

Sydney Diocesan Secretariat Audited Accounts for 2001

Independent Audit Report to the Members of the Sydney Diocesan Secretariat

Scope

We have audited the financial statements of the Sydney Diocesan Secretariat (the "Fund") for the year ended 31 December 2001 as set out on [pages 220 to 234]. The Secretariat is responsible for the preparation of the financial statements and the information contained therein. We have conducted an independent audit of the financial statements in order to express an opinion on them to the members of the Fund. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements, and the Accounts, Audits and Annual Reports Ordinance 1995 of the Synod of the Anglican Church Diocese of Sydney, so as to present a view which is consistent with our understanding of the Fund's financial position, and performance as represented by the results of its operations and its cash flows. The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion -

- (a) the financial statements of the Fund are properly drawn up -
 - (i) so as to give a true and fair view of the financial position of the Fund as at 31 December 2001 and its performance for the financial year ended on that date;
 - (ii) in accordance with provisions of the Accounts, Audits and Annual Reports Ordinance 1995 of the Synod of the Anglican Church Diocese of Sydney; and
 - (iii) in accordance with Australian Accounting Standards and other mandatory professional reporting requirements.
- (b) the accounting records and registers of the Fund have been properly kept in accordance with the Accounts, Audits and Annual Reports Ordinance 1995 of the Synod of the Anglican Church Diocese of Sydney.

Sydney
19 March 2002

PricewaterhouseCoopers, Chartered Accountants
M J CODLING, Partner

Sydney Diocesan Secretariat
Statement of Financial Performance
For the Year Ended 31 December 2001

	Notes	2001 \$	2000 \$
Income			
Accounting & secretarial services			
- related organisations		4,746,599	3,990,616
Personnel Services charged to -			
Appeals office		205,397	129,047
Glebe Administration Board		2,653,685	2,742,578
Episcopal secretaries & archives		586,815	589,496
		<u>3,445,897</u>	<u>3,461,121</u>
Gain on sale of fixed assets		7,062	4,679
Gain on sale of investments		827	1,603
Net interest earned		281,881	247,789
Sundry income		33,245	71,978
Ordinance fees		17,900	12,000
Sale of diocesan yearbooks		12,334	13,019
		<u>8,545,745</u>	<u>7,802,805</u>
Total revenue from ordinary activities			
Expenses from ordinary activities			
Personnel Costs:			
Consultants Fees		162,559	279,357
Salaries, stipends & wages		5,155,948	4,435,499
Motor vehicles		188,062	167,253
LSL provision		(85,702)	43,442
Superannuation - employer subsidies		337,671	405,369
Government Taxes		319,627	251,886
Agency fees of casuals		14,225	51,808
Recruitment and medical costs		219,650	90,349
Training and development	3	90,522	51,937
Workers' compensation insurance		88,571	48,842
Personnel insurances		26,317	25,026
		<u>6,517,450</u>	<u>5,850,768</u>
Rent and occupancy costs			
Rent - floor space (offices)		453,209	453,198
Rent - meeting rooms		18,000	17,400
Rent - vehicle parking		101,253	96,263
Cleaning, laundry etc		21,698	21,446
Fuel, light & power		9,294	8,088
		<u>603,454</u>	<u>596,395</u>
Assets servicing costs			
Depreciation and amortisation	2	379,288	377,621
Insurance costs		22,534	16,870
Office alterations and maintenance	3	150,680	23,958

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	Notes	2001	2000
		\$	\$
Repairs & Maintenance - fixed assets		269,321	129,811
		<u>821,823</u>	<u>548,260</u>
Recovery of assets servicing costs		(160,273)	(172,913)
		<u>661,550</u>	<u>375,347</u>
Fees and Subscriptions			
Audit Fees	18	175,000	165,000
Bank Fees		21,528	30,078
Consultants Fees		28,086	32,520
Payroll Services		998	1,950
Books & Publications		1,191	4,678
Subscriptions		36,055	22,147
		<u>262,858</u>	<u>256,373</u>
Office Operating			
Catering Costs		40,915	32,482
Entertaining & hospitality		776	3,543
GST advice		26,050	47,514
Loss on sale of assets		4,143	4,461
Minor expenses		28,724	13,832
Postage & mailing costs		137,237	124,801
Printing & photocopying		19,935	25,549
Representation reimbursement		40,432	21,612
Stationery & general office costs		107,021	98,926
Telephone expenses		197,701	173,959
Travel & conference expenses		18,659	21,162
		<u>621,593</u>	<u>567,841</u>
Recovery of sundry overheads		(180,934)	(138,919)
		<u>440,659</u>	<u>428,922</u>
Synod Expenses			
Printing and stationery		11,475	8,551
Hire of venue - equipment		49,837	50,445
Voluntary staff - reimburse meals & fares		3,818	388
Archbishop's appointment	3	48,995	7,950
Publishing Year Book		26,165	26,431
		<u>140,290</u>	<u>93,765</u>
Total expenses from ordinary activities		<u><u>8,626,261</u></u>	<u><u>7,601,570</u></u>
Surplus/(deficit) from ordinary activities		(80,516)	201,235
Transfer (from)/to reserves	3	<u>100,873</u>	<u>(168,775)</u>
Operating surplus after transfer to reserves	20,357	<u><u>32,460</u></u>	

The above statement of financial performance should be read in conjunction with the accompanying notes.

Notes 2001 2000

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		\$	\$
Current Assets			
Bank account - Westpac Banking Corporation	4	21,501	-
Cash on hand	4	770	770
At-call deposits (unsecured)			
- Sydney Anglican Deposit Plan	4	573,170	200,863
Investments	5	4,224,459	4,755,007
Accounts receivable, prepayments and accrued income	6	770,019	545,583
Total current assets		<u>5,589,919</u>	<u>5,502,223</u>
Non-current assets			
Furnishings and effects - at cost	7	300,832	295,447
Less provision for depreciation		<u>(218,454)</u>	<u>(181,657)</u>
		82,378	113,790
Equipment and machinery - at cost	7	456,935	7,698
Less provision for depreciation		<u>(13,859)</u>	<u>(7,698)</u>
		443,076	-
Office equipment - at cost	7	491,129	474,085
Less provision for depreciation		<u>(420,513)</u>	<u>(377,305)</u>
		70,616	96,780
Motor vehicles - at cost	7	447,327	500,147
Less provision for depreciation		<u>(138,039)</u>	<u>(135,278)</u>
		309,288	364,869
Computer hardware/software - at cost	7	1,120,285	981,920
Less provision for depreciation		<u>(803,003)</u>	<u>(666,165)</u>
		317,282	315,755
Investments	5	90,051	90,037
Total non-current assets		<u>1,312,691</u>	<u>981,231</u>
Total assets		<u><u>6,902,610</u></u>	<u><u>6,483,454</u></u>
Less			
Current liabilities			
Accounts payable and accruals	8	939,177	682,379
Bank account - Westpac Banking Corporation	4	-	55,587
Current account held for Diocesan funds		2,538,211	1,982,585
Provision for annual leave	9	388,693	523,729
Provision for long service leave	9	128,929	230,697
Total current liabilities		<u>3,995,010</u>	<u>3,474,977</u>
Non-current liabilities			
Provisions for long service leave	9	319,476	303,409
Total liabilities		<u><u>4,314,486</u></u>	<u><u>3,778,389</u></u>

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	Notes	2001 \$	2000 \$
Trust Funds	11		
Clergy removals fund		45,466	50,062
Clergy stipend continuance plan		(11,332)	20,499
Total trust funds		<u>34,134</u>	<u>70,561</u>
Net Assets		<u>2,553,990</u>	<u>2,634,507</u>
Equity			
Capital funds	10	2,031,352	2,010,995
Reserves	3	522,638	623,512
Total equity		<u>2,553,990</u>	<u>2,634,507</u>
Commitments for expenditure	13,15		

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

**Sydney Diocesan Secretariat
Statement of Cash Flows
For the Year Ended 31 December 2001**

	Notes	2001 \$	2000 \$
		Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities			
Payments received from Diocesan funds		9,887,424	8,379,538
Interest received		131,375	136,242
Other income received		63,479	100,054
Payments in respect of the operations		(10,165,229)	(8,083,536)
Net cash flows from operating activities .. 4a	(82,951)	532,298	
Cash flows from investing activities			
Purchase of office furnishings/equipment		(458,118)	(101,035)
Sale of office furnishings/equipment		1,852	167
Purchase of office equipment		(17,045)	(29,313)
Sale of office equipment		-	-
Purchase of computing equipment/software		(216,313)	(205,361)
Sale of computing equipment/software		14,909	1,728
Purchase of motor vehicles		(140,965)	(155,612)
Sale of motor vehicles		107,849	25,077
Purchase of units in SACIT fixed interest		-	-
Sale of shares		-	1,579
Purchase of bank bills		(25,363,772)	(31,866,892)
Maturity of bank bills		25,912,629	31,167,548

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	Notes	2001 \$	2000 \$
		Inflows/ (Outflows)	Inflows/ (Outflows)
Purchase of negotiable certificates of deposit . . .		(16,627,710)	(8,196,530)
Sale/maturity of negotiable certificates of deposit		16,719,738	8,469,740
Purchase of bank bonds		(2,000,000)	(1,750,000)
Sale/maturity of bank bonds		3,000,825	1,750,020
Investment in term deposits		(955,900)	-
Money market deposits		-	-
Money market maturities		-	500,000
Purchase of debentures		-	(1,000,000)
Sale/maturity of debentures		-	-
Net increase in deposits from client funds		554,367	142,218
Net cash flows from investing activities		532,346	(1,246,666)
Net (decrease) in cash held		449,395	(714,368)
Cash at the beginning of the year		146,046	860,414
Cash at the end of the year	4b	595,441	146,046

The above statement of financial performance should be read in conjunction with the accompanying notes.

**Notes To and Forming Part of the Financial Statements
for the year ended 31 December 2001**

1. Purpose

Sydney Diocesan Secretariat was established and incorporated under the provisions of Ordinances 18 and 19 of 1973. The Secretariat, being the central administrative body of the Diocese, operates wholly in Australia and is the nominal employer of staff and is responsible for providing secretarial and office support for the Archbishop, Registrar and other Diocesan funds.

2. Accounting Policies

(a) Basis of accounting

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and the Accounts, Audits and Annual Reports Ordinance 1995 of the Synod of the Anglican Church Diocese of Sydney. Historical cost has been used and except where stated does not take into account current valuations of non-current assets.

The accounting policies adopted are consistent with those of previous periods unless otherwise specified.

Comparative information is restated where appropriate to enhance comparability. In particular, as a result of applying the revised accounting standard AAS 1 Statement of Financial Performance, AAS36 Statement of Financial Position and AAS 37 Financial Report Presentation and Disclosure for the first

time, a number of comparative amounts were represented or reclassified to ensure comparability with the current reporting period.

(b) Revenue recognition

Revenue is recognised on an accruals basis.

(c) Depreciation

Depreciation is provided on a straight line basis, based on the estimated useful lives of the assets concerned. Depreciation rates range from 10% to 33.33% pa.

(d) Employee entitlements

Liabilities for employees' entitlements to wages and salaries, annual leave are accrued on the basis of current wage and salary rates.

No liability has been recognised for sick leave as it does not vest in the employee and it is not considered that any sick leave taken will incur the Secretariat in additional costs.

Liabilities for long service leave, which are not expected to be paid or settled within 12 months of balance date, are accrued in respect of all employees at the present values of future amounts expected to be paid based on a 4.50% per annum increase in wage and salary rates over each of the next 10 years. Present values are calculated using interest rates on national government guaranteed securities with terms that match, as closely as possible, the estimated future cash outflows.

Superannuation benefits are provided for staff in accordance with the "Rules and Regulations relating to superannuation benefits for persons working in or from St Andrew's House". For the Defined Benefit Plan, which covers four staff who commenced prior to 1 July 1988, an actuarial assessment as at 1 January 2000 shows the value of the assets to be in excess of the value of the benefits. All other staff are in an accumulation plan with contributions made regularly by the Secretariat. There are no outstanding liabilities to be met in regard to superannuation.

(e) Fixed Interest Investments

Any premium or discount on the purchase of Fixed Interest Securities is amortised, over the period of the security, on a straight line basis. Investments are therefore recorded in the accounts at their cost, less the amount amortised to date.

As the investments are redeemable upon maturity at face value no provision is considered necessary for any difference between book value and market value.

The classification of investments between current and non-current is in accordance with the maturity date of the holding.

On the sale of investments profits or losses are recognised in the Statement of Financial Performance.

(f) Cash

For the purpose of the statement of cash flows, cash includes cash on hand, cash at bank and the Sydney Anglican Deposit Plan deposits at call.

(g) Receivables, accounts payable, provisions and borrowings

Trade accounts receivable generally settled within 60 days are carried at amounts due.

A provision is raised for any doubtful debts based on a review of all outstanding amounts at balance date. Bad debts are written off in the period in which they are identified.

Trade accounts payable, including accruals not yet billed, are recognised when the Secretariat becomes obliged to make future payments as a result of a purchase of assets or services. Trade accounts payable are generally settled within 30 days.

3. Reserves

	2001 \$	2000 \$
Summary of Reserves		
Staff replacement/development	150,000	106,900
Staff training	49,967	61,037
Office alterations and maintenance	170,000	295,175
Archbishop's appointment	5,913	44,908
Publishing Handbook	46,758	41,758
Future Synod grant	-	18,734
Software replacement	100,000	55,000
	<u>522,638</u>	<u>623,512</u>
Movement in reserves		
Staff replacement/development	43,100	-
Staff training	(11,070)	45,540
Office alterations and maintenance	(125,175)	120,000
Archbishop's appointment	(38,995)	2,050
Publishing Handbook	5,000	5,000
Future Synod grant	(18,733)	(3,815)
Software replacement	45,000	-
	<u>(100,873)</u>	<u>168,775</u>
Staff replacement/development		
Balance 1 January	106,900	106,900
Transferred to the Statement of Financial Planning	43,100	-
	<u>150,000</u>	<u>106,900</u>
	2001 \$	2000 \$
Staff Training		

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Budgeted costs	79,452	67,477
Management training commitment in 2001 ...	-	30,000
Expenditure incurred during the year and shown in the Statement of Financial Planning account	<u>(90,522)</u>	<u>(51,937)</u>
Transferred (to)/from the Statement of Financial Planning	<u>(11,070)</u>	<u>45,540</u>
Balance 1 January	61,037	15,497
Transferred (to)/from the Statement of Financial Planning	<u>(11,070)</u>	<u>45,540</u>
Balance 31 December	<u>49,967</u>	<u>61,037</u>
 Office alterations and maintenance		
Balance 1 January	295,175	175,175
Expenditure incurred during the year and shown in the Statement of Financial Performance . . .	(150,680)	(23,958)
Allocation for the year	<u>25,505</u>	<u>143,958</u>
Balance 31 December	<u>170,000</u>	<u>295,175</u>
 Archbishop's appointment		
Balance 1 January	44,908	42,858
Expenditure incurred during the year and shown in the Statement of Financial Performance . . .	(48,995)	(7,950)
Allocation for the year	<u>10,000</u>	<u>10,000</u>
Balance 31 December	<u>5,913</u>	<u>44,908</u>
 Publishing Handbook		
Balance 1 January	41,758	36,758
Expenditure incurred	-	-
Allocation for the year	<u>5,000</u>	<u>5,000</u>
Balance 31 December	<u>46,758</u>	<u>41,758</u>
 Future Synod grant		
Balance 1 January	18,733	22,549
Allocation previously set aside & now used . . .	(18,733)	(3,816)
Allocation from current year	-	-
Balance 31 December	<u>-</u>	<u>18,733</u>
	2001	2000
	\$	\$
 Software replacement		
Balance 1 January	55,000	55,000

Transferred from Capital Funds	45,000	-
Balance 31 December	100,000	55,000

4. Cash Flow Information

(a) Reconciliation of surplus/deficit from

ordinary activities to the net cash flows from operating activities:

Surplus/(deficit) from ordinary activities	(80,516)	201,235
Depreciation and amortisation	379,288	377,621
Loss on sale of motor vehicle	4,143	4,461
GST on sale of motor vehicles	-	(3,234)
Profit on sale of investments	(827)	(1,603)
Amortisation of premiums/discounts	-	-
Profit on sale of office equipment/ furnishings	-	(167)
Profit on sale of computing equipment	(892)	(1,728)
Profit on sale of motor vehicles	(8,170)	(2,784)
Interest on fixed interest units reinvested	(154,435)	(113,069)
Changes in assets and liabilities:		
(Increase) in accounts receivable	(224,436)	(213,481)
Increase in accounts payable & accruals ..	258,057	156,714
(Decrease)/Increase in trust funds	(36,427)	7,659
(Decrease)/Increase in provision for annual leave	(135,036)	74,175
(Decrease)/Increase in provision for long service leave	(85,701)	46,499
Net cash flows from operating activities ..	(82,952)	532,298

(b) Reconciliation of cash

Sydney Anglican Deposit Plan		
deposits - at call	573,170	200,863
Cash on hand	770	770
Cash at bank	21,501	(55,587)
	595,441	146,046

5. Investments - Unlisted

Current (at cost)

Bank accepted bills	549,601	1,098,445
Debentures	-	1,000,000
Deposit - 111 am call	955,901	-
Negotiable certificates of deposit	351,402	443,441
	2001	2000
	\$	\$
SACIT Fixed Interest Fund	2,367,555	2,213,121

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			4,224,459	4,755,007
	No of Units	No of Shares	2001 \$	2000 \$
Non current - at call				
Anglican Insurance Limited	-	52,945	64,338	64,338
Anglican Insurance Agencies Pty Ltd	-	52,945	529	529
Anglican Insurance Trust (in liquidation - liability for repayment with Anglican Insurance Ltd)	2,513,675	-	25,137	25,137
			90,004	90,004
At Members' Valuation				
NSW Council of Churches Broadcasters Pty. Ltd.	-	47	47	33
			47	33
Total shares			90,051	90,037

Net fair values

The aggregate net fair value of securities are:

Current		
Bank accepted bills	549,665	1,098,445
Debentures	-	999,955
Deposit - 11 am call	955,901	-
Negotiable certificates of deposit	352,229	443,439
SACIT Fixed Interest Fund	2,319,596	2,219,261
	4,177,391	4,761,100
	<u>\$90,051</u>	<u>\$90,037</u>
Non-current		
Shares	<u>\$90,051</u>	<u>\$90,037</u>

6. Accounts receivable, prepayments and accrued income

Sundry debtors	764,171	330,596
Prepayments	2,343	210,255
Accrued Income	-	-
Accrued Interest	3,505	4,732
	770,019	545,583

7. Non-current Assets

Furnishings and effects	Equipment and machinery	Office equipment	Motor vehicles	Computer hardware/ software
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Written down value -					
1 January	113,790	-	96,780	364,869	315,755
Purchases	9,492	449,237	17,044	140,967	228,835
Sales	(1,852)	-	-	(106,662)	(14,909)
Depreciation	(39,052)	(6,161)	(43,208)	(89,886)	(212,399)
	<u>82,378</u>	<u>443,076</u>	<u>70,616</u>	<u>309,288</u>	<u>317,282</u>
Written down value -					
31 December	<u>82,378</u>	<u>443,076</u>	<u>70,616</u>	<u>309,288</u>	<u>317,282</u>

8. Accounts Payable and Accruals

	\$	\$
Sundry creditors	77,179	133,441
Accrued expenses	623,306	496,627
Other Payables	238,692	52,314
	<u>939,177</u>	<u>682,379</u>
Balance 31 December	<u>939,177</u>	<u>682,379</u>

9. Provision for Employee Entitlements

Provision for Annual Leave		
Balance 1 January	523,729	449,554
Movement during year	(135,036)	74,175
	<u>388,693</u>	<u>523,729</u>
Balance 31 December	<u>388,693</u>	<u>523,729</u>
Provision for Long Service Leave		
Balance 1 January	534,106	487,607
Receipt for service purchased	-	3,057
Movement during year	(85,701)	43,442
	<u>448,405</u>	<u>534,106</u>
Balance 31 December	<u>448,405</u>	<u>534,106</u>
Current liability	128,929	230,697
Non current liability	319,476	303,409
	<u>448,405</u>	<u>534,106</u>
Balance 31 December	<u>448,405</u>	<u>534,106</u>

Employee numbers

Average number of employees during the financial year	97	93
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10. Capital Funds	2001	2000
Capital funds	\$	\$
Balance 1 January	2,010,995	1,978,535
Reserves (see note 3)	100,873	(168,775)
Transfer from surplus/(deficit) for year	<u>(80,516)</u>	<u>201,235</u>
 Balance 31 December	 <u>2,031,352</u>	 <u>2,010,995</u>

The major purpose of the capital funds is to provide funds earmarked for investment in fixed assets which are essential in order to effectively perform the functions of the Sydney Diocesan Secretariat.

11. Trust Funds

	Clergy removals fund	Clergy stipend continuanc e plan	Executive group salary continuanc e	Total 2001	Total 2000
	\$	\$	\$	\$	\$
Balance 1 January	50,062	20,499	-	70,561	62,902
Received	49,285	263,858	48,059	361,202	354,683
Interest	1,852	758	-	2,610	3,141
Less Payments	<u>(55,733)</u>	<u>(296,447)</u>	<u>(48,059)</u>	<u>(400,239)</u>	<u>(350,165)</u>
Balance 31 December	<u>\$45,466</u>	<u>\$(11,332)</u>	<u>\$ -</u>	<u>\$34,134</u>	<u>\$70,561</u>

12. Superannuation Plan

The accrued benefits, based on an actuarial assessment at 1 January 2000, and the plan assets at net market value and vested benefits at 1 January 2000 of the defined benefit superannuation plan sponsored by the Secretariat and other entities in the Anglican Church Diocese of Sydney are -

Accrued benefits	Net surplus	Plan assets	Vested benefits
\$781,295	\$1,447,968	\$2,229,263	\$744,171

Included in the above are benefits in respect of two employees who are not employees of the Sydney Diocesan Secretariat but are employees of other entities within the Anglican Church Diocese of Sydney. Since the time of the actuarial report no employer contributions are being made by the Secretariat or other employers. The next actuarial assessment is due as at 1 January 2003.

13. Overdraft Facility

A Joint and Several Guarantee has been given to Westpac Banking Corporation by Glebe Administration Board and St. Andrew's House Corporation for overdraft accommodation up to \$1.2 million granted to Sydney Diocesan Secretariat.

At balance date Sydney Diocesan Secretariat made available overdraft facilities with limits of \$1 million to the Glebe Administration Board, \$100,000 to Sydney Diocesan Superannuation Fund and \$100,000 to Sydney Church of England Finance & Loans Board through current accounts with the Secretariat.

14. Related Party Transactions

Ultimate control vests with Synod through the sanctioning of governing Ordinances and material transaction between Diocesan Funds are carried out on a commercial basis. The nature of material transactions is disclosed in the financial statements. The following persons held office as members of the Secretariat during the year:

Mr B H Ball	Dr S E Judd
Canon B A Ballantine-Jones	Mr R H Y Lambert
Mr R E Bucknell	Mr I C Miller
Mr R C Corbett	Mr W H Olson
Rt Rev R C Forsyth	Dr L A Scandrett
Mr N Ingham	Mr P Shirriff

15. Commitments - Premises Rental

	2001	2000
	\$	\$
Gross rent	395,032	383,827
Cleaning, electricity and outgoings	33,849	32,083
	<u>428,881</u>	<u>415,910</u>
No later than one year	<u>428,881</u>	<u>415,910</u>

16. Financial Instruments**(i) Interest Rate Risk**

The Secretariat's exposure to interest rate risk and the effective interest rates on financial instruments at balance date are:

31 December 2001	Weighted average effective interest rate %	Floating Interest Rate \$	Fixed interest maturing in 1 year or less \$	Over 1 to 5 \$	more 5 years \$	Non- interest bearing \$	Total \$
Assets							
Cash	1.97	595,441	-	-	-	-	595,441
Accounts receivable		-	-	-	-	770,019	770,019
Bank accepted bills	4.29	-	549,601	-	-	-	549,601
Negotiable certificates of deposit	4.30	-	351,402	-	-	-	351,402
Deposit - 11 am call	4.34	-	955,901	-	-	-	955,901
Debentures		-	-	-	-	-	-
SACIT - Fixed		-	-	-	-	-	-
Interest Fund		-	-	-	-	2,367,555	2,367,555
Shares		-	-	-	-	90,051	90,051
		<u>595,441</u>	<u>1,856,904</u>	<u>-</u>	<u>-</u>	<u>3,227,625</u>	<u>5,679,970</u>
Liabilities							
Accounts Payable and accruals		-	-	-	-	939,177	939,177
Current account with client funds	1.97	2,538,211	-	-	-	-	2,538,211
Trust funds		-	-	-	-	34,134	34,134
		<u>2,583,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>973,311</u>	<u>3,511,522</u>
Net Financial Assets		(1,942,700)	1,856,904	-	-	2,254,314	2,168,488

31 December 2000	Weighted average effective interest rate %	Floating Interest Rate \$	Fixed interest maturing in 1 year or less \$	Over 1 to 5 \$	more 5 years \$	Non-interest bearing \$	Total \$
Assets							
Cash	3.39	146,046	-	-	-	-	146,046
Accounts receivable		-	-	-	-	545,583	545,583
Bank accepted bills	6.17	-	1,098,445	-	-	-	1,098,445
Negotiable certificates of deposit	6.27	-	443,441	-	-	-	443,441
Debentures	6.36	-	1,000,000	-	-	-	1,000,000
SACIT - Fixed Interest		-	-	-	-	2,213,121	2,213,121
Shares		-	-	-	-	90,037	90,037
		<u>146,046</u>	<u>2,541,886</u>	<u>-</u>	<u>-</u>	<u>2,848,741</u>	<u>5,536,673</u>
Liabilities							
Accounts Payable and accruals		-	-	-	-	682,382	682,382
Current account with client funds	3.67	1,982,585	-	-	-	-	1,982,585
Trust funds		-	-	-	-	70,561	70,561
		<u>1,982,585</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>752,943</u>	<u>2,735,528</u>
Net Financial Assets		(1,836,539)	2,541,886	-	-	2,049,798	2,801,145

(ii) **Credit Risk**

The carrying amount of financial assets included within the Statement of Financial Position represents the Secretariat's maximum exposure to credit risk in relation to these assets.

(iii) **Net Fair Value**

The members consider the carrying amount of financial assets and liabilities approximate their net fair values, with the exception of investments as detailed in Note 5 of the financial statements.

17. Income Tax

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

18. Auditor's Remuneration

Remuneration payable to auditors in respect of the Sydney Diocesan Secretariat and funds for which it provides accounting, secretarial and administrative services is set out in the Statement of Financial Performance, as follows -

	2001	2000
	\$	\$
	175,000	165,000

Statement by General Manager, Finance & Administration

The accounting records have been properly maintained and in my opinion the financial statements as presented give a true and fair view of the operations of the Sydney Diocesan Secretariat for the year ended 31 December 2001 and of the state of its affairs at that date, and comply with Australian Accounting Standards, and other mandatory professional requirements.

19 March 2002

A. McDonald, B. Bus (Acct.), FCPA

Statement by the Members

In the opinion of the members of Sydney Diocesan Secretariat -

- (a) the accompanying financial statements give a true and fair view of the operations of Sydney Diocesan Secretariat for the year ended 31 December 2001 and of the state of its affairs at that date comply with Australian Accounting Standards and other mandatory professional requirements.
- (b) at the date of this statement there are reasonable grounds to believe that the Secretariat will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution at a duly constituted meeting.

For and on behalf of
Sydney Diocesan Secretariat
19 March 2002

B H BALL, Member
L A SCANDRETT, Member