod at least annually 'by summons of the Bishop of the Diocese', the binding nature of ordinances of the synod, and the necessity of the bishop's consent in order for ordinances to come into effect.

36. Alfred Barry was the first Bishop of Sydney elected rather than appointed by the Crown, though the election involved the bishops of province of New South Wales as well as a committee of the Diocese. It would not be until 1909 that the Synod of the Diocese would have the unfettered right to elect its bishop. The Bishop of Sydney was styled Archbishop from 1897, as the result of Resolution 7 of the Lambeth Conference that year extending the title to all metropolitan bishops. This change in title recognised the role played by the metropolitan bishop in overseeing the work of the bishops in each of the dioceses of an ecclesiastical province. The change of title did not, however, alter the role or function of the Archbishop either in the Diocese or in the Province.

37. The first suffragan or bishop coadjutor, Gerard D'Arcy-Irvine, was consecrated in 1926. The Archbishop of Sydney was assisted by one suffragan until 1940 when William Hilliard joined Venn Pilcher in supporting Archbishop Mowll. By the end of Archbishop Mowll's time there were four suffragans (Pilcher, Hilliard, Kerle and Loane). These suffragans had no particular geographical base but supported the Archbishop in his teaching and leadership, as well as sharing in his pastoral and administrative load. However, in the late 1960s regions began to be formed within the Diocese of Sydney and the bishops coadjutor became regional bishops, beginning with Gordon Begbie in Parramatta. The regional bishops exercise pastoral responsibility with their region, assist with confirmations and ordinations in their region, chair the regional council, and in addition assist in the administration of the Diocese as a whole. In time each of the regions would also have their own archdeacon with particular administrative responsibilities within the region.

38. Over the last half a century, a distinctive ecclesiology has developed in Sydney which emphasises the priority of the local congregation of God's people over the central institutional structure of the denomination. This refinement of the prevailing Anglican view of church centred on the bishop or larger ecclesiastical structures arose from theological reflection upon the New Testament's use of the word *ekklesia* and concept of church, and developed the definition of church given in Article 19 of the 39 Articles of Religion (Robinson, 'Church'; Knox, 'De-Mythologising'). The church is the gathering of God's people around God, present in his word and by his Spirit, in order to hear and respond to his word with repentance and faith and with the loving service of each other. However, this priority has never meant that there are no bonds or obligations of love and service beyond the local congregation (Knox, 31). The churches are united in a fellowship which serves the needs of the gospel mission and enables each to do what they would not be able to do on their own. The supra-congregational structures and offices serve that mission as well. In this context, Donald Robinson would write in 1988, 'We need to recover the model of the bishop as evangelist' (Robinson, 'Bishop', 87).

39. As the Diocese became more complex, the responsibilities of the Archbishop and the assistant or regional bishops increased. In 2009 the website of the Sydney Diocesan Secretariat described the role of the Archbishop of Sydney as follows:

... an ordained minister of the Word and Sacraments who has been consecrated a bishop and elected by the Synod. According to the Ordinal the central ministerial functions of a bishop are to instruct and teach, to correct false doctrine, to live a life that is an example to others, to maintain order, to ordain, to confirm baptised persons and to assist the poor and needy. He is the 'guardian of spiritualities' and he is sometimes called the 'Ordinary', meaning one who has jurisdiction in ecclesiastical matters within a diocese.

The Archbishop is also described as the one responsible for maintaining order in the Diocese through such functions as:

... appointing or licensing clergy to minister in parochial units and chaplaincies, licensing and consecrating churches, visiting and correcting the clergy, appointing a registrar, a chancellor and other office holders, and authorising lay ministry.

An indication of the complexity of the task in the contemporary setting is the observation that the Archbishop is 'a member ex-officio of about 25 diocesan organisations and appoints persons as members of many organisations. He is the President of the Synod and its Standing Committee, and of the Provincial Synod and its Standing Committee'.

40. From its very beginning, the office of the Bishop or Archbishop of Sydney has been a public office which has provided an important link between the churches and the wider community. The Archbishop has represented the interests of the Diocese, and the gospel mission to which it is committed, to Governors and the State Parliament and has acted as a public spokesman for the Diocese in matters of common concern. Christmas and Easter messages have been reported and broadcast. Bishop Barker was a very public advocate of the importance of Christian education for the good of the community as a whole and Archbishops Wright and Mowll played important roles in the community during the two World Wars. In the cultural and moral turmoil of the last quarter of a century Archbishops of Sydney have made key contributions to public debate. Though this public, representative role is not explicitly referenced in either the New Testament or in the Anglican Ordinal, it stands in continuity with the actual practice of bishops in the early church and at the time of the Reformation.

Legal Responsibilities and Constraints

41. The Archbishop of Sydney is an ecclesiastical office which carries with it certain legal responsibilities and constraints. The Schedule to the 1902 Act insists that 'All ordinances of the Synod shall be binding upon the Bishop and the Bishop's successors and all other members of the Church within the Diocese' (section 2(2)). By the same Act, the president of the synod (which except in his absence is the Archbishop) is prevented from voting on any question or matter arising in the Synod (section 5(e)).

42. In addition to the ordinances of the Sydney Synod and the Acts of Parliament on which they rest, the Archbishop must also act within the Constitution of Anglican Church of Australia (1961) and its canons where they have been adopted by the Sydney Synod. That Constitution declares 'There shall be a bishop of each diocese who shall be elected as may be prescribed by or under the constitution of the diocese, provided that the election shall as to the canonical fitness of the person elected be subject to confirmation as prescribed by ordinance of the provincial synod' (para 8). The test of canonical fitness, as outlined by a General Synod canon of 1989 (amended in 1994) and adopted by the Diocese of Sydney in 1995, is threefold: (a) the person has attained at least 30 years of age; (b) the person has been baptised; and (c) the person is in priests' orders.

43. Various ordinances of the Sydney Synod have provided that the Archbishop is the President or a member of most diocesan bodies. While in practice each archbishop has selected which boards and committees he will attend personally, he retains the right to be present at each of those of which he is president or chair.

The Contemporary Role of the Archbishop of Sydney

44. The biblical principles of oversight or *episkopē*, refracted through this history, have shaped the contemporary role and function of the Archbishop of Sydney. Sydney's episcopate is resolutely evangelical, in keeping with the Diocese it serves, and its archbishops have very largely been pastors and teachers, guardians and representatives of the Protestant faith, and able administrators. However, as Sydney has grown and as the structures of the Diocese and the denomination have developed, legal and institutional responsibilities have become more prominent. Nevertheless, the leadership of the Diocese of Sydney by its Archbishop, though very much personal and so influenced by the personality, gifts and special interests of each incumbent, has developed a discernible character. Our evangelical conviction demands that we ensure that the character of the archiepiscopal office, and by extension the regional bishops who assist him, faithfully reflects the biblical functions and priorities of oversight.

45. The first priority of the Archbishop of Sydney is to be a **guardian** of 'the faith that was once for all delivered to the saints' (Jude 3). This is the priority found in the New Testament and in the Anglican Ordinal. Through public proclamation and defence of the apostolic gospel, by his personal example and in all his pastoral and administrative activity, he is to do all in his power to ensure that the teaching of Scripture shapes and directs the life, ministry and mission of the Diocese. This requires the courage to speak the truth taught in Scripture when it is not popular, but equally to oppose deviation from that truth where it arises. It requires both teaching and the exercise of discipline. It requires making decisions on the basis of theological principles shaped by the biblical gospel. In this way the Archbishop of Sydney will, as Sir Marcus Loane once put it, 'share the heritage and tradition of this diocese, and will interpret it to others, and transmit it to posterity' (*Synod Presidential Address, 1966*).

46. A second priority of the Archbishop of Sydney is to **order the ministry** of the Diocese to the gospel of Christ and his mission. In many ways this is merely an extension of the first priority. Principally this involves the selection and authorisation of appropriate men and women for various ministries within the Diocese. Appointing people of godly character with theological clarity, pastoral sensitivity, and demonstrably in possession of the gifts and skills appropriate for the ministry under consideration, is a prime way the Archbishop can foster the health and gospel-mindedness of the Diocese. However, once again this must extend to dealing appropriately with those whose discharge of the responsibilities entrusted to them has been negligent in some fashion or contrary to the teaching of Scripture. Furthermore, the ordering of ministry to the gospel of Christ also involves encouraging and facilitating the reform of ministries where, for one reason or another, they no longer serve the mission of reaching the lost and building up believers.

47. A third priority is to exercise **pastoral concern and insight** as he provides advice and direction for gospel ministry in the Diocese. This has been the self-understanding of bishops throughout the twentieth century and this expression has been a regular feature in presidential addresses to election synods in the Diocese (Gunther 1909; Kirkby 1933; Barnett 2001; Forsyth 2013). This has not meant the Archbishop is expected to act as pastor to every Anglican in the Diocese, nor even to be the principal 'pastor to the pastors'. Rather, the Archbishop models pastoral care in all his interactions and so helps to encourage throughout the Diocese a commitment to thoughtful, caring relationships in which the spiritual welfare of the other person is of paramount concern.

48. A fourth priority is to **represent the Diocese**, in various national and international bodies, to the government, and generally to the community. As we have seen, this role arises from history rather than directly from the biblical text or the Ordinal. Nevertheless, it is another significant way in which the guardianship of gospel truth and mission is exercised by the Archbishop of Sydney and has been a feature of the office from its inception. This public role requires a humble confidence in the theological convictions and character of the Diocese of Sydney, since *this* is the Diocese that is being represented. In the denominational context, the Archbishop of Sydney ought to be a clear voice for an unambiguously biblical, evangelical Anglicanism, willing to stand alongside all who seek to live and serve in a way that is directed and disciplined by the word of God. In the rapidly changing context of Christian witness in this city and nation it requires a degree of mental agility and apologetic skill to handle opposition and even hostility with grace and humility and yet with the courage to present the truth of Scripture as it bears on the subject at hand.

49. A fifth priority is the **administration** of the Diocese in line with its mission. The diligent attention to administration is not to be seen as a distraction from ministry but rather serving the interests of ministry. The governance, policies and processes of the Diocese ought to facilitate its mission and a proper administration of them will direct them to this end. In a diocese with five assistant bishops, the administrative burden need not fall on the Archbishop alone, or perhaps even principally. One or more of the assistant bishops may be more able in this area and so able to shoulder much of the load. Yet faithful administration is itself a form of guardianship and the reason why bishops and the Archbishop play a key role on boards and committees of the Diocese is to ensure that all its organisations order themselves and their activities by the gospel and the commission we have received from Christ, reflecting the theological ethos and the priorities of the Diocese.

50. Ultimately, what will shape the Archbishop of Sydney more than any other single factor is his personal walk with Christ. His Christian character, his prayerfulness, his faithful obedience to the word of God, his loving care for both the lost and the redeemed, his courageous determination to proclaim the truth and to refute error, and possessing a keen sense of his accountability to the Chief Shepherd (1 Pet 5:4) are critical to the faithful and effective discharge of this responsibility. Under God's good hand, the history of this Diocese is full of bishops and archbishops who were exactly like this and whose ministry has furthered the mission of the gospel, brought blessing to God's people, and honoured the name of Christ.

On behalf of the Sydney Doctrine Commission

MARK D THOMPSON

Chair

10 August 2018

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Global Anglican Future Conference 2018

(A report from the Standing Committee.)

Purpose

1. To provide the Synod with a suggested motion regarding the Gafcon Assembly 2018 and a copy of the *Letter to the Churches from the Gafcon Assembly 2018*.

Recommendation

2. Synod receive this report.

Background

3. At its meeting on 23 July 2018, the Standing Committee –
 - (a) authorised the printing for the forthcoming session of the Synod of a suitable form of the Letter to the Churches from the Gafcon Assembly 2018 accompanied by the Synod motion in paragraph (b), and
 - (b) requested that the following motion be moved at the forthcoming session of the Synod “by request of the Standing Committee” –

‘Synod, noting the Letter to the Churches from the Gafcon Assembly 2018 –

- (a) gives thanks for the gathering of 1950 Anglicans (316 Bishops, 669 other clergy and 965 laity) from 50 countries at the Global Anglican Future Conference held in Jerusalem 17-22 June 2018,
- (b) welcomes the conference statement, ‘Letter to the Churches’, and commends it to the clergy and people of the Diocese for their study, encouragement and prayers,
- (c) gives thanks for the establishment of nine strategic networks (Theological Education, Church Planting, Global Mission Partnerships, Youth and Children’s Ministry, Mothers’ Union, Sustainable Development, Bishops’ Training Institute, Lawyers Task Force, Intercessors Fellowship) to enhance fellowship and advance the work of the gospel across the Anglican Communion,
- (d) gives thanks for the prayers and financial contributions of parishes, clergy and people providing bursaries for delegates to the conference who would not otherwise have been able to attend,
- (e) commends Sydney delegates to the conference for their generous contribution in numerous and varied ways including as volunteers, presenters, and Networks facilitators,
- (f) congratulates Canon Daniel Willis for his outstanding contribution as Conference Coordinator, and
- (g) thanks the Archbishop of Sydney for his leadership at the conference including serving as Chair of the Statement Committee.’

4. Set out in the Schedule is the *Letter to the Churches from the Gafcon Assembly 2018*.

For and on behalf of the Standing Committee.

DANIEL GLYNN
Diocesan Secretary

30 August 2018





LETTER TO THE CHURCHES

GAFCON ASSEMBLY 2018

You will receive power when the Holy Spirit comes on you; and you will be my witnesses in Jerusalem, and in all Judea and Samaria, and to the ends of the earth. (Acts 1:8)

Greetings from the land of the birth, ministry, death, resurrection and ascension of our glorious Lord Jesus Christ. The third Global Anglican Future Conference (Gafcon) was held in Jerusalem in June 2018, a decade after the inaugural Gafcon in 2008. Gafcon 2018, one of the largest global Anglican gatherings, brought together 1,950 representatives from 50 countries, including 316 bishops, 669 other clergy and 965 laity. A unanimity of spirit was reflected throughout the Conference as we met with God in the presence of friends from afar. We celebrated joyful worship, engaged in small group prayer and were inspired by presentations, networks and seminars.

We met together around the theme of “Proclaiming Christ Faithfully to the Nations”. Each day began with common prayer and Bible exposition from Luke 22-24, followed by plenary sessions on God’s Gospel, God’s Church and God’s World.

PROCLAIMING GOD’S GOSPEL

We renewed our commitment to proclaim the gospel of the triune God in our churches and in all the world. Our Chairman reminded us in his opening address: “God’s gospel is the life-transforming message of salvation from sin and all its consequences through the death and resurrection of the Lord Jesus Christ. It is both a declaration and a summons: announcing what has been done for us in Christ and calling us to repentance, faith and submission to his Lordship.” It involves the restoration and reaffirmation of God’s original creative purposes. It is addressed to men, women and children and it is our only hope in the light of the final judgment and the reality of hell.

This is God’s gospel, the gospel concerning his Son (Romans 1:1–3). The centre of the gospel message is this one person, Jesus Christ, and all that he has done through his perfect life, atoning death, triumphant resurrection and glorious ascension. In our daily expositions, we followed Jesus’ path from the judgments by Pilate and the Jewish leaders, to his death for us on the cross, to his breaking the bonds of death on Easter morning and to his commission to the disciples to proclaim “repentance for the forgiveness of sins in his name to all nations” (Luke 24:47). The uniqueness of Jesus Christ lies at the heart of the gospel: “there is salvation in no one else, for there is no other name under heaven given to mankind by which we must be saved” (Acts 4:12). The gospel confronts us in the midst of our confusion and sin but it does not leave us there. It includes a summons to repentance and a call to believe in the gospel (Mark 1:15), which results in a grace-filled life. The ascended Christ gave his Spirit to empower his disciples to take this gospel to the world.

Yet faithful proclamation of this gospel is under attack from without and within, as it has been from apostolic times (Acts 20:28-30).

External attacks include superstitious practices of sacrifices and libations that deny the sufficiency of Christ’s sacrifice. Some religions deny the unique person and work of Christ on the cross, and others are innately syncretistic. Secularism seeks to exclude God from all public discourse and to dismantle the Christian heritage of many nations. This has been most obvious in the redefinition of what it means to be human, especially in the areas of gender, sexuality and marriage. The devaluing of the human person through the advocacy of abortion and euthanasia is also an assault upon human life uniquely created in the image of God. Militant forms of religion and secularism are hostile to the preaching of Christ and persecute his people.

Internally, the “prosperity gospel” and theological revisionism both seek in different ways to recast God’s gospel to accommodate the surrounding culture, resulting in a seductive syncretism that denies the uniqueness of Christ, the seriousness of sin, the need for repentance and the final authority of the Bible.

Tragically, there has been a failure of leadership in our churches to address these threats to the gospel of God. We repent of our failure to take seriously the words of the apostle Paul:

“Keep watch over yourselves and all the flock of which the Holy Spirit has made you overseers. Be shepherds of the church of God, which he bought with his own blood. I know that after I leave, savage wolves will come in among you and will not spare the flock. Even from your own number, men will arise and distort the truth in order to draw away disciples after them” (Acts 20:28-30).

We dedicate ourselves afresh to proclaiming Christ faithfully to the nations, working together to guard the gospel entrusted to us by our Lord and his apostles.

REFORMING GOD’S CHURCH

The gospel of God creates the church of God. Through the invitation of the gospel, God calls all people into fellowship with his Son, the Lord Jesus Christ. As the word of the gospel goes forth in the power of the Holy Spirit, they respond through the work of the Holy Spirit to repent, believe and be baptised, and are thereby joined to Christ’s body which is his church (Acts 2:37-44; 1 Corinthians 12:12-13). As members of Christ’s body, they are sanctified in him, called to live lives of holiness and to be salt and light in the world.

One Conference speaker reminded us: “In the councils of the church, we should not mimic the ways of the world but gather to pray, to praise (i.e., to be eucharistic), to consult, to decide, and if necessary to discipline. These gatherings should be properly conciliar in nature, decisive in moving the church forward in its mission and common life. There should be the will to exercise loving but firm discipline to bring sinners to repentance and restoration.” Likewise at the Communion level, there are times when the leadership must come together to exercise its responsibility to discipline an erring member province.

For some time, our Communion has been under threat from leaders who deny the Lordship of Christ and the authority of Scripture. In the late 20th Century, human sexuality became the presenting issue.

The 1998 Lambeth Conference by a huge majority (526 to 70) approved Resolution I.10 on Human Sexuality, which affirmed the teaching of Jesus in Matthew 19 that there are only two expressions of faithful sexuality: lifelong marriage between a man and a woman or abstinence. The resolution rightly called for pastoral care for same sex attracted persons. At the same time, it described homosexual practice as “incompatible with Scripture” and rejected both the authorisation of same sex rites by the Church and the ordination of those in same sex unions.

Lambeth Resolution I.10 reflected the rising influence of the Global South in the Communion. The ground for the Resolution had been prepared by the 1997 Kuala Lumpur Statement of the Global South Anglican Network. Our collaboration with the Global South Network has been ongoing, and its leaders took an active part in this Conference.

The subsequent rejection of Lambeth I.10 in word and deed by the Episcopal Church USA and later by some other Anglican provinces led to a “tear [in] the fabric of the Communion at its deepest level”, followed by ten years of futile meetings in which the four Instruments of Communion failed to exercise the necessary discipline. The Primates’ Meeting repeatedly called upon these provinces to repent and return to the faith. Yet their efforts were undermined by other Instruments of Communion, culminating in the failure of the Office of the Archbishop of Canterbury to carry out the clear consensus of the Primates’ Meeting in Dar es Salaam in 2007.

In the Jerusalem Statement and Declaration, the 2008 Global Anglican Future Conference took up the challenge of restoring biblical authority (and the teaching on human sexuality in particular) by affirming the primacy of the Bible as God’s Word written and going back to the other sources of Anglican identity – the Creeds and Councils of the ancient church, the 39 Articles, the 1662 *Book of Common Prayer* and the Ordinal. The Conference also constituted a Primates Council and authorised it to recognise Anglican churches in areas where orthodox Anglicans had been deprived of their church property and deposed from holy orders.

During the past twenty years, the Instruments of Communion have not only failed to uphold godly discipline but their representatives have refused to recognise our concerns and have chosen instead to demean Gafcon as a one-issue pressure group and accuse it of promoting schism, where in fact the schismatics are those who have departed from the teaching of the Bible and the historic doctrine of the Church. Slogans such as “walking together” and “good disagreement” are dangerously deceptive in

seeking to persuade people to accommodate false teaching in the Communion.

We grieve for the situation of our global Communion as it has been hindered from fulfilling its God-appointed task of reaching the world for Christ. We repent of our own failures to stand firm in the faith (1 Corinthians 16:13). But we do not lose hope for the future, and note that there is strong support for the reform of our Communion. Prior to Gafcon 2018, delegates overwhelmingly affirmed the following propositions:

- Lambeth Resolution I.10 reflects the unchangeable teaching of the Bible;
- the Gafcon movement should continue to be faithful to the Jerusalem Declaration;
- the Primates Council should continue to recognise confessing Anglican jurisdictions.

Over the past twenty years, we have seen the hand of God leading us toward a reordering of the Anglican Communion. Gafcon has claimed from the beginning: “We are not leaving the Anglican Communion; we are the majority of the Anglican Communion seeking to remain faithful to our Anglican heritage.” As Archbishop Nicholas Okoh stated in the inaugural Synodical Council: “We are merely doing what the Communion leadership should have done to uphold its own resolution in 1998.”

We give thanks for the godly courage of our Gafcon Primates in contending for the faith once for all delivered to the saints. We applaud their decision to authenticate and recognise the provinces of the Anglican Church in North America and the Anglican Church in Brazil, to recognise the Anglican Mission in England and to consecrate a Missionary Bishop for Europe. This has become necessary because of the departure from the faith by The Episcopal Church, the Anglican Church of Canada, the Episcopal Church of Brazil and the Scottish Episcopal Church. At Gafcon 2018, we heard many testimonies of faithful Anglicans who have been persecuted by those holding office in their respective provinces, merely because they would not surrender to, nor be compromised by, the false gospel that these leaders profess and promote. We also recognise the Gafcon Primates’ willingness to assist faithful Anglicans in New Zealand where the Anglican Church has recently agreed to allow bishops to authorise the blessing of same sex unions.

As the Gafcon movement matures, it has also seen the need for a more conciliar structure of governance. We endorse the formation of Gafcon Branches where necessary and of a Panel of Advisors, comprising bishops, clergy and lay representatives from each Gafcon Province and Branch, to provide counsel and advice to the Primates Council. Together with the Primates, the Panel of Advisors form a Synodical Council to bring recommendations to the Gafcon Assembly. The Synodical Council met for the first time at this Conference.

In light of the recommendations of the Synodical Council, we respectfully urge the Archbishop of Canterbury

- to invite as full members to Lambeth 2020 bishops of the Province of the Anglican Church in North America and the Province of the Anglican Church in Brazil
- and
- not to invite bishops of those Provinces which have endorsed by word or deed sexual practices which are in contradiction to the teaching of Scripture and Resolution I.10 of the 1998 Lambeth Conference, unless they have repented of their actions and reversed their decisions.

In the event that this does not occur, we urge Gafcon members to decline the invitation to attend Lambeth 2020 and all other meetings of the Instruments of Communion.

REACHING OUT TO GOD’S WORLD

Our conference theme has been “Proclaiming Christ Faithfully to the Nations.” We have received the gospel through the faithful witness of previous generations. Yet there are still billions of people who are without Christ and without hope. Jesus taught his disciples: “this gospel of the kingdom will be proclaimed throughout the whole world as a testimony to all nations” (Matthew 24:14).

We repent for the times and seasons when we have only preached to ourselves and not embraced the difficult task of reaching beyond our own cultural groups in obedience to God’s call to be a light to the nations (cf. Acts 13:47). In faith and obedience, we joyfully recommit ourselves to the faithful proclamation of the gospel.

In order to expand our ability to proclaim Christ faithfully to the nations in both word and deed, we launched nine strategic networks.

| | |
|-------------------------------|--|
| Theological Education | To promote effective theological training throughout the Anglican Communion |
| Church Planting | To expand church planting as a global strategy for evangelisation |
| Global Mission Partnerships | To promote strategic cross-cultural mission partnerships in a globalised world |
| Youth and Children's Ministry | To be a catalyst for mission to young people and children of all nations so that they may become faithful disciples of Jesus Christ |
| Mothers' Union | To expand the potential of this global ministry to promote biblical patterns of marriage and family life |
| Sustainable Development | To establish global partnerships which work with the local church to bring sustainable and transformative development |
| Bishops Training Institute | To serve the formation of faithful and effective episcopal leadership throughout the Communion |
| Lawyers Task Force | To address issues of religious freedom and matters of concern to Anglican lawyers and Chancellors and to further the aims of the Jerusalem Declaration |
| Intercessors Fellowship | To inspire and develop globally connected regional and national intercessory prayer networks |

In the world into which we go to proclaim the gospel, we shall encounter much which will need us to walk in paths of righteousness and mercy (Hosea 2:19; Micah 6:8). We commit to encouraging each other to give strength to the persecuted, a voice to the voiceless, advocacy for the oppressed, protection of the vulnerable, especially women and children, generosity to the poor, and continuing the task of providing excellent education and health care. As appropriate, we encourage the formation of other networks to assist in addressing these issues.

OUR GLOBAL ANGLICAN FUTURE

To proclaim the gospel, we must first defend the gospel against threats from without and within. We testify to the extraordinary blessings on this Conference, which leads us to call upon God even more, that the Anglican Communion may become a mighty instrument in the hand of God for the salvation of the world. We invite all faithful Anglicans to join us in this great enterprise of proclaiming Christ faithfully to the nations.

Now to him who is able to do immeasurably more than all we ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus throughout all generations, for ever and ever! Amen.

Ephesians 3:20-21

GLOSSARY

Conciliar – Working as a council of the church.

Gafcon Branches – A Branch may be established by application to the Gafcon Primates Council in a province whose Primate is not a member of the Gafcon Primates Council.

Gafcon Primates – Primates who have endorsed the Jerusalem Declaration and have been admitted to the Gafcon Primates Council.

Gafcon Provinces – Provinces whose House of Bishops or Provincial Synod have endorsed the Jerusalem Declaration and whose Primate is a member of the Gafcon Primates Council.

Instruments of Communion – There are four Instruments: The Office of the Archbishop of Canterbury, the Lambeth Conference, the Primates' Meeting and the Anglican Consultative Council. <http://www.anglicancommunion.org/structures/instruments-of-communion.aspx>

Jerusalem Statement and Declaration – The Statement agreed by the inaugural Gafcon Assembly in 2008. <https://www.gafcon.org/resources/the-complete-jerusalem-statement>

Kuala Lumpur Statement – approved by the Global South Anglican Network in 1997.
http://www.globalsouthanglican.org/index.php/blog/comments/the_kuala_lumpur_statement_on_human_sexuality_2nd_encounter_in_the_south_10

Lambeth Resolution I.10 – approved by the Lambeth Conference in 1998.
<http://www.anglicancommunion.org/resources/document-library/lambeth-conference/1998/section-i-called-to-full-humanity/section-i10-human-sexuality>

Panel of Advisors – consists of one bishop, one clergy and one lay representative from each Gafcon Province and Gafcon Branch, who give counsel and advice to the Gafcon Primates.

Primates' Meeting – A meeting of Primates called by the Archbishop of Canterbury.

Synodical Council – Consists of the Panel of Advisors and the Gafcon Primates Council meeting together to make recommendations to the Gafcon Assembly.

23/17 Gender Identity Initial Principles of Engagement

24/17 Development of a final form of diocesan policy for gender identity issues

(A report from the Gender Identity Subcommittee of SIC.)

Key Points

- The Gender Identity Initial Principles of Engagement have been reviewed in light of feedback and responses received in relation to Synod resolution 24/17.
- The Gender Identity Subcommittee, with the endorsement of the Social Issues Committee, recommend that the Initial Principles of Engagement (section 9.1 of the 'Gender Identity Report' received by Synod in 2017, revised November 2017), with a minor editorial change, be adopted by the Synod.

Purpose

1. The purpose of this report is to recommend the adoption of a final form of the Initial Principles of Engagement by the Synod, in accordance with the request of resolution 24/17.

Recommendations

2. Synod receive this report.
3. Synod, noting Synod resolutions 23/17 and 24/17, adopt the revised form of the Initial Principles of Engagement contained in this report at Appendix 1 as the framework from which the Gender Identity guidelines will be developed.

Background

4. At its session in October 2017, the Synod passed resolution 24/17 in the following terms –
'Synod commends the Gender Identity Report ('the Report') to all Synod members, Anglican schools and other agencies in the Diocese which are called upon to care for people with gender identity issues and asks the governing boards and councils, and the heads and chief executive officers of such schools and agencies, as well as Synod members, to –
 - (a) provide comments and feedback to Standing Committee on the Initial Principles of Engagement approved in principle as a policy of the Synod at its session in 2017 by 30 April 2018, and
 - (b) ensure any policies, guidelines and procedures which they draft to address this issue are consistent with those Initial Principles of Engagement, and
 - (c) consult with the Archbishop about the final form of such policies, guidelines and procedures before they are published, and
 - (d) commit to reviewing such policies, guidelines and procedures in light of any revised form of policy adopted by the Synod following its session in 2017,and requests that the Standing Committee bring to the Synod session in 2018 a revised form of the Initial Principles of Engagement with a view to the revised form being adopted as a policy of the Synod.'
5. In order to respond to the request in the last paragraph of the resolution, the Social Issues Committee (SIC) in consultation with the Archbishop revised the Terms of Reference of its Gender Identity Subcommittee (GISC) and refreshed its membership in 2018 to be constituted of the following members –
 - Bishop Peter Hayward (Chair),
 - Ms Maryanne Davis,
 - Mrs Pat Jackson,
 - Dr Chase Kuhn ,
 - The Rev Barry McGrath,
 - The Rev Dr David Sandifer,
 - Dr Claire Smith,

and appointed the following as advisors to the GISC –

- Mrs Lorrae Sampson, and
- The Rev Joe Wiltshire.

Review of responses

6. The GISC met on 1 August 2018 to review the four responses received over the six months given to reply (there were no late responses), and made the following observations –

- (a) One response was by a member of Synod who was very positive about the Initial Principles of Engagement (Initial Principles), but cautioned that we not give the subject so much attention as to become a contributor to curious experimentation.
- (b) The other three responses were submitted by various bodies corporate representing Anglican organisations. These submissions had substantial praise for the substance of the report, but expressed some concerns regarding the proposed development of pastoral guidelines and their implementation. Among these three responses, there was –
 - (i) a strong preference to write their own guidelines in order to address their particular circumstances,
 - (ii) a general nervousness about the response of non-Christians who are part of the broader Anglican community,
 - (iii) some lack of confidence that God’s good plan is best for all (see 9.1.8(d) of the Report).
- (c) All responses have suggested in-service training for governance and senior executive staff (including heads of school, counsellors, pastors and the like).

7. In its review, the GISC noted in particular that none of the responses took issue with the tenet of “protecting the biologically sexed body that God has given” (9.1.1(g)), as a “psychosomatic unity” (9.1.1(g)). The GISC also noted that as this comes before Synod again, it needs to be looked at in the context of the entire Gender Identity Report (of which this is part, namely 9.1), and in the context of the Diocesan Doctrine Commission’s report ‘A Theology Of Gender And Gender Identity’, which were both received by Synod in 2017 and are currently available to view on the secure Standing Committee section of the SDS website.

8. As a result of these submissions and the review, the GISC was of the view that only a minor editorial change was required. This amendment was proposed in the feedback received, and is as follows –

‘At 9.1.6, omit “Ministry” and insert instead “Church Ministry”’.

This amendment is shown in mark up in Appendix 1.

9. Although by resolution 24/17, the Synod asked the Standing Committee to bring to this session of the Synod a revised form of the Initial Principles of Engagement, with a view to the revised form being adopted as a policy of the Synod, the Committee is of the firm view, based on feedback and developments in this area in the past 12 months, that Synod should instead focus on developing Gender Identity guidelines based on the Doctrine Commission report and Gender Identity report already received by the Synod in 2017.

10. Accordingly, the Standing Committee recommends that the Gender Identity Initial Principles of Engagement, as revised in this report at Appendix 1, be adopted by the Synod as the framework from which the Gender Identity guidelines will be developed.

11. The Standing Committee authorised \$2,000 from Synod Fund Contingencies for the costs of convening meetings with related parties to develop such guidelines that are to be brought to Synod in 2019.

12. The GISC also formed the view that it would be helpful to provide in-services for school boards and staff to encourage them to adopt the guidelines.

For and on behalf of the Gender Identity Subcommittee of the SIC

BISHOP PETER HAYWARD

Chair

30 August 2018

Extract from the Conclusion to Gender Identity Report to Synod 2017 (section 9), marked to show recommended change to 9.1.6.

9 Conclusion

(219) Our churches, schools, and organisations should be places where those dealing with gender identity issues are welcomed, loved, and nurtured with generous care shaped by the love of Christ, and informed by the word of God. All those who have faith in Christ belong to the body of Christ, regardless of their personal trials and afflictions. It is our hope that those dealing first-hand with gender identity issues might find the love and support they need within our fellowship.

(220) This Report is the first step in a Diocesan response to gender identity issues. It seeks to provide the biblical framework and medical background for these issues and outlines the current Australian legal situation. A basis is thus provided from which to address the pastoral care of those experiencing gender non-conformity in an informed way, and to engage with developments in society.

(221) Our commitment to the good of all people also means we should be concerned for the welfare of all those with gender identity issues, not just those within our churches. Equipping Christians and churches to appropriately reach out with the gospel and love of Jesus to those who suffer gender identity issues requires further careful reflection.

(222) The next stage of this work entails the development of detailed policies and a pastoral care practice framework for entities within the Diocese. These entities include schools, community service organisations, and youth ministries. The task of caring for people – church communities, families, children and individuals – also requires sensitive consideration.

(223) In the meantime, the following Initial Principles of Engagement are offered, as an indicative response to the complex pastoral issues involved, taking into consideration the teaching of Scripture, medical and legal considerations, and personal responses from the mixed-methods study undertaken by the committee. These principles reflect the main contours of this report.

9.1 Initial Principles of Engagement

9.1.1 General Principles

- (a) The promise of the gospel is that all who trust in Christ are assured of existential peace and wholeness in the resurrection life of the new creation.
- (b) All those who have faith in Christ are loved by God and belong to the body of Christ, including those whose personal trials and afflictions in this life include gender identity issues or gender incongruence.
- (c) Those who experience gender identity issues or incongruence deserve our compassion, love, and care.
- (d) In the beginning, God made humanity male and female, and, in his creative purposes, biological (bodily) sex determines gender.
- (e) Human nature was damaged and distorted by the Fall but not destroyed. All people continue to be made in the image of God. The experience of incongruence between objective biological sex and subjective gender identity is one consequence of that damage and distortion but in no way diminishes a person's full humanity.
- (f) God has compassion on the weak and vulnerable, and is able to bring healing to the experience of gender incongruence, however in his sovereign wisdom, that healing might not be fully experienced in this life.
- (g) The human person is a psychosomatic unity, where body and soul come into being at the same time and, in this life and the next, exist together. Embodiment is integral to human identity, and biological sex is a fundamental aspect of embodiment. Preserving the integrity of body and soul, and honouring and protecting the biologically-sexed body that God has given are necessary for human flourishing.
- (h) The binary distinctions of male and female are to be embraced and upheld in the lives of Christian men and women respectively, and expressed in culturally appropriate ways that conform to Scripture.

- (i) Churches, schools, and other Anglican organisations are to be places where all people, including those who experience gender identity issues and incongruence, are welcomed, loved and supported and helped to live in obedience to Christ.
- (j) Practical love of those experiencing gender identity issues and incongruence entails:
 - faithfulness to the teaching of the Bible
 - compassion, and active love, care, and support
 - rejection of all bullying, ridicule, mistreatment, and abuse of gender non-conforming people
 - evidence-based pathways for treatment, which are consistent with Scripture
 - ensuring that churches and organisations are adequately informed about gender identity issues and incongruence, and the relevant teaching of the Bible.

9.1.2 Those experiencing gender incongruence

You are made in the image of God and you will find your identity in Christ. Therefore, we encourage you:

- (a) to seek treatment options that aim for the integrity of psycho-somatic unity;
- (b) to seek regular Christian fellowship;
- (c) to share your struggles with some mature Christian people so you can receive Christian compassion and support, as well as accountability and encouragement;
- (d) to know that while gender dysphoria may be a lifelong battle for you, nothing can separate you from the love of God in Christ Jesus, and God will be patient with you, and his grace will sustain you; and
- (e) to fix your eyes on Jesus and look forward to wholeness and relief of suffering in the new creation.

9.1.3 Family and Friends of those experiencing gender incongruence

Family and friends are encouraged:

- (a) to be informed about and embrace the teaching of Scripture on sex and gender;
- (b) to be educated in the various aspects of gender identity and expression (biology, identity, orientation, roles) so you are able to distinguish between sexual orientation (same sex attraction, same sex behaviour) and gender identity (gender dysphoria, transgender) and the different responses each requires;
- (c) to demonstrate gospel grace by loving and caring for the person even if you do not approve or celebrate their behaviour or choices;
- (d) to be honest about your concerns;
- (e) if appropriate, to provide information about alternative treatment approaches to those which promote transitioning;
- (f) not to make your love conditional upon acceptance of your views;
- (g) to be patient and sensitive, and seek to alleviate the person's distress; and
- (h) to be committed in prayer for the person: their physical and psychological wellbeing, and their salvation (if not a Christian).

9.1.4 Christian parents

Christian parents are encouraged:

- (a) to be informed about and embrace the teaching of Scripture on sex and gender
- (b) to be educated in the various aspects of gender identity and expression (biology, identity, orientation, roles) so you are able to differentiate between sexual orientation (same-sex attraction, same-sex behaviour) and gender identity (gender dysphoria, transgender) and the different responses each requires;
- (c) to understand that your own identity is found in Christ and not in any other source, and make opportunities to explain this to your children;
- (d) to seek mature Christian counsel and pastoral care if your child has gender identity issues that cause you concern, and seek to support the child in their biological sex role;

- (e) to demonstrate gospel grace by loving and caring for your child even if you do not approve of or celebrate your child's behaviour or choices; and
- (f) to build support networks and be actively involved in your Christian community.

9.1.5 Counsellors, teachers, doctors (those with secular professional relationships)

Christian professionals are encouraged:

- (a) to be informed about and embrace the teaching of Scripture on sex and gender;
- (b) to be educated in the various aspects of gender identity and expression (biology, identity, orientation, roles) so you are able to differentiate between sexual orientation (same-sex attraction, same-sex behaviour) and gender identity (gender dysphoria, transgender) and the different responses each requires;
- (c) to understand the biblical view of personhood, and identity in Christ, both for yourself and your clients;
- (d) to differentiate between compassion for the person and understanding the distress of their situation/condition and agreeing with and validating a treatment protocol to transition; and
- (e) to build support networks for consultation, possibly including legal contacts.

9.1.6 Ministry Church Ministry Staff

Ministry Church Ministry staff are encouraged:

- (a) to be informed about and embrace the teaching of Scripture on sex and gender;
- (b) to provide public teaching about the Bible's instruction on these matters;
- (c) to have compassion for those who experience gender incongruence, and teach and model such compassion;
- (d) not to make insensitive or uncaring comments or jokes about gender nonconforming people;
- (e) to build a church culture where all people are actively welcomed, knowing that Jesus bids us all 'come as we are', but that he does not leave any of us 'as we are';
- (f) to encourage a church culture of openness that would allow a person to begin a conversation with ministry staff about their gender identity issues;
- (g) to listen carefully to the person, and not doubt, minimise or dismiss their experience;
- (h) to be concerned for the whole person, not just their gender issues;
- (i) to be patient and committed to the person long-term;
- (j) to respect the person and their family's privacy and confidentiality;
- (k) to ensure church facilities provide a public access uni-sex toilet;
- (l) to provide some non-gendered church activities, e.g., mixed Bible study groups ;
- (m) do not have rigid, unbiblical gender stereotypes, especially for children;
- (n) to encourage others to reach out with friendship and support, especially in children's and youth ministries.
- (o) to ensure that gender non-conforming children and youth are not bullied, teased, excluded, or abused; and
- (p) to consider the pastoral care needs of those close to the gender nonconforming person, especially family.

9.1.7 Congregations

Congregations are encouraged:

- (a) to be informed about and embrace the teaching of Scripture on sex and gender;
- (b) to show love, compassion, hospitality, and welcome to gender nonconforming people;
- (c) to be concerned for the whole person not just their gender issues;
- (d) to offer companionship to the person and their family;
- (e) to be patient and committed to the person and their family for the long-term;
- (f) to respect the person and their family's privacy and confidentiality;
- (g) not to stare, exclude or isolate gender nonconforming people;

- (h) not to bully, tease, exclude, mistreat, or abuse gender nonconforming people;
- (i) not to make the person into a celebrity or spectacle for their gender incongruence;
- (j) not to make jokes about gender nonconforming people;
- (k) to be aware that taking or displaying photos or images of a person with gender incongruence might cause them distress;
- (l) to avoid rigid and unbiblical gender stereotypes; and
- (m) to uphold the goodness of God's design of male and female, and provide healthy role models of living faithfully as Christian men and women.

9.1.8 Public engagement

Those participating in public engagement are encouraged:

- (a) to be informed about and embrace the teaching of Scripture on sex and gender;
- (b) to seek the common good of all people, through concern and involvement in public debate and policy formation;
- (c) to show grace, by being loving, gentle, courteous, wholesome, and humble, this may include recognising the good in our interlocutor's arguments;
- (d) to affirm what is true. God's truth is good, and applies to all people, whether or not they accept or recognise its wisdom. Cultural awareness and effective communication may shape how we express our viewpoint, but it cannot alter our adherence to biblical truth;
- (e) to show love, as public engagement is an expression of love for neighbour, and withdrawal from it may signify a failure to love;
- (f) to be informed about the different dimensions of the public debate, as there are those who promote transgender ideology, and those who suffer from gender incongruence, who are vulnerable members of our community, yet the needs and claims of the two groups are different, and must be considered in any public engagement on these matters;
- (g) to ensure that your presuppositions and expectations of the role of the state are informed by and consistent with the Scriptures; and
- (h) to be courageous, knowing that God is sovereign over all.

General Synod 2017 Legislation

(A report of the Standing Committee.)

Key Points

- It is recommended that this Synod –
 - (a) assent to the *Constitution (Appellate Tribunal) Amendment Canon 2017*,
 - (b) adopt the *Special Tribunal (Limitation Period) Canon 2017*,
 - (c) not adopt the *Canon Concerning Confessions (Revision) Canon 2017*,
 - (d) not adopt the *Canon Concerning Confessions (Vulnerable Persons) Canon 2017*.
- The *General Synod – Safe Ministry to Children Canon 2017 Adopting Ordinance 2017* has not yet commenced. A separate report will be provided regarding this matter.

Purpose

1. The purpose of this report is to outline the Standing Committee's recommendations with respect to legislation passed by the General Synod in 2017.

Recommendations

2. Synod receive this report.
3. Synod –
 - (a) assent to the *Constitution (Appellate Tribunal) Amendment Canon 2017*,
 - (b) adopt the *Special Tribunal (Limitation Period) Canon 2017*,
 - (c) not adopt the *Canon Concerning Confessions (Revision) Canon 2017*,
 - (d) not adopt the *Canon Concerning Confessions (Vulnerable Persons) Canon 2017*.

Background

4. Under the constitution (Constitution) of the Anglican Church of Australia (set out in the Schedule to the Anglican Church of Australia Constitution Act 1961 – see www.sds.asn.au), the General Synod has power to make canons for the order and good government of the church. The General Synod also has power, by canon, to amend the Constitution.

5. Not all canons come into effect when they are passed. For example, where a canon affects the order and good government of the Church in a diocese, the canon does not come into effect in that diocese unless the diocese *adopts* the canon by ordinance. Further, a canon to amend the Constitution only comes into effect if the requisite number of diocesan synods report their *assent* to the canon. In the case of certain provisions of the Constitution the canon only comes into effect if it receives *assent* from all dioceses.

6. Where a proposed canon affects the ritual, ceremonial or discipline of the Church the usual procedure is that the canon is only passed provisionally. It then becomes known as a provisional canon. Under the Constitution, a provisional canon is referred to each diocese for *assent* or *dissent*. If all dioceses *assent* to the provisional canon then it becomes a canon. If a diocese *dissents*, the provisional canon must be reconsidered at a future session of General Synod.

- If at that future session the provisional canon is passed by a two-thirds majority of the members of each house of General Synod, it becomes a canon.
- If passed, but not by a two-thirds majority, it is again referred to diocesan synods for assent or dissent.

7. In any event if the provisional canon becomes a canon, the canon does not have effect in a diocese until the diocese by ordinance *adopts* that canon.

17th General Synod

8. The 17th General Synod was held in Maroochydore from 3-8 September 2017.
9. The 17th General Synod consisted of 259 members of whom 71 were from the Diocese of Sydney. Resolutions, canons and rules were passed at the session, and elections also took place for General Synod boards and committees. A report outlining these matters was provided to the Synod at its session in October 2017.

Canons passed by the General Synod in 2017

10. In 2017 the General Synod passed the following canons –
- Canon 01/17 - Appellate Tribunal Amendment (Qualification) Canon 2017**
 - Canon 02/17 - Constitution (Appellate Tribunal) Amendment Canon 2017*
 - Canon 03/17 - Appellate Tribunal Amendment (Reserve List) Canon 2017**
 - Canon 04/17 - Safe Ministry to Children Canon 2017***
 - Canon 05/17 - Episcopal Standards (Child Protection Canon) 2017***
 - Canon 06/17 - Constitution (Jurisdiction of Special Tribunal) Amendment Canon 2017***
 - Canon 07/17 - Offences Amendment Canon 2017***
 - Canon 08/17 - Redress for Survivors of Abuse Canon 2017**
 - Canon 09/17 - Disclosure of Information Canon 2017**
 - Canon 10/17 - National Register Amendment Canon 2017**
 - Canon 11/17 - Special Tribunal Amendment Canon 2017**
 - Canon 12/17 - Special Tribunal (Limitation Period) Canon 2017*
 - Canon 13/17 - Long Service Leave (Revision of Entitlement) Canon 2017**
 - Canon 14/17 - Long Service Leave (Notification of Participating Organisation) Canon 2017**
 - Canon 15/17 - Canon to Ratify the Amended New South Wales Provincial Synod Constitution**
 - Canon 16/17 - Canon Concerning Confessions (Revision) Canon 2017*
 - Canon 17/17 - Canon Concerning Confessions (Vulnerable Persons) Canon 2017*
 - Canon 18/17 - Holy Orders (Removal from Exercise of Ministry) Canon 2017***
 - Canon 19/17 - Canon Concerning Services Amendment Canon 2017***
 - Canon 20/17 - NATSIAC Amendment Canon 2017**
 - Canon 21/17 - Strategic Issues, Commissions, Task Forces and Networks Amendment Canon 2017**
 - Canon 22/17 - Missionary Dioceses (Amendment Canon) 2017**

Canons in force

11. Several of the canons passed by the General Synod in 2017 have taken effect because they do not affect the order and good government or the church trust property of the Church in a diocese. These canons are marked with a single asterisk in the above list.

Canons adopted or assented to by our Synod in 2017

12. At its session in October 2017, the (Sydney) Synod adopted, or assented to, the following canons (also marked with a double asterisk in the above list) –
- Canon 04/17 - Safe Ministry to Children Canon 2017*
 - Canon 05/17 - Episcopal Standards (Child Protection Canon) 2017*
 - Canon 06/17 - Constitution (Jurisdiction of Special Tribunal) Amendment Canon 2017*
 - Canon 07/17 - Offences Amendment Canon 2017*
 - Canon 18/17 - Holy Orders (Removal from Exercise of Ministry) Canon 2017*
 - Canon 19/17 - Canon Concerning Services Amendment Canon 2017*

Canons recommended to be adopted or assented to by our Synod in 2018

13. Of the remaining Canons passed by General Synod in 2017, the General Synod Relations Committee (the Committee) has recommended that the Synod assent to the *Constitution (Appellate Tribunal) Amendment Canon 2017* and adopt the *Special Tribunal (Limitation Period) Canon 2017*.

Canon 02/17 – Constitution (Appellate Tribunal) Amendment Canon 2017

14. Any canon which amends the Constitution does not come into effect until at least three-quarters of the diocesan synods (including all the metropolitan sees) have assented to the canon by ordinance (with all such assents to be in force at the same time).

15. The *Constitution (Appellate Tribunal) Amendment Canon 2017* provides a head of power in the Constitution to allow the General Synod to deal with part-heard matters. The amendment canon also removes the mechanism where members of the tribunal select replacements for members unable to sit on the tribunal, by providing for a reserve list membership.

Canon 12/17 – Special Tribunal (Limitation Period) Canon 2017

16. The *Special Tribunal (Limitation Period) Canon 2017* amends the *Special Tribunal Canon 2007* by deleting paragraph 4 of the First Schedule. This has the effect that the only offences subject to the limitation period of 12 months will be those that are set out in paragraphs 1, 2 and 3 of the First Schedule (breach of faith, ritual or ceremonial; drunkenness; wilful failure to pay just debts). Other offences will be exempt from that limitation period.

Canons not recommended for adoption by our Synod

17. The *Canon Concerning Confessions (Revision) Canon 2017* and the *Canon Concerning Confessions (Vulnerable Persons) Canon 2017* relate to issues regarding confidentiality and the circumstances in which confessions must be disclosed. The principal canon (the *Canon Concerning Confessions 1989*) which these canons amend, is not in force in the Diocese of Sydney. The Committee therefore recommends that the Synod not adopt these Canons.

Safe Ministry to Children Canon 2017

18. At its session in 2017, the (Sydney) Synod passed the *General Synod – Safe Ministry to Children Canon 2017 Adopting Ordinance 2017*, which has not yet commenced. Clause 3 of that ordinance (regarding commencement) provides –

‘Except for this clause, this Ordinance commences on a date determined by resolution of the Standing Committee or on a date to be determined at the next ordinary session of this Synod, if the Standing Committee has not resolved that the Ordinance should commence by that date.’

19. The Standing Committee has not yet determined by resolution a date for this ordinance to commence. A separate report about this matter is provided to the Synod.

For and on behalf of the Standing Committee.

DANIEL GLYNN
Diocesan Secretary

28 August 2018

Let's rediscover corporate worship and prayer

(A report from a member of the Synod.)

Summary

In Sydney we minister to a society where many thousands have deep spiritual yearnings that remain unfulfilled. Yet few are listening to our good news of God's redeeming love through Our Lord Jesus Christ. Why? While there must be many reasons, there's plenty of evidence that points to the content and quality of what we do in church on Sundays. In our typical gatherings/meetings/services the focus is now on an expository sermon, all else is peripheral. But modern seekers after faith want an experience of God rather than a set of doctrines to believe in. We want these seekers to be attracted to our churches and come back week-by-week to actually hear and experience our sound biblical preaching. So let's honour God and nourish souls by putting more emphasis on corporate prayer and worship – something that Anglicans have done so well in the past.

1. It's an unfortunate fact that in Sydney no more than about 1% of the population still regularly attends Anglican churches. And between the 2011 and 2016 censuses, the percentage of people in Sydney declaring themselves to be Anglican dropped from 16.1 to 12.0 – below the national average of 13.3%. With numbers like these, how can we expect to be taken seriously in the public square? How can we even continue to be taken seriously among Anglican evangelicals on the world scene?
2. We pride ourselves on our evangelical credentials, on our biblical theology and the power of our preaching, but is anyone listening? The data speak for themselves (Table 1). The five years from 2011 to 2016 show a decline in church attendance to scarcely more than 1% of the population. Even the Church of England still does better than this.¹ (see Table 2)
3. Yet as a diocese we've made every effort to bring the Gospel of Our Lord Jesus Christ to the people of Sydney. We've seen the Diocesan Mission of 2002 which had the laudable aim of getting 10% of the population into "Bible-based churches" within the next decade. Then Connect09 – and now we're in the midst of Mission 2020.
4. Moreover, we serve Christ in a city that appears to be more "religious" than any other capital city in Australia.² And we serve Christ in a nation where social researcher Hugh MacKay tells us that 60% of the population have deep spiritual yearnings that remain unsatisfied.³ This is in stark contrast to the Church of England which ministers to a much more godless society but achieves a regular 2% attendance at its churches (see Table 2).

Table 1. Aggregate attendance at Sydney Anglican churches between 2011 and 2016

| Year | Aggregate church attendance ^a | Population of Greater Sydney (millions) ^b | Aggregate church attendance as a percentage of population |
|------|--|--|---|
| 2011 | 53,162 | 4.39 | 1.21 |
| 2012 | 52,947 | 4.68 | 1.13 |
| 2013 | 53,297 | 4.76 | 1.12 |
| 2014 | 54,468 | 4.84 | 1.13 |
| 2015 | 55,025 | 4.92 | 1.12 |
| 2016 | 51,553 ^c | 5.03 | <1.13 ^d |

^a From the Archbishop's reply to a question asked by Mr Ken West at the 2017 session of Synod (11 October).

^b Australian Bureau of Statistics. (But note that the ABS's definition of Greater Sydney does not coincide exactly with the boundaries of the Anglican Diocese of Sydney.)

^c Provisional figure – some parishes had not provided their attendance statistics. At the time of writing (May 2018) the Diocesan Secretariat was unable to supply final data.

^d Upper limit assuming that no more than 10% of parishes had failed to provide attendance statistics.

¹ See, for example, Church of England weekly attendance falls below 1m for the first time, *The Guardian*, Wednesday 13 January 2016.

² Census 2016: Sydney's bible belt is losing faith, *Sydney Morning Herald*, October 6 2017, <http://www.smh.com.au/nsw/census-2016-sydneys-bible-belt-is-losing-the-faith-20171004-gyuecs.html>.

³ Hugh Mackay, *Beyond Belief*, Macmillan, 2016.

Table 2. Comparison of Anglican affiliation and regular church attendance in Sydney and England

| | Population identifying as "no religion" (%) | Population identifying as "Anglican" (%) | Population regularly attending Anglican churches (%) |
|----------------------------|---|--|--|
| Anglican Diocese of Sydney | 25 ^a | 15 ^a | 1.0 |
| Church of England | 53 ^b | 15 ^b | 2.0 ^c |

^a Australian Bureau of Statistics, 2016 census.

^b British Social Attitudes Survey, 2016.

^c Church of England, Statistics for Mission, 2016.

5. We are clearly failing in our key mission. Why?

6. No doubt there are many reasons, but there's plenty of evidence that points to one in particular – the content and quality of what we do in church on Sundays. The prevailing Sydney view is that church on Sunday is a "gathering" rather than a time for worship. We are there primarily to hear an expository sermon and all else is peripheral.⁴ And with a few notable exceptions this has now become the standard practice throughout the diocese – from Brooklyn to Lithgow to Ulladulla.

7. But our gatherings/meetings/services are our "shop window" – they're what a newcomer to one of our churches immediately experiences. And we certainly have a distinctive style, radically different from other Anglican churches in Australia and the wider Anglican Communion. For example, the Wikipedia entry on the Sydney Anglican Diocese says about us (among other things):

The term "meeting" is sometimes used interchangeably with "service". Many meetings at Evangelical churches in the diocese do not use a prayer book or a liturgical form of service. A screen and projector may be used in place of books. In many parishes fermented communion wine has been replaced with grape juice.⁵

8. Anecdotally I know that even deeply committed Anglicans are unhappy with these changes. A friend told me how he and his wife were reluctantly leaving the church where they'd worshiped and served the Lord faithfully for more than twenty years.

We don't have services any more, only meetings – and I go to enough of them during the week. What's more, meetings with no agenda. No prayer book; only one Bible reading and a few perfunctory prayers – Holy Communion only once in a blue moon.

9. Another friend told me recently (in a despairing tone of voice) that at her church the new rector had taken out the communion table, and when they had Communion something like a card table appeared.

10. And data presented to the 2017 session of Synod reveal an ongoing malaise in our churches. Speaking on behalf of the Strategic Research Group, Bishop Peter Lin compared data from National Church Life Surveys in 2011 and 2016. Metrics included desire to share the gospel and invite newcomers to church, prayerfulness and utilisation of gifts. Against most criteria, the overall numbers were largely static or featured slight decreases since 2011. Some of these decreases included reported time in prayer and Bible reading, inviting friends to church and retention of children of church members.⁶

11. Unfortunately, none of this is real news – but we seem to be in denial.

12. In 2011 (reporting in the *Briefing* on statistical research by Tim Sims), Tony Payne wrote⁷

... we must face up to our failure to find new adult converts/attenders. ... As a whole Sydney Anglicans are not reaching the non-Christian adult population of our city.

Our 'conversion rate' is very low—that is, the rate at which newcomers or visitors find compelling reasons to stay at our churches and become regular attenders.

⁴ See, for example the Sydney Diocesan Doctrine Commission report on 'A theology of Christian Assembly' (2008). This report makes no reference to worship at all, and makes only passing reference to prayer. It seems that public worship and prayer are no longer the church's concern!

⁵ For similar comments, see Marcia Cameron, *Phenomenal Sydney*, pp 199-200.

⁶ Ever optimistic, Bishop Peter Lin also pointed to an *increase* of 3 per cent in church membership by people from non-English speaking countries. But even this increase is illusionary in terms of population growth. The Australian Bureau of Statistics reported much the same increase in the overall percentage of people in Greater Sydney speaking a language other than English at home – from 32.4% to 35.8%.

⁷ Tony Payne, Why aren't we growing, *Briefing*, August 2011, <http://matthiasmedia.com/briefing/2011/08/why-arent-we-growing/>

13. The hard reality is that we're driving people away from our churches in droves. For every 100 people in our churches we gain 5.8 each year from people switching into our churches from other cities or denominations. But we lose more through people transferring out or drifting away from church (a total of 6.0 people on average).⁸ Though our typical Sydney "meetings" clearly have appeal for some people, we're ignoring the spiritual needs of many more.⁹ And we're compounding the problem with our one-size-fits-all approach.

14. When we call what we in the Sydney Diocese do on Sundays a "gathering" or a "meeting" we reflect a shift in our whole approach to public worship. Obviously it's not the intention to drive people out of our churches. But if our currently typical style of services/meetings is designed to attract 21st century Sydneysiders into our churches, as scientist I'd have to say that the experimental data don't support the theory – meaning that it's time to have a serious rethink.¹⁰ And as a Christian I'd have to question whether God might be somewhat displeased with us – suggesting that it's time to repent.

15. It's instructive to look at the two styles of worship that are seeing significant growth – Pentecostalism¹¹ (such as Hillsong) and formal cathedral worship^{12,13}. Both forms of worship contrast with the prevailing Sydney pattern by being more experiential than cerebral.

16. Hugh Mackay's research found that one of the most effective ways of discouraging people from attending church is to insist that they meet certain rigid requirements for 'becoming a Christian'.¹⁴ Pentecostalism resonates with this trend for modern seekers after faith to want an experience of God rather than a set of doctrines to believe in.¹⁵ And cathedrals seem to especially appeal to those who are sceptical about institutional religion but have a longing for the spiritual.¹⁶ As English historian (and Anglican minister) Jane Shaw puts it

First of all, the beauty of a cathedral draws people in; the strong emphasis on worship and music reiterates that sense of the aesthetic, reflecting the glory of God, prompting people to reach beyond themselves to the transcendent. This is one reason the arts are so important in cathedrals. Secondly, cathedrals allow anonymity. ... People can "test" out religion without someone grabbing them and putting them on the coffee rota the minute they enter the door. They are places for resting in the beauty, for exploring the transcendent at one's own pace.¹⁷

17. This may seem a long way from our Sydney emphasis on the Word. But we do have to persuade spiritual seekers to actually come into our churches – and to come back, Sunday after Sunday – if they are going to truly hear the Word and respond to Christ's redeeming love. And even committed churchgoers need to be spiritually nurtured and fed as part of a worshipping community.¹⁸

18. God has set us the task of ministering to a society where there is still a significant residue of people who hanker after the consolations of religion, the confidence enjoyed by believers and the peace of mind they associate with women and men of faith.¹⁹ A society where, according to Hugh Mackay,

... our response to the age of anxiety is likely to see a growing number of people being prepared to take another look at Christianity, or 'spirituality' more broadly, in an attempt to find some deeper, richer, more nuanced approach to life than social-media chatter or the slogans of a glib fundamentalism can provide.²⁰

⁸ Tony Payne, Why aren't we growing, *Briefing*, August 2011.

⁹ It's also an unfortunate fact that not one of the people whom I have painstakingly invited to church has ever wanted to come back.

¹⁰ The hard but just rule is that if the ideas don't work, you must throw them away: Carl Sagan.

¹¹ Christianity on wane in Australia but Pentecostal church bucks trend, *The Guardian*, 27 June, 2017, <https://www.theguardian.com/australia-news/2017/jun/27/christianity-on-the-wane-in-australia-but-pentecostal-church-bucks-trend>.

¹² See, for example, Deans discuss cathedral ministry among children, advocate adoption of national child safe standards, St Paul's Cathedral Melbourne, August 17, 2017, <https://cathedral.org.au/2017/08/07/deans-discuss-cathedral-ministry-among-children-advocate-adoption-of-national-child-safe-standards/>

¹³ Bingham, J., *Daily Telegraph* (UK), 3 April 2012.

¹⁴ Hugh Mackay, *Beyond Belief*, page 75.

¹⁵ Hugh Mackay, *Beyond Belief*, page 162.

¹⁶ Jane Shaw, The potential of cathedrals, *Anglican Theological Review*, 95, 137 (2013).

¹⁷ Jane Shaw, The potential of cathedrals, *Anglican Theological Review*, 95, 137 (2013).

¹⁸ What people are looking for in their local church, <https://www.eternitynews.com.au/australia/what-are-people-looking-for-in-their-local-church/>

¹⁹ Hugh Mackay, *Beyond Belief*, page 124.

²⁰ Hugh Mackay, *Beyond Belief*, page 48.

19. We should be reaching out to these people. Are we failing in our mission through a misplaced obsession with doctrinal purity?²¹ Worse, are we offending God through our neglect of corporate prayer and worship?

20. The Book of Common Prayer is perfectly clear about what we *should* be doing in church on Sundays. For example, in the preamble to the General Confession we read

And although we ought at all times humbly to acknowledge our sins before God; yet ought we most chiefly so to do, when we assemble and meet together

- *to render thanks for the great benefits that we have received at his hands,*
- *to set forth his most worthy praise*
- *to hear his most holy Word,*
- *and to ask those things which are requisite and necessary, as well for the body as the soul.*

21. Yes we must indeed “hear his most holy Word” – which necessarily includes a sermon²² – but in a context of prayer and worship. Doctrinal purity is a wonderful and godly discipline. But should it be at the expense of evangelism and the spiritual nurture of our members? After all, there’s nothing in the Scriptures to suggest that our mental capacities are any less fallen than the other aspects of our humanity. Neither do the Scriptures suggest that the solution to our fallen state is to restrict ourselves to a particular sort of propositional rationality.²³

22. The apostle Paul taught us not to conform to the pattern of this world,²⁴ but he also wrote about becoming all things to all men²⁵

To the Jews I became like a Jew, to win the Jews. To those under the law I became like one under the law (though I myself am not under the law), so as to win those under the law. To those not having the law I became like one not having the law (though I am not free from God’s law but am under Christ’s law), so as to win those not having the law. To the weak I became weak, to win the weak. I have become all things to all people so that by all possible means I might save some. I do all this for the sake of the gospel, that I may share in its blessings.

23. Our Anglican forebears who cherished the Prayer Book knew a thing or two about prayer and worship – and human needs in relating to God through our Lord Jesus Christ. Are we really now so much wiser and better informed?

24. Bishop Paul Barnett has commented:

I am concerned about what I will call the postmodern direction of church life in which the unifying realities of Prayer Book, Articles and Ordinal are at a discount. ... Clergy sign up to certain commitments that place them within certain boundaries. I’m not advocating, of course, a return to 1662 or some other Seventeenth Century prayer book expression. That would be ridiculous in my opinion. But those liturgies have effectively been revised and modernised over the years. Not perfectly, but adequately. I think they do represent our boundaries that we ought to proudly own and seek to understand better. Seek to teach people their value. So that we have in terms of the Cranmer vision gatherings of Christians where the Bible is central in terms of reading Old and New Testaments, Psalms, where the creeds are fundamental, where the collects are used. Prudent use of the church calendar is employed to continue to shape the direction of Christian life. It’s a great shame I think where it may all depend on the preaching and on the “music”.

I think in effect what we have is just series of undifferentiated Protestant community churches – they might be Baptist or Church of Christ or whatever, so far as we can see. ... I think we ought to rethink this whole thing very carefully. Church leaders ought to ensure it happens.²⁶

²¹ See, for example, Paul Oslington, The new normal? Pentecostalism overtakes evangelicalism in Sydney, ABC Religion and Ethics, 26 August 2016, <http://www.abc.net.au/religion/articles/2016/08/26/4527401.htm>.

²² As Paul Oslington has commented, “Poor preaching often afflicts both Sydney Anglican and Pentecostal churches, but the Sydney Anglican attender sitting through a lengthy, scripturally dubious and pastorally barren sermon is more to be pitied than the Pentecostal attender for whom there are other possibilities in the meeting for engaging with God.”

²³ Paul Oslington, The new normal? Pentecostalism overtakes evangelicalism in Sydney, ABC Religion and Ethics, 26 August 2016, <http://www.abc.net.au/religion/articles/2016/08/26/4527401.htm>.

²⁴ Romans 12:2.

²⁵ 1 Corinthians 9:22.

²⁶ Bishop Paul Barnett quoted in Marcia Cameron, Phenomenal Sydney, p. 230.

25. He's right of course. We've cast aside our glorious Anglican heritage to become a series of undifferentiated Protestant community churches. Unfortunately the nondenominational community churches "do church" better than us – they're growing while we are shrinking.²⁷ Pentecostal church meetings are designed for the congregation to "do business with God." By contrast Sydney Anglican meetings are designed to transfer knowledge about God, which we are supposed to act upon later, perhaps in our daily quiet times. There seems little sense of immediacy or direct encounter with God in many of our Sydney Anglican church meetings. We engage our minds but not our emotions. In fact I sometimes find myself sitting in church wondering if Jesus actually bothers to attend our meetings.

26. I suggest it's time to repent and rediscover the inestimable value of corporate prayer and worship. Let's truly honour God by setting forth his most worthy praise, rendering thanks for the great benefits that we have received at his hands asking those things which are requisite and necessary, as well for the body as the soul.²⁸ And by honouring God we ourselves of course derive spiritual nourishment. Jesus said

*This is the bread that comes down from heaven, so that one may eat of it and not die. I am the living bread that came down from heaven. If anyone eats of this bread, he will live forever. And the bread that I will give for the life of the world is my flesh.*²⁹

27. And in honouring God we might make our churches more attractive to 21st century spiritual seekers. Churchgoing, like most forms of human behaviour, isn't something people usually do for one reason: it is an expression of different needs – spiritual, aesthetic emotional, social. We are all different, with different needs. So it's just as well that, as Article 34 reminds us, 'It is not necessary that Traditions and Ceremonies be in all places one, and utterly like ...' As Bishop Paul Barnett said, "Church leaders ought to ensure it happens."

DAVID OAKENFULL

Synod representative, Asquith/Mt Colah/Mt Kuring-Gai

23 July 2018

²⁷ Paul Oslington, The new normal? Pentecostalism overtakes evangelicalism in Sydney, ABC Religion and Ethics, 26 August 2016, <http://www.abc.net.au/religion/articles/2016/08/26/4527401.htm>.

²⁸ It might also be salutary to look at Article 34 which says, among other things, 'Whosoever through his private judgement, willingly and purposely, doth openly break the traditions and ceremonies of the Church, which be not repugnant to the Word of God, and be ordained and approved by common authority, ought to be rebuked ...'

²⁹ John 6:50.

Ordinances passed by the Standing Committee

(A report from the Standing Committee.)

Bomaderry Trust Ordinance No 41, 2017
Sickness and Accident Fund Ordinance 1969 Amendment Ordinance No 42, 2017
Carlingford and North Rocks Trust Ordinance No 43, 2017
Carlingford and North Rocks Mortgaging Ordinance No 44, 2017
Manly Trust Ordinance No 45, 2017
Manly Corso Property Ordinance 2013 Amendment Ordinance No 46, 2017
Moore College (But-Har-Gra) Variation of Trusts Ordinance No 47, 2017
Parramatta Land Sale Ordinance No 48, 2017
Sydney Diocesan Superannuation Fund Ordinance 1961 Amendment Ordinance No 49, 2017
The Oaks Land Sale Ordinance No 50, 2017
Watsons Bay (Wentworth Memorial Church Sale Proceeds) Ordinance No 51, 2017
Paddington Trust Ordinance No 1, 2018
Parramatta North with Harris Park Trust Ordinance No 2, 2018
Parramatta North with Harris Park Boundary Adjustment and Variation of Trust Ordinance No 3, 2018
St James Sydney Phillip Street Mortgaging Ordinance No 4, 2018
Anglican Church Diocese of Sydney Christian Education Building Fund Ordinance No 5, 2018
Anglican Schools Ministry Ordinance 2016 Amendment Ordinance No 6, 2018
Professional Standards Unit (Funding) Ordinance No 7, 2018
St Andrew's House Trust Ord 2015 Amendment and Variation of Trusts Ord No 8, 2018
Moss Vale Land Sale Ordinance No 9, 2018
East Lindfield Trust Ordinance No 10, 2018
Merrylands Trust Ordinance 2016 Amendment Ordinance No 11, 2018
St Andrew's House Ordinance 1975 Amendment Ordinance No 12, 2018
The Barker College Ordinance 1978 Amendment Ordinance No 13, 2018
Cobbitty Trust Ordinance 2013 Amendment Ordinance No 14, 2018
St James' Sydney Phillip Street Mortgaging Ordinance (No. 2) No 15, 2018
Synod Fund Application Ordinance No 16, 2018
Riverstone (Sale Proceeds) Application Ordinance No 17, 2018
Moore Theological College Ordinance 2009 Amendment Ordinance No 18, 2018
St James' Sydney Phillip Street Property Ordinance 1962 Amendment Ordinance No 19, 2018
Sydney Anglican (National Redress Scheme) Corporation Ordinance No 20, 2018
Mission Property (Rouse Hill) Variation of Trusts Ordinance No 21, 2018
Christ Church Northern Beaches Trust Ordinance No 22, 2018

For and on behalf of the Standing Committee.

DANIEL GYNN
Diocesan Secretary

30 August 2018

Safe Ministry Board and Professional Standards Unit Annual Report 2017-2018

(A report from the Safe Ministry Board and Professional Standards Unit.)

Introduction

1. This report is provided under the *Safe Ministry Ordinance 2001 (cl 17)*, the *Discipline Ordinance 2006 (cl 114)* and *Ministry Standards Ordinance 2017 (cl 86)* for the period 1 July 2017 to 30 June 2018 (reporting period).
2. The Diocese of Sydney has taken a multi-faceted approach to the issue of safe ministry and child protection. Broadly speaking the policy objectives are –
 - (a) to exercise careful selection and screening of all clergy and church workers;
 - (b) to provide clear requirements and expectations of behaviour through the Diocesan Code of Conduct, *Faithfulness in Service*;
 - (c) to provide regular and comprehensive training and support for all clergy and church workers;
 - (d) to make a timely and caring response to all who are affected by abuse; and
 - (e) to enact just procedures to deal with respondents and persons of risk.

Safe Ministry Board

3. The Safe Ministry Board (SMB) was established under the *Safe Ministry Ordinance 2001*. The SMB is tasked with ensuring that safe ministry, child protection and child abuse issues are properly dealt with throughout the Diocese. This includes the development and review of policies in these areas. The functions of the Board are defined in clauses 5 and 6 of the Ordinance.
4. The members of the SMB over the reporting period were: the Rev Dr Keith Condie (Chair), Mrs Juliet Buckley (resigned June 2018), Dr Tim Channon, Ms Stephanie Cole, the Rev Steve Dinning, the Rev Steven Layson, the Rev David Mears (resigned December 2017), the Rev Gary O'Brien, the Rev Paul Sampson, the Rev Janine Steele, Dr Ruth Shatford AM, Mr Alex Trevena and Mrs Jenny Yung.
5. The SMB met 7 times in the reporting period.

Professional Standards Unit (PSU)

6. There have been some changes to the PSU team over the reporting period.
7. Mr Steve Coleman joined the team on 19 February 2018 as Assistant Director of Professional Standards, bringing much experience to the role after practising as a barrister for many years.
8. The Rev Catherine Wynn Jones continues to serve as PSU Chaplain (Manager, Pastoral Support and Education), Mrs Kylie Williams as Training Consultant for Safe Ministry, the Rev Neil Atwood as Parish Consultant for Safe Ministry, Mrs Brenda Sheppard as Administrative and Safe Ministry support, Mrs Annelie Singh as Personal Assistant and the Unit's Administrator and Mr Lachlan Bryant as Director.
9. In practice much of the work of the PSU derives from the Safe Ministry Board, which has the overall responsibility to encourage all parishes and other units of the Diocese to be safe ministry and child protection aware, compliant and responsive.
10. The Director has overall responsibility for the PSU and is responsible for the day-to-day administration of the complaints and procedures regarding clergy and church workers (*Ministry Standards Ordinance 2017*) and the National Register (*General Synod National Register Canon 2007 Adopting Ordinance 2008*).
11. When the PSU receives a complaint alleging abuse by a member of the clergy or church worker, the Chaplain follows this up and provides a caring response to complainants and victims of abuse. The Chaplain provides pastoral support and coordinates the provision of counselling in each case. The Chaplain works closely with the PSU Contact Persons.
12. The PSU undertakes screening of all clergy appointments on behalf of the Archbishop. The screening includes a Working With Children Check through the Office of the Children's Guardian (**OCG**) and a National Register check. The PSU provides ongoing support and advice to office holders, parishes and organisations in this regard.
13. Anglicare's Case Manager for Pastoral Care and Assistance for Care Leavers provides a pastoral and caring response to former residents of the Church of England Homes and Sydney Anglican Home Mission Society Homes, who have complained of abuse or mistreatment during their time at these Homes.

The Case Manager, Ms Angela Ferguson, currently works from Anglicare's Telopea office, under the management of the Rev. Dr Andrew Ford, General Manager Mission and Partnerships.

The Royal Commission into Institutional Responses to Child Sexual Abuse (Royal Commission)

14. The Royal Commission was announced by the Commonwealth Government in December 2012. Its terms of reference required the examination of institutional responses to the sexual abuse of children in the context of institutions throughout Australia including churches and their agencies. The Commission ran for five years, from 2013 to 2017, and its final report was published on 15 December 2017.

15. The Royal Commission represented an important opportunity for the Diocese to review both past and current practices from a 'best practice' perspective. Significant work was undertaken in PSU files relevant to the Royal Commission, including a major revision of PSU policies over the period.

16. A Steering Committee was appointed by Standing Committee in December 2012 to oversee the response of the Diocese to the Royal Commission and to provide the Director of the PSU with a point of reference for undertaking this work.

17. An independent review of the position of the Diocese with respect to the final recommendations of the Royal Commission was conducted by the legal firm Prolegis over the first half of 2018. The results of this work are being considered by the Steering Committee and the Safe Ministry Board over the coming months.

Review of the Safe Ministry Ordinance 2001

18. In 2014 the SMB considered the *Safe Ministry Ordinance 2001* and formed the view that that some parts of the Ordinance have either never been used or have become outdated. The Ordinance has been referred to the Standing Committee for review, and a review Committee has been appointed. The work of the review Committee is ongoing.

Safe Ministry Policy Resolution 24/15

19. The SafeMinistry.org.au website and the Safe Ministry Journey policy model were launched at Synod in 2015. Synod passed the following motion at that time (Resolution 24/15):

Synod –

- (a) affirms the following diocesan Safe Ministry Policy Statement adopted by the Synod in Motion 18/04 –

“The Anglican Church of Australia is committed to the physical, emotional and spiritual welfare and safety of all people, particularly within its own community. To ensure the safety of children and vulnerable people in our communities, the Church will –

- carefully recruit and train its clergy and church workers
- adopt and encourage safe ministry practices by its clergy and church workers
- respond promptly to each concern raised about the behaviour of its clergy and church workers
- offer pastoral support to any person who has suffered abuse, and
- provide supervision of and pastoral accountability to any person known to have abused a child or another vulnerable person.”;

- (b) encourages all parishes and organisations that have not adopted the diocesan Safe Ministry Policy Statement to do so;

- (c) recognises the SafeMinistry.org.au website as an important access point for survivors of abuse in the Diocese of Sydney for seeking information and support and for reporting abuse;

- (d) commends the SafeMinistry.org.au website to parishes in the Diocese of Sydney for safe ministry support, information and resources; and

- (e) recommends each parish adopt the Safe Ministry Journey policies for Parishes, and specifically the policy documents for those serving in the following roles –

- Ministers
- Safe Ministry Representatives
- Head of Youth Ministry
- Youth Ministry Leaders

- Head of Children's Ministry
- Children's Ministry Leaders.

20. Both the SafeMinistry.org.au website and the Safe Ministry Journey policy documents have been well received and are being well utilised. A circular was sent to all parishes (Rectors, Wardens and Safe Ministry Representatives) on 26 February 2016 bringing the Synod motion to their attention and encouraging them to adopt the new Safe Ministry Journey policy documents: <https://safeministry.org.au/safe-ministry-policies-website-circular-february-2016/>.

21. In terms of the SafeMinistry website, during the reporting period there were over 68,000 unique website visits, an average of 187 per day. We have seen a significant rise in visits to this site since launching online training – we believe this is due to the numerous links to resources on the site contained in the training.

22. The SMB encourages all parishes that have not yet accessed the SafeMinistry website and utilised the Safe Ministry Journey policy documents to do so as soon as possible.

Archbishop's Meetings with Survivors

23. Throughout the reporting period the Archbishop has continued to make himself available to listen to complainants and relate to them pastorally. This usually includes the making of an appropriate apology on behalf of the Church. During the reporting period there were six apology meetings with survivors and their family members in PSU matters and two apology meetings with a Care Leaver.

24. These meetings are of immense value in almost all cases and survivors are appreciative of the effort made by the Archbishop and the PSU Chaplain to facilitate these apologies.

Screening of Lay Workers

25. All paid lay church workers in the Diocese are required to apply for the Archbishop's authority. This involves their completing a comprehensive screening and disclosure Lifestyle Questionnaire with the applicable Regional Bishop or his representative.

26. All workers in 'child-related' employment (including licensed clergy or authorised lay ministers and unpaid volunteers) must undertake a Working With Children Check. In addition, it is recommended that parishes seek full disclosure of any relevant history and fully complete reference checks with prior supervisors or employers.

27. Persons with a criminal conviction for an offence listed in Schedule 2 of the *Child Protection (Working with Children) Act 2012* (including serious sexual offences and certain other offences involving children) cannot be appointed or elected as wardens, parish councilors, parish nominators or Safe Ministry Representatives.

The Working With Children Check

28. In 2013 the NSW Government introduced laws that require all clergy and each person involved in child-related work in parishes (or organisations), to obtain a Working With Children Check (WWCC) number and to have this number verified online by the relevant parish or church authority.

29. A person's WWCC clearance generally expires 5 years after it was issued which means, with effect from mid June 2018, WWCC numbers have started to require renewal. The renewal process involves the same actions as when a WWCC clearance was first obtained. Reminder emails are provided 90 days prior to expiry and the Diocesan Registry also sends email reminders to those holding a licence or authority from the Archbishop. The renewals process is imposing significant additional work on Safe Ministry Representatives and Registry staff.

Screening of Ministry/Ordination Candidates, Clergy and Paid Lay Ministers

30. All candidates for ordination by the Archbishop are required to complete a comprehensive screening and disclosure questionnaire. This is administered by Ministry Training and Development (**MT&D**) in consultation with the PSU.

31. Ordination/ministry candidates undergo extensive assessment and screening by way of reference-checking, general psychological testing, interviews, chaplaincy supervision reports and Moore College reports. A PSU record check and National Register check are also undertaken. The *Ministry Standards Ordinance 2017* provides a mechanism for pre-ordination disclosure and consideration of prior sexual misconduct or abuse.

Training of Volunteer Lay Children's and Youth Workers – Safe Ministry Essentials/Refresher

32. The Diocese is a member of the National Council of Churches' Safe Church Training Agreement. There are 37 independent churches and other dioceses who are members of the Safe Church Training Agreement across Australia.

33. The *Safe Ministry Essentials* course remains the mandated safe ministry training for the Diocese followed by the *Safe Ministry Refresher* course every 3 years.

34. The PSU took on full responsibility for the delivery of Safe Ministry Training across the Diocese from Youthworks on 1 April 2017. This coincided with commencement of online safe ministry training for the Diocese which had been approved by the SMB in late 2016 and developed over the course of 2017. Both the *Safe Ministry Essentials* and the *Safe Ministry Refresher* courses are available online (*Essentials Online* and *Refresher Online* respectively).

35. In February 2017 the PSU set up a new website as the place to go for all safe ministry training needs in the Diocese (<https://safeministry.training>). The website is now in its second major version. The first version provided general information and resources related to Safe Ministry Training, and from April 2017 served as the booking site for face-to-face training run by the PSU. During this period, the actual courses were run on a popular LMS (Learning Management System) called Moodle, which was hosted on a separate server specialising in that software. From October 2017, it was also the booking site for *Refresher Online* and then *Essentials Online* until 15 May 2018. The second version of the website was launched on 15 May 2018 to coincide with the release of version 2.0 of the online training. The new version represents a major rebuild of the site and registration/bookings functions from the ground up and has improved significantly on the first version by running all our online training courses within the same site and using a more versatile LMS called LearnDash. Soon after the launch of the second version, we moved the site to a much faster web host, which should meet our growing requirements in this area into the foreseeable future.

36. Over the first month the SafeMinistry.Training website had 4,829 unique visits, an average of 210 per day.

37. Apart from the website, the key contacts for safe ministry training inquiries are:

- Brenda Sheppard, Safe Ministry Training Administrator; email: brenda@safeministry.org.au.
- Kylie Williams, Safe Ministry Training Consultant; email: kylie@safeministry.org.au.

Online safe ministry training

38. Developments in online safe ministry training over the reporting period include –

- *Refresher Online* has been available online since October 2017. *Essentials Online* was launched in April 2018. Both courses involve online self-directed modules and a webinar.
- The Junior Leaders course for under 18 year olds is nearing completion and will be available in the coming months.
- Additional optional modules are planned to focus on equipping people for safe ministry when working with a variety of ministry groups, such as seniors, intellectually and physically disabled people, refugees, people with English as a second language.
- Complete translations into other languages are also planned.
- Face-to-face training remains available through regional events run by the PSU at various times throughout the year.
- A number of new roles have been created with the new training system including Webinar Presenters, Webinar Producers (managed by the PSU) and Local Safe Ministry Online Assistants (managed by the local church to assist their members with accessing online training).

39. The key messages for parishes at this stage are –

- The PSU continues to aim for accessible, affordable, quality training for leaders in our churches no matter what the platform.
- The online training platform will help equip people in our churches better than ever before to undertake ministry safely with a wide range of individuals and groups.

40. The PSU is also undertaking significant work to develop an online Protective Behaviours training module for those in our parishes which should be available later this year.

41. The numbers of people who completed online safe ministry training over the reporting period are as follows.

| Online safe ministry training | |
|--------------------------------------|-------------|
| Essentials | 1142 |
| Essentials-Non Anglican | 172 |
| Sub Total | 1314 |
| Refresher | 2068 |
| Refresher-Non Anglican | 160 |
| Sub Total | 2228 |
| Grand Total | 3542 |

42. Costs charged for online training are \$15 for Essentials and \$10 for Refresher for Anglicans and \$17 for Essentials and \$12 for Refresher for non-Anglicans.

43. Online safe ministry training has proven vastly more popular than face-to-face training over the reporting period. Face-to-face training was offered at 15 locations across the Diocese in November, March and June during the reporting period. The numbers of people who completed face-to-face safe ministry training during that time are as follows.

| Face-to-face safe ministry training | |
|--|------------|
| Essentials | 225 |
| Refresher | 120 |
| Total | 345 |

44. Costs charged for face-to-face training are: \$50 for Essentials and \$25 for Refresher for Anglicans and \$60 for Essentials and \$30 for Refresher for non-Anglicans. These costs are comparable with the costs charged by Youthworks for face-to-face training prior to April 2017.

45. For more information please visit <https://safeministry.training>.

Training of Ministry/Ordination Candidates and Clergy

46. Eight Safe Ministry Modules have been developed and are being taught through Moore College, MT&D and Youthworks College as part of their courses and programs.

47. The minister of a parish and any assistant minister licensed to the parish must have satisfactorily completed safe ministry training within the last 3 years, or within 3 months after their licence being issued, and every 3 years thereafter while the licence continues.

48. All licensed clergy and church workers in the Diocese are required to attend "Faithfulness in Service" training seminars once every three years which are organised and paid for by the Professional Standards Unit. This training has been run across the Diocese since 2005 and is next scheduled for 2020.

Safe Ministry Representatives (SMRs)

49. The role of SMRs in parishes continues to be pivotal in ensuring parishes comply with safe ministry requirements. The Rev Neil Atwood, Parish Consultant for Safe Ministry, plays an invaluable role in supporting, resourcing and equipping SMRs in their role.

50. The PSU provides support and assistance to SMRs by telephone and email. There continues to be a significant level of direct enquiry from parishes and support given to them, particularly around the requirements of the WWCC renewal process.

51. Since 2008 it has been mandatory for each parish to nominate an SMR.

52. As at time of writing, almost all parishes have provided current SMR details to the Registry. There are currently 6 parishes that have not appointed an SMR. Parishes should ensure that the appropriate paperwork has been completed notifying the Registry of the appointment of their SMR.

53. During the reporting period:

- (a) 3 parish-based audit/training sessions were undertaken with SMR's and their Rectors; and
- (b) the use of PSU's centralised safe ministry database Safe Ministry Records Online (SaMRO) (which has been available to parishes through the SafeMinistry website from early 2016)

continues to increase, and at the end of the reporting period 54 parishes were using it (including 7 parishes from another Diocese in regional NSW).

The Taskforce on Resisting Pornography

54. The PSU called together a Taskforce on Resisting Pornography in early 2013 to begin looking at the impact pornography has on the church and what can be done about this.

55. In June 2016 the Standing Committee encouraged the Archbishop to set up a three year Taskforce on Resisting Pornography to address this important issue.

56. The Archbishop's Taskforce consists of the Rev Marshall Ballantine-Jones (Chairman), Mr Lachlan Bryant (PSU Director), Ms Marilyn Buckley (social worker and educator), Mr John Burns (Senior School Counsellor and psychologist, Shore School), the Rev Dr Keith Condie (Co-Director of the Institute for Mental Health & Pastoral Care with Anglican Deaconess Ministries), the Rev Gary O'Brien (MT&D), Mr Greg Powell (psychologist), Ms Karen Triggs (counsellor and psychotherapist) and Dr Patricia Weerakoon (sexologist).

57. The Taskforce has been in hiatus over the reporting period pending some important consultation and research activities being conducted with a number of diocesan schools, which represents a primary stakeholder group in this area. At this stage the main work and legacy of the Taskforce will be the development of a website to help equip and resource parishes, schools, individuals and others in dealing with and responding to the issue of pornography, its use, and the challenges we face in the church, our schools and our other organisations as a result.

Safe Ministry Guidelines and Other Advice

58. The PSU continues to receive inquiries about child protection and safe ministry issues from clergy and church workers in parishes. Such calls or emails are received on a daily basis with staff members receiving at least a dozen inquiries per week and sometimes many more than this.

Care of Survivors of Abuse and Complainants

59. It is the role of the PSU Chaplain to care for complainants and survivors of abuse by clergy and church workers. The complaints process can be long and difficult for survivors and the Chaplain provides pastoral care and support to them throughout. This important role supplements counselling and other emergency assistance which are provided to survivors from PSU funds. A caring response is the first important step along the road of healing for survivors of abuse.

Tears and Hope Service

60. Tears and Hope is a church service held each year for survivors of abuse, hosted by the Rev Ed Vaughan (Rector of St John's Darlinghurst) with the assistance of the PSU Chaplain, at which the Archbishop regularly offers an apology. In 2017 it was held on 20 November and was well attended.

Pastoral Care and Assistance Scheme

61. The Diocesan Pastoral Care and Assistance Scheme has been established to provide financial assistance to survivors of abuse to meet their needs which arise from abuse or misconduct by clergy or church workers. The Scheme is an alternative to litigation which can be a protracted and harrowing process for survivors. The Scheme includes a mechanism for external assessment if necessary.

62. Currently there are two identical schemes, one for matters that fall largely within the responsibility of parishes and one for Care Leavers matters that are the responsibility of the Sydney Anglican Home Mission Society (**SAHMS**).

63. Between 1 July 2017 and 30 June 2018 there were six payments under the Diocesan scheme and nine payments were funded under the SAHMS scheme.

64. The Diocesan Pastoral Care and Assistance Scheme was reviewed following the release of the Royal Commission's Report on Redress and Civil Litigation on 14 September 2015 and an increased cap and updated assessment matrix have now been incorporated into the Scheme.

National Redress Scheme

65. The National Redress Scheme (NRS) is the Commonwealth Government's response to the Royal Commission's recommendations for redress to survivors of institutional child sexual abuse and has the necessary support of all state and territory governments. The NRS commenced on 1 July 2018 and will run for a period of 10 years. The NRS is administered by the Commonwealth Department of Social Services but the costs of redress are borne by the responsible institutions which have 'opted in' to the Scheme (if any). The NRS is designed to meet the requirements of independence and consistency in redress responses for survivors across Australia by allowing claimants to apply for redress without having to approach directly the institution responsible for their abuse. The NRS offers three elements of redress being

a monetary payment of up to \$150,000, counselling support of up to \$5,000 and a direct personal response from the participating institution. Only one claim for redress may be made by a survivor under the NRS and once a redress offer is accepted the claimant must agree to forego any further claims in relation to the abuse by signing a Deed of release. Responsible institutions which chose to 'opt in' to the NRS may participate in the scheme as part of a Participating Group of institutions or in their own right. Institutions choosing to 'opt in' to the NRS must do so by 1 July 2020. The NRS includes provision of legal advice and counselling support for claimants in accessing the Scheme, and the applicable participating institution is broadly responsible for these costs including an administrative levy in each case. Any redress payments previously made to a claimant by the institution responsible for the abuse will be factored into and deducted from any payment to be made under the NRS.

66. The Diocese of Sydney committed to opting in to the NRS as part of a National Anglican Participating Group established by the General Synod. These arrangements are expected to be finalised over the coming months. The Diocese strongly encourages all diocesan institutions operating under the auspices of the Anglican Church which have provided ministry or services to children at any time, including Anglican Schools and diocesan organisations, to opt into the NRS as part of a National Anglican Participating Group. Benefits of opting into the NRS as part of a Participating Group include a joint release from liability for all members of the group once a redress claim has been finalised.

67. For more information about the NRS: <https://www.nationalredress.gov.au/> or call **1800 737 377**.

68. For more information about the National Anglican Participating Group visit:

<https://www.anglican.org.au/national-redress-scheme>.

69. Opting into the NRS will not preclude the operation of the Diocesan Pastoral Care and Assistance Scheme which will continue to operate as an alternative option for survivors who wish to engage with the Diocese directly about redress into the future instead of going through the NRS.

Abuse and Sexual Misconduct Complaints Protocol

70. Since 1996 the Diocese has used an established protocol for receiving complaints and allegations of child abuse or sexual misconduct by clergy or church workers. All Contact Persons are trained counsellors who may be contacted through an abuse report line (**1800 774 945** or reportabuse@sydney.anglican.asn.au). The Contact Persons provide information and support to callers as they consider their options. The Contact Persons can then assist in the documenting and reporting of allegations or complaints of abuse or misconduct.

71. Any complainant identifying possible criminal behaviour is encouraged to make a report to the NSW Police. The Contact Person or another appropriate person from the PSU is able to assist the complainant in reporting the matter to the Police.

72. The five Contact Persons are Mrs Margaret Fuller (Illawarra), Ms Nicky Lock (Northern Beaches), Ms Rosemary Royer (Northern Suburbs), Mr Richard Elms (Western Suburbs) and Mr Rob Carroll (Southern Suburbs).

73. The Contact Persons meet four times a year with the Director and Chaplain for training and coordination of their roles.

Discipline Ordinance and Ministry Standards Ordinance

74. Up until 31 October 2017, the process for complaints regarding misconduct or child abuse by clergy or church workers was governed by the *Discipline Ordinance 2006*. The specific offences covered in the Ordinance were: child abuse, sexual abuse, unchastity, drunkenness, neglect of ministerial duty, non-payment of just debts, disgraceful conduct, conviction of a serious criminal offence, failure to report suspected child abuse, grooming, inappropriate pastoral conduct involving a child, and possession, production or distribution of child exploitation material.

75. The *Ministry Standards Ordinance 2017* was passed by Synod last year and commenced on 1 November 2017, replacing the *Discipline Ordinance 2006* for all complaints commenced after that date. The focus of the inquiry under the *Ministry Standards Ordinance* is on whether the member of clergy or church worker has engaged in misconduct that would call into question their fitness to hold or exercise an office, position or ministry in the Diocese. Misconduct under the *Ministry Standards Ordinance* may include, in addition to the matters referred to above, bullying, failing to report a serious indictable offence, and process failure, that is, failing to report, deal with or investigate sexual abuse or child abuse in circumstances where that is required by the Ordinance.

76. Where a complaint is received by the PSU that includes an allegation of criminal behaviour a report is made to the NSW Police if the complainant is not able to make that report.

77. The Director receives complaints against clergy and church workers of the Diocese and administers the complaints process under the *Ministry Standards Ordinance 2017*. Each matter usually involves a Contact Person taking an initial complaint, making a report and, if applicable, offering counselling to the alleged victim. The PSU then receives the report and a file is opened. The Chaplain contacts the complainant and remains in touch with them throughout the process. If the complaint is properly made under the Ordinance, the Director serves the complaint on the Respondent. Mediation may be offered in certain cases, should it be considered suitable, such as in some matters involving allegations of bullying.

78. If the Respondent is a member of clergy or paid church worker they are offered counselling, a support person and payment of pre-approved legal costs should they require advice in responding. Depending on the response an investigation is conducted and the matter then proceeds to the Professional Standards Committee for review and recommendations. Unresolved matters can be referred to the Professional Standards Board.

79. If the Respondent is an unpaid lay church worker they are offered counselling and a support person. Depending on the response, an investigation is conducted and it is then referred to an Adjudicator for recommendations and final determination. Unpaid lay respondents are responsible for their own legal costs if they require legal advice or representation.

80. The strongest sanction available for lay persons is a prohibition order that prevents a respondent from engaging in ministry or being appointed to any role in the church. A member of the clergy may be deposed from Holy Orders. There are also lesser sanctions and other recommendations available in appropriate circumstances. The Archbishop or relevant church authority (in the case of an unauthorised lay person) considers the final recommendations and takes action as may be required. The Archbishop is entitled to enquire as to progress of matters and the Director is obliged to keep him informed.

Complaints

81. The Director received 11 new complaints under the (applicable) Ordinance during the reporting period.

82. The Director made four complaints under the (applicable) Ordinance during the reporting period.

83. The Professional Standards Committee met seven times and considered 16 matters in the reporting period.

84. No matters were referred to a Tribunal or the Professional Standards Board (as applicable) during the reporting period.

The Professional Standards Committee

85. There are five members of the Professional Standards Committee. Under the provisions of the *Ministry Standards Ordinance 2017*, the Committee's function is to consider complaints and make recommendations to the Archbishop concerning these matters.

86. This Committee meets as required and is currently scheduled to meet every second month.

Adjudicator

87. Eight matters concerning unpaid lay respondents were referred to an Adjudicator for determination during the reporting period.

Parish Recovery Teams

88. Parish Recovery Teams (PRTs) are generally available to assist parishes where allegations of abuse or misconduct by clergy or church workers have arisen. A PRT works in a parish to deal with the complex pastoral issues that arise once these matters come to light. PRTs aid those members of the parish who are affected and work towards the healing of the parish as a whole.

89. Since 2007 Pastor Tim Dyer of John Mark Ministries has trained volunteers for our PRTs. There are currently 14 trained PRT consultants.

90. Two PRTs were deployed during the reporting period for new matters.

91. Following the commencement of the *Ministry Standards Ordinance* and a number of complaints alleging bullying-type conduct that the PSU is now dealing with, Tim Dyer has been training the PRTs in understanding the dynamics of bullying.

The Professional Standards Unit Oversight Committee

92. The Standing Committee approved of the establishment of a Professional Standards Unit Oversight Committee (PSUOC) in November 2015 that monitors the finances and operations of the PSU, and receives and considers complaints made about the PSU, among other things.

93. There are five members of PSUOC and the Chair of the Committee is Bishop Peter Lin.
94. PSUOC is required to meet a minimum of four times a year.

Cooperation with NSW Government Agencies and Other Churches

95. In August 2017 the PSU convened an inter-denominational Professional Standards Network for representatives of churches across NSW and ACT. The inter-denominational Network has met four times over the reporting period and its members comprise representatives from Seventh Day Adventists (South Pacific Division), Anglican Dioceses (NSW and ACT), Australian Christian Churches (NSW and ACT), Baptist Churches (NSW and ACT), Roman Catholic Dioceses (NSW and ACT), Churches of Christ, Presbyterian Church (NSW and ACT), The Salvation Army, and The Uniting Church Synod of NSW and ACT. Network meetings have been well attended and it has been encouraging for different denominations to share knowledge and ideas, and exchange policies and resources. Guest presenters at Network meetings have included Mr Steve Kinmond, Deputy Ombudsman of NSW, Mr Sam Burnett, solicitor with law firm Prolegis (who formerly worked with the Royal Commission), Ms Maureen O'Hearn and Ms Jo Isaac from Healing and Support, Zimmerman Services, Catholic Diocese of Maitland-Newcastle.

96. In early 2017 the NSW Ombudsman's office proposed the establishment of a NSW Child Safety Standing Committee for Survivor and Faith Groups to assist institutions to respond to the Royal Commission's final recommendations. The NSW Ombudsman's office has undertaken to provide administrative support to a Standing Committee, consistent with the Ombudsman's role to oversee independently the systems that relevant organisations have in place for preventing, detecting and responding to reportable conduct matters. We are optimistic about this initiative and the Archbishop and the Director will be participating in this Standing Committee and its work on behalf of the Diocese as required.

97. The National Network of Directors of Professional Standards from Anglican Dioceses across Australia meets together each quarter. The Director of the PSU attends these meetings regularly. The Network meetings are crucial for continuing cooperation and communication between Professional Standards Directors across the nation. The value of the Network is the depth of experience concerning professional standards matters across the group as a whole. This also means the Network is well positioned to make important contributions to developments and initiatives in these areas and to work towards maintaining best practice in processes across Dioceses.

Finance

98. PSUOC receives and monitors accounting reports for the PSU. PSU accounts are reported in the Synod Funds reports provided to members of Synod.

99. Following detailed submissions to the Diocesan Resources Committee from the Chair of the Safe Ministry Board and Director of Professional Standards in 2015, it was recommended to Standing Committee that PSU costs be fully recoverable under the Parish Cost Recovery charge.

100. An additional increase in funding has been required as a result of the introduction of the *Ministry Standards Ordinance 2017*. The new ordinance has already led to an increase in the different types and volume of matters that come to the PSU. The SMB, PSC and PSUOC have all strongly supported an increase in PSU funding to the Diocesan Resources Committee comparable with its additional responsibilities. This funding will be meet increased staffing costs, and other additional expenses such as further Contact Person services, counselling, Alternative Dispute Resolution and investigation costs.

Conclusion

101. As we enter the post-Royal Commission period and turn to working through, responding to and implementing its final recommendations we must be focused and vigilant to review and improve our existing systems and practices in professional standards. In this way we will not only learn from the mistakes of the past but ensure we create the conditions for a safe and vibrant future. To that end it is vital for the PSU to be fully and adequately resourced for the years to come.

On behalf of the Safe Ministry Board and Professional Standards Unit.

THE REV DR KEITH CONDIE
Chair

Safe Ministry Board

23 July 2018

LACHLAN BRYANT
Director

Professional Standards Unit

23 July 2018

2/05 Stipends, Allowances and Benefits for 2019

(A report from the Standing Committee.)

Key Points

- Recommended minimum stipends increased 1.6% for 2019
- Standing Committee amended the policy adopted in August 2016 to allow two more years for the recommended minimum stipend to decrease to 75% of AWE
- The structure of remuneration package remains unchanged

Introduction

1. By resolution 2/05, the Synod requested that the Standing Committee report its findings about stipends and allowances to the Synod each year.
2. The circular to ministers and wardens entitled “Guidelines for the Remuneration of Parish Ministry Staff for 2019” (the “Guidelines”) was published in August this year and provides details of the recommended stipends, allowances and benefits for ministers, assistant ministers and lay ministers for 2019.

Recommended Minimum Stipends

3. The policy adopted in August 2016 which indicated the 2019 stipend would be set at 75% of Average Weekly Earnings would have required a small decrease in the stipend from the level applying in 2018.
4. Standing Committee therefore agreed to amend the policy to extend the period over which the policy seeks to reduce the recommended minimum stipend from 80% to 75% of AWE from 3 years to 5 years and agreed to set the recommended minimum stipend for 2019 at \$66,787, which is a 1.6% increase over the recommended minimum stipend for 2018 –

| | % of Minister's Minimum Stipend | 2019 Minimum Stipend \$ pa |
|--|---------------------------------|----------------------------|
| Minister | 100 | 66,787 |
| Assistant Ministers, Lay Ministers & Youth and Children's Ministers (Theological degree or Advanced Diploma) – | | |
| 5 th and subsequent years | 95 | 63,448 |
| 3 rd and 4 th year | 90 | 60,108 |
| 1 st and 2 nd year | 85 | 56,769 |
| Youth and Children's Ministers (Diploma) – | | |
| 7 th and subsequent years | 85 | 56,769 |
| 4 th to 6 th year | 75 | 50,090 |
| 1 st to 3 rd year | 65 | 43,412 |

Remuneration Packaging

5. The maximum level of stipend sacrificed to a minister's expense account (“MEA”) remains set at 40%, with the member of the ministry staff able to set a lower percentage. Ministry staff may sacrifice an additional amount of stipend (over and above the 40%) to increase superannuation savings. Certain expenditure can be reimbursed to the minister from the MEA. Benefits received in this way are exempt from fringe benefits tax and income tax.

Superannuation Contributions

6. Contributions on account of superannuation for ministers and assistant ministers are part of the parish ministry costs and will be funded through the *Parochial Cost Recoveries and Church Land Acquisitions Levy Ordinance 2018* due to be considered by the 2nd Session of the 51st Synod. Superannuation for lay ministers is paid separately. As for 2018, the amount of the superannuation contribution is generally set at 17% of the applicable minimum stipend, accordingly the annual contributions proposed for 2019 are –

| | 2019 |
|---|--------|
| Minister | 11,354 |
| Assistant Ministers, Lay Ministers & Youth and Children's Ministers (Theological degree or Advanced Diploma)– | |
| 7 th and subsequent years | 11,354 |
| 1 st to 6 th year | 10,218 |

| | 2019 |
|--|-------|
| Youth and Children's Ministers (Diploma) – 7 th and subsequent years | 9,651 |
| 1 st to 6 th year | 8,515 |

Travelling Allowances/Benefits

7. The diocesan scale for the travelling allowance to be paid to ministers, assistant ministers, lay ministers and youth and children's ministers for 2019 is calculated in accordance with the following scale –

- (a) a fixed component of \$8,047 (2018 – \$8,047) per annum to cover depreciation, registration, insurance etc, plus
- (b) a reimbursement at the rate of \$246 (2018 – \$246) for every 1,000 kilometres travelled by the person concerned on behalf of the church or organisation which he or she serves.

8. Travel benefits may be provided through an MEA in lieu of a travel allowance in accordance with the guidelines published in the Guidelines.

Remuneration for Occasional Services

9. The recommended rates for clergy who take occasional services are –

| | 2019 \$ |
|--------------------------------------|------------|
| For 1 service | 90 |
| For 2 or more services in a half day | 120 |
| For a whole day | 180 |

10. The following guidelines also apply in relation to remuneration for occasional services –

- (a) If the total return journey of the person taking the occasional service is 75 kilometres or less, a travelling allowance of 80 cents per kilometre should be paid (2018 – 80 cents). If further kilometres are travelled, the travel allowance should be negotiated.
- (b) Meals should be provided where necessary.
- (c) As pension benefits may be reduced according to other income received, the recommended rates are open to negotiation.
- (d) Where a minister is invited to take, or assist in, services in a church outside their parochial unit, any payment for services should be made to the parochial unit to which the minister is licensed, rather than to the minister.

Acting Ministers, Locum Tenens and part time pastoral workers

11. Acting Ministers, Locum Tenens and part time pastoral workers should be remunerated with reference to the relevant full time stipend and benefits on a pro-rata basis (based on a 6 day working week). The worker should also be paid a travelling allowance at the rate of 80 cents per kilometre to cover any travel costs incurred while performing their duties (2018 – 80 cents).

12. Provision for ministry related expenses, superannuation, sick, annual and long service leave (on a pro-rata basis) should be provided where appropriate and agreed upon by the worker and parish council.

13. Part time pastoral workers must be included under the parish's workers compensation insurance policy.

Male and Female Student Ministers

14. The recommended assistance for student ministers working one full day per week for 2019 is –

| | % of Minister's Minimum Stipend | 2019 \$ pa |
|------------------------|------------------------------------|---------------|
| Studying for a degree | 12.5 | 8,348 |
| Studying for a diploma | 10.0 | 6,679 |

If a student minister works more than one full day then the rate payable is a pro-rata amount of the full day rate.

15. The following guidelines also apply in relation to the remuneration of student ministers –

- (a) Transport costs (whether private vehicle or public) should be paid by the parochial unit. Where extensive travel is involved consideration should be given to paying for the travel time.
- (b) Where a student minister serves for a half day in addition to a full day, account should be taken of the additional time and cost in travelling and care taken to ensure that the student minister is not disadvantaged by the additional expense.

- (c) Under the Fair Work Act 2009, since 1 July 2018 the national minimum wage for adults has been \$18.93 per hour. This means that the recommended stipend allows for no more than 8.5 hours work per week if studying for a degree, and 6.8 hours if studying for a diploma. The minimum wage will be reviewed next on 1 July 2019.
- (d) Arrangements should be made to ensure student ministers are provided with appropriate hospitality. For example, appropriate breaks should be provided especially in a long working day.
- (e) Preparation time adds to the total time incurred in service for the parochial unit and should be allowed for when the amount of payment is considered.
- (f) Superannuation contributions are payable if the remuneration exceeds \$450 per month.
- (g) Worker's compensation insurance cover must be arranged by the parish.
- (h) By arrangement with the student minister the parish may agree to pay college fees (tuition, boarding, etc) on behalf of the student minister in lieu of part of the normal remuneration. If such fees are paid they should be considered an exempt fringe benefit provided –
 - (i) the student is a ministry candidate, and/or holds the Archbishop's licence, or is an independent candidate undertaking the same course of study as required for a ministry candidate, and
 - (ii) the benefit is only applied to paying fees and the provision of accommodation/board.

For and on behalf of the Standing Committee.

JAMES FLAVIN
Chair, Stipends and Allowances Committee

28 August 2018

Strategy and Research Group Annual Report 2018

(A report from Strategy and Research Group.)

Key Points

- The Strategy and Research Group Terms of Reference have been revised, and the Group's name changed from 'Strategic Research Group', to give greater clarity to the purpose and breadth of responsibilities of the Group.
- The Strategy and Research Group has started background work for the next iteration of the Diocesan Mission, which has been a focus of the Group throughout the year.

Purpose

1. The purpose of this report is to provide the Synod with an update on the work of the Strategy and Research Group during the past year.

Recommendation

2. The Synod receive this report.

Background

3. The Strategy and Research Group (SRG) comprises the following members –

| | |
|---------------------------------|------------------------|
| Archbishop Glenn Davies (Chair) | Mr Graham Murray |
| The Rev Dr Raj Gupta | The Rev Craig Schafer |
| The Rev Andrew Katay | The Rev Hayden Smith |
| Bishop Peter Lin | The Rev Andrew Robson |
| Mr Peter Mayrick | Ms Nicola Warwick-Mayo |

4. In addition, the SRG is well served by Dr John Bellamy, who attends each meeting as a consultant to the Group and has provided a significant depth of research and analysis.

5. The SRG is an advisory group for the Archbishop and the Standing Committee in their formulation of high level vision and missional goals for consideration and adoption by the Synod. The Group is tasked –

- (a) to identify, research, evaluate and develop for Standing Committee's consideration the strategies and structures which optimise the capacity of the diocesan network to achieve the vision and missional goals adopted by the Synod, and
- (b) to oversee the objective measurement of and reporting to the Standing Committee on progress toward achieving those missional goals.

Discussion

6. The Standing Committee (at the SRG's request) revised the SRG's Terms of Reference, and also changed its name from 'Strategic Research Group' to 'Strategy and Research Group'. These changes are intended to give greater clarity to the Group's purpose and the breadth of its responsibilities.

7. The SRG typically meets quarterly for full day meetings. Since the last Synod, the SRG has met 5 times including a two-day Strategic Retreat at the start of the year with the senior Episcopal team to focus specifically on matters of high level vision, strategy and structure within the Diocese.

8. At the Retreat, the SRG started background work for the next iteration of the Diocesan Mission, which has been a focus of the Group throughout this year. This included consideration of –

- (a) the attached Sydney Anglican Diocese funding diagram,
- (b) a current 'Political, Economic, Socio-cultural, Technology, Legal and Environmental' (PESTLE) analysis of the Diocese of Sydney, and
- (c) the Key Issues identified with the Bishops and Archdeacon from a 'Strengths, Weaknesses, Opportunities and Threats' (SWOT) analysis in the formulation and implementation of the Diocesan mission.

9. Following the Retreat, the SRG has decided that the originally planned M20 survey across a sample of the Diocese in 2019, using a selection of questions from NCLS, may not be warranted, given the next NCLS is due in 2021. Accordingly, the SRG is researching key strategic initiatives which, with the approval

of Synod, will enhance the effectiveness of Mission 2020, which could then continue until at least 2022, when its goals can be evaluated in light of the next NCLS. The SRG is also exploring ways in which such strategies might be implemented more quickly, given the triennial nature of Synod funding.

10. The SRG also partnered with Mission Area Leaders (MALs) for a joint conference on 2 May 2018. The conference with MALs has been held annually since 2015 and typically involves an update from the SRG regarding its work, and the MALs providing input and feedback from ministry in their Mission Areas to explore opportunities for collaboration. The most recent joint conference included a presentation by the SRG of the Key Issues regarding its background work on Mission 2020, and a brainstorming session with the MALs seeking their insight and perspective on the matter.

11. In addition to this work, the SRG has –

- (a) reviewed statistical analysis from the 2016 National Church Life Survey regarding Newcomers to church and a Spiritual Health Profile,
- (b) considered funding arrangements in the Diocese and possible arrangements for the future funding triennium from 2022 to 2024, and
- (c) examined ways to maximise existing networks for church growth and parish engagement with Diocesan organisations.

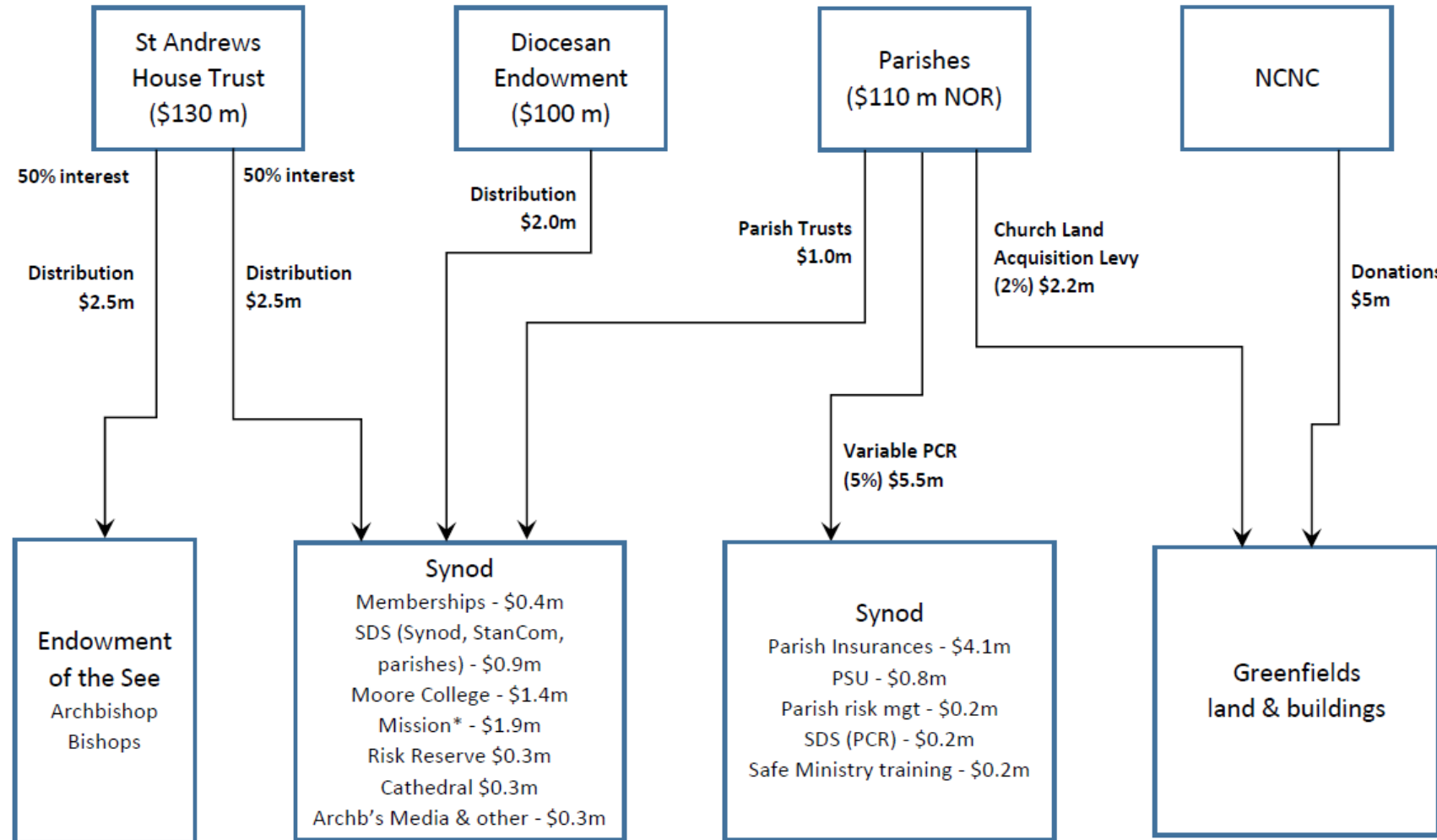
For and on behalf of the Strategy and Research Group

BISHOP PETER LIN

Deputy Chair

17 August 2018

SYDNEY ANGLICAN DIOCESE FUNDING DIAGRAM – FEBRUARY 2018



* Mission = AEC \$0.1m, AMC \$0.2m, ENC \$0.3m, TEMOC \$0.1m, Youthworks \$0.5m, Anglicare (research) \$0.1m, MTD \$0.4m, WOD \$0.2m

Proposal to change the status of the provisional parish of Surry Hills to a parish

(A report of the South Sydney Regional Council.)

Proposal

1. The proposal is to change the provisional parish of Surry Hills to the parish of Surry Hills.
2. The Parish of Surry Hills became a provisional parish in 1 January 1997 due to insufficient local revenue subsequently a congregation of Evangelism and New Churches called Vine Church met on the premises of St Michael's at Surry Hills. In 2015, the then Rector resigned and the leader of the ENC congregation was appointed as Rector of the Provisional Parish of Surry Hills. Consequently Vine Church and St Michael's merged resulting in the Parish seeing significant growth in both attendance and offertories. In addition, the Parish is also supported with an extremely strong balance sheet, which includes multiple investment properties that are managed by the wardens.

Support of the South Sydney Regional Council

3. On 29 May 2018 the South Sydney Regional Council resolved to support the request that the Provisional Parish of Surry Hills be classified as a parish under the *Parishes Ordinance 1979*.

Parish information

4. St Michael's is based in Surry Hills which has an estimated population of over 18,000 people, of which only 5% claim to have affiliation with the Anglican Church. The church serves an area that is increasing secular. Surry Hills, according to the 2016 census shows that 44% of population has no affiliation to a religion. 56% of the Surry Hills population falls between 25-44 year olds with 65% of the total population renting and 70% employed fulltime.
5. Vine Church at the time of the merger was 4 years old, and had grown from 16 people at the start, to over 150 on a weekly basis. St Michael's had a 160-year legacy and property assets, but a small congregation of less than 20. Since the merge, the provisional parish has grown to over 200 attendees (including 25 children), across two services, and now has 4 employed ministers including the Rector Toby Neal.
6. The provisional parish provides a range of other ministries including –
 - (a) Bread of Life, which feeds over 50 homeless individuals in Surry Hills every Sunday.
 - (b) Christianity Explored, which introduces over 30 people a year to Christianity.
 - (c) Community Groups, meeting weekly to study the bible in 17 different locations comprising over 180 people.
 - (d) In 2017 the church delivered over 2,000 cupcakes to women in local brothels.
 - (e) Over 25 children attend kid's church weekly, and in 2018 a youth group was started on Friday nights.

Criteria for Parish Status (Section 6) as stated in the Parishes Ordinance of 1979

7. In accordance with Section 6 of the *Parishes Ordinance 1979*, the wardens certify as follows –
 - (a) Local revenue in 2017 exceeded minimum threshold.
 - (b) The Rector was paid the necessary stipends and allowances, and provided with a residence.
 - (c) All cost recovery charges were paid.
 - (d) A residence approved as suitable by the Archbishop is available for the Minister.
 - (e) There are buildings available in the parish for use by a congregation meeting for worship and other proposes.
 - (f) These buildings are in good condition and suitable for purpose, and title is vested in the ACPT.
 - (g) The parish is able to service all its debts.
 - (h) The parish is in a sound financial condition.

Particulars of all church trust property

8. Details of property held by the Anglican Church Property Trust upon trust for the provisional parish are as follows, all which are in good condition –

| Property | Value of Land | Value of Building (at IRV) | Value of Contents (at IRV) |
|---------------|------------------|-------------------------------|-------------------------------|
| Church | 3,320,000 | 13,055,250 | 1,234,964 |
| Church Hall | | 1,156,710 | 34,758 |
| Rectory | 2,170,000 | 1,122,812 | 4,790 |
| 14 Arthur St | 1,200,000 | 383,272 | 1,560 |
| 16 Arthur St | 1,200,000 | 362,672 | 1,560 |
| 22 Marcel Ave | 1,230,000 | 355,385 | 1,337 |
| 196 Albion St | | 696,188 | 3,119 |
| Total | 9,120,000 | 17,132,289 | 1,282,088 |

* All information taken from 2017 audited Financial Statements

Summary of consolidated receipts and payments

9. A summary of the financial position over the past two years and budget for 2018. Note that Vine Church and St Michael's did not combine financial statements until the fiscal year 2016 –

| | 2016 | 2017 | 2018 (budget) |
|----------------------------|----------------|----------------|----------------------|
| Income | | | |
| Offertories and Donations | 433,769 | 484,364 | 514,255 |
| Grants | 40,107 | | |
| Property Income | 241,026 | 328,806 | 254,800 |
| Finance Income | 35,231 | 28,393 | |
| Income from Trading | 70,785 | 52,085 | 96,253 |
| Other Income | 2,887 | 5,855 | 24,840 |
| Total Income | 823,805 | 899,503 | 890,148 |
| | | | |
| Operating expenses | | | |
| Ministry staff | 504,656 | 440,502 | 611,731 |
| PCR | 34,371 | 27,798 | 30,000 |
| Resources and Ministry | 13,189 | 19,246 | 25,000 |
| Parish Donations | 14,696 | 56 | |
| Parish Administration | 132,765 | 131,886 | 64,028 |
| Ministry Property Expenses | 69,130 | 66,295 | 72,172 |
| Leased Property Expenses | 52,799 | 23,634 | 40,800 |
| Trading Activity Expenses | 820 | 948 | |
| Total Expenses | 822,426 | 710,365 | 843,731 |
| | | | |
| Surplus / (Loss) | 1,379 | 189,138 | 46,417 |

10. A summary of assets and liabilities as of end of fiscal year 2017 according to audited financial statements –

Assets

| | |
|--------------------------|-------------------|
| Total Current Assets | 2,371,259 |
| Total Non Current Assets | 27,539,377 |
| Total Assets | 29,910,636 |

Liabilities

| | |
|---------------------------|---------------|
| Total Current Liabilities | 83,518 |
| Total Liabilities | 83,518 |

| | |
|-------------------|-------------------|
| Net Assets | 29,827,118 |
|-------------------|-------------------|

Recommendation

11. The South Sydney Regional Council recommends that the provisional parish of Surry Hills be reclassified as a parish with effect from 1 January 2018.

For and on behalf of the South Sydney Regional Council.

MICHAEL STEAD
Bishop of South Sydney

11 July 2018

4/17 Workload Related Burnout

(A report from Ministry Training & Development.)

Purpose

1. The purpose of this report is to respond to the request of Synod resolution 4/17, regarding workload related burnout.

Recommendations

2. Synod receive this report.

Background

3. At the 2017 Synod, MT&D was asked to investigate online self-assessment tools for church workers to measure their workloads to alleviate or prevent burnout. Motion 4/17 reads:

4/17 Workload related burnout

This Synod –

- (a) notes the impact workload related burnout has on ministries within our parishes,
- (b) commends our theological and training organisations in their continued education in recognising burnout in all its forms,
- (c) congratulates Ministry, Training and Development in its creation of the Lifelong Ministry Development Guidelines,
- (d) requests Ministry, Training and Development to investigate online self-assessment tools that permit Ordained and Stipendiary Lay Workers to measure their workloads to alleviate or prevent burnout, and
- (e) continues to pray fervently for those in all pastoral ministry.

Discussion

4. This is a complex area.

5. There are many variables that impact a person's capacity to work in ministry without burning out. These include the following:

- The number of hours worked
- When the hours are worked
- A person's capacity
- The nature of the work and the gifts of the worker
- The stage of life and health of the worker
- The health and harmony in the worker's family
- The health and harmony of the relationships in the ministry team of the worker

6. So, there is no simple measure.

7. There are however some online tools that can be used to help a person assess their current functioning in life and ministry to help determine their state of 'well-being' or 'burnout'.

8. These include:

- Maslach Burnout Inventory (MBI-HSS) – www.mindgarden.com
- Holmes and Rahe Stress Scale – www.mindtools.com
- DASS21 – <https://headspace.org.au/assets/Uploads/Resource-library/Health-professionals/Clinical-Toolkit/DASS-21-with-Scoring-Sheet.pdf>
- Australian Unity/Deacon University well-being assessment tool – <https://www.australianunity.com.au/media-centre/wellbeing>

9. In addition to doing an online assessment we recommend the following:
- (a) If a person believes they are nearing burnout, they should seek professional help with a doctor, counsellor or psychologist to devise a plan to address the issue. Anglicare provides the Clergy Assistance Scheme, which provides free, confidential counselling for clergy and clergy spouses in the Diocese of Sydney –
<https://www.anglicare.org.au/clergy-assistance-program> (02 4228 0283)
 - (b) Focusing on proactive strategies and practices that promote well-being in ministry. These include:
 - (i) Having a mentor, coach or pastoral supervisor.
 - (ii) Joining the Lifelong Ministry Development (LMD) process –
<https://lmd.org.au>.
 - (iii) Looking at the LMD Development Package on “Resilience”.
 - (iv) Contacting the Centre for Ministry Development (CMD) and asking to do the workshop on “Resilience” and asking to do the “Well-being questionnaire” (part of the 360 Review package).
 - (v) Doing some reading on resilience and ‘well-being’ in addition to reading on ‘burnout’.
 - (vi) Reading a summary of Grant Bickerton’s Australian research on well-being –
<https://www.buv.com.au/documents/item/182>

For and on behalf of Ministry Training and Development

THE REV GARY O'BRIEN

Director

24 April 2018