

## Sydney Diocesan Secretariat Audited Accounts for 2002

Independent Audit Report to the Members of Sydney Diocesan Secretariat

### **Audit opinion**

In our opinion, the financial report as set out [on pages 166 to 180]:

- presents a true and fair view of the financial position of the Sydney Diocesan Secretariat as at 31 December 2002 and of its performance for the year ended on that date
- is presented in accordance with the Accounts, Audits and Annual Reports Ordinance 1995 of the Synod of the Anglican Church Diocese of Sydney and Australian Accounting Standards and other mandatory professional reporting requirements in Australia.

This opinion must be read in conjunction with the following explanation of the scope and summary of our role as auditor.

### **Scope and summary of our role**

#### ***The financial report - responsibility and content***

The preparation of the financial report for the year ended 31 December 2002, is the responsibility of the Members of Sydney Diocesan Secretariat. It includes the financial statements for the Sydney Diocesan Secretariat (the "Fund").

#### ***The auditor's role and work***

We conducted an independent audit of the financial report in order to express an opinion on it to the Members. Our role was to conduct the audit in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our audit did not involve an analysis of the prudence of business and investment decisions made by the Members.

In conducting the audit, we carried out a number of procedures to assess whether in all material respects the financial report presents a true and fair view, in accordance with the Accounts, Audit and Annual Reports Ordinance 1995 of the Synod of the Anglican Church Diocese of Sydney, Australian Accounting Standards and other mandatory professional reporting requirements in Australia, which is consistent with our understanding of the Fund's financial position and its performance as represented by the results of its operations and cash flows.

The procedures included -

- selecting and examining evidence, on a test basis, to support amounts and disclosures in the financial report. This included testing, as required by auditing standards, certain

internal controls, transactions and individual items. We did not examine every item of available evidence

- evaluating the accounting policies applied and significant accounting estimates made by the Members in their preparation of the financial report
- reviewing the overall presentation of information in the financial report.

Our audit opinion was formed on the basis of these procedures.

***Independence***

As auditor, we are required to be independent of the Members and free of interests which could be incompatible with integrity and objectivity. In respect of this engagement, we followed the independence requirements set out by The Institute of Chartered Accountants in Australia, the Corporations Act 2001 and the Auditing and Assurance Standards Board.

PricewaterhouseCoopers  
Chartered Accountants

M J Codling  
Partner

Sydney  
16 April 2003

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Statement of Financial Performance for the year ended 31 December 2002

	Notes	2002 \$	2001 \$
<b>Income</b>			
Accounting and secretarial services		5,857,058	4,746,599
Personnel services charge to:			
Appeals office		19,104	205,397
Glebe Administration Board		2,982,931	2,653,685
Episcopal secretaries & archives		740,076	586,815
		3,742,111	3,445,897
Proceeds from the sale of fixed assets		82,955	124,610
Gain on sale of investments		15,355	827
Net interest earned		201,430	281,881
Sundry income		42,558	33,245
Ordinance fees		19,150	17,900
Sale of diocesan yearbooks		14,655	12,334
Recovery of assets servicing costs		135,352	160,273
Recovery of sundry overheads		123,946	180,934
<b>Total income</b>		10,234,570	9,004,500
<b>Expenditure</b>			
Personnel costs:			
Consultant fees		194,508	162,559
Salaries, stipends and wages		5,957,775	5,155,948
Motor vehicles		202,529	188,062
Long service leave provision		11,782	(85,702)
Superannuation		366,040	337,671
Payroll taxes		362,248	319,627
Agency fees of casuals		40,641	14,225
Recruitment and medical costs		167,730	219,650
Training and development		86,161	90,522
Workers' compensation insurance		102,801	88,571
Personnel insurances		20,786	26,317
		7,513,001	6,517,450
Rent and occupancy costs:			
Rent - floor space (offices)		493,052	453,209
Rent - meeting rooms		-	18,000
Rent - vehicle parking		58,894	101,253
Cleaning, laundry etc		11,524	21,698
Fuel, light and power		15,269	9,294
		578,739	603,454
Asset servicing costs:			
Depreciation and amortisation	2	626,904	379,288
Insurance costs		79,236	22,534
Office alterations and maintenance		-	150,680
Repairs and maintenance - fixed assets		263,456	269,321
		969,596	821,823

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	Notes	2002 \$	2001 \$
Fees and subscriptions:			
Audit fees	17	262,520	175,000
Bank fees		31,871	21,528
Consultant fees		248,817	28,086
Legal fees		13,884	-
Payroll services		-	998
Books and publications		1,470	1,191
Subscriptions		45,494	36,055
		<u>604,056</u>	<u>262,858</u>
Office operating costs:			
Catering costs		61,005	40,915
Entertaining and hospitality		-	776
GST advice		6,270	26,050
Carrying cost of sale of assets		83,659	121,691
Minor expenses		5,734	28,724
Postage and mailing costs		93,561	137,237
Printing and photocopying		16,366	19,935
Representation reimbursement		42,828	40,432
Stationery and general office costs		101,576	107,021
Telephone expenses		187,136	197,701
Travel and conference expenses		50,438	18,659
		<u>648,573</u>	<u>739,141</u>
Synod expenses:			
Printing and stationery		9,250	11,475
Hire of venue - equipment		42,532	49,837
Voluntary staff - reimburse meals and fares		-	3,818
Archbishop's appointment		-	48,995
Publishing Year Book		36,320	26,165
		<u>88,102</u>	<u>104,290</u>
Write off investment in Anglican Insurance	5	<u>90,004</u>	-
<b>Total expenditure</b>		<u>10,492,071</u>	<u>9,085,016</u>
<b>Operating deficit from ordinary activities</b>	10	<u>(257,501)</u>	<u>(80,516)</u>

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

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Statement of Financial Position as at 31 December 2002

	Notes	2002 \$	2001 \$
<b>Current assets</b>			
Bank accounts - Westpac Banking Corporation	4	63,604	21,501
Cash on hand	4	900	770
At-call deposits (unsecured) - Glebe Income Account	4	652,068	573,170
Investments	5	3,100,140	4,224,459
Accounts receivable, prepayments and accrued income	6	471,368	770,748
<b>Total current assets</b>		4,288,080	5,590,648
<b>Non-current assets</b>			
Furnishings and effects - at cost	7	317,375	300,832
Less provision for depreciation		(252,064)	(218,454)
		65,311	82,378
Equipment and machinery - at cost	7	459,631	456,935
Less provision for depreciation		(107,581)	(13,859)
		352,050	443,076
Office equipment - at cost	7	554,041	491,129
Less provision for depreciation		(458,237)	(420,513)
		95,804	70,616
Motor vehicles - at cost	7	408,829	447,327
Less provision for depreciation		(149,312)	(138,039)
		259,517	309,288
Computer hardware/software - at cost	7	1,575,262	1,120,285
Less provision for depreciation		(1,041,326)	(803,003)
		533,936	317,282
Investments	5	47	90,051
<b>Total non-current assets</b>		1,306,665	1,312,691
<b>Total assets</b>		5,594,745	6,903,339
<b>Current liabilities</b>			
Accounts payable and accruals	8	1,109,024	938,322
Current account held for Diocesan funds		1,352,062	2,539,795
Provision for annual leave	9	472,180	388,693
Provision for long service leave	9	245,875	128,929
<b>Total current liabilities</b>		3,179,141	3,995,739
<b>Non current liabilities</b>			
Provision for long service leave	9	214,311	319,476
<b>Total liabilities</b>		3,393,452	4,315,215
<b>Trust funds</b>			
Clergy removals fund	11	38,485	45,466
Clergy stipend continuance plan	11	(133,681)	(11,332)
<b>Total trust funds</b>		(95,196)	34,134
<b>Net assets</b>		2,296,489	2,553,990

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	Notes	2002 \$	2001 \$
<b>Equity</b>			
Capital funds	10	2,296,489	2,031,352
Reserves	3	-	522,638
<b>Total equity</b>		<u>2,296,489</u>	<u>2,553,990</u>

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

Statement of Cash Flows for the Year ended 31 December 2002

	Notes	2002 \$	2001 \$
<b>Cash flows from operating activities</b>			
Payments received from Diocesan funds		9,897,774	9,886,696
Interest received		262,547	131,375
Other income received		373,628	63,479
Payments in respect of the operations		(9,504,574)	(10,167,343)
Net cash flows from/(used in) operating activities	4a	<u>1,029,375</u>	<u>(85,793)</u>
<b>Cash flows from investing activities</b>			
Purchase of office furnishings/equipment		(16,543)	(458,118)
Sale of office furnishings/equipment		-	1,852
Purchase of office equipment		(67,949)	(17,045)
Sale of office equipment		2,341	-
Purchase of computing equipment/software		(455,386)	(216,313)
Sale of computing equipment/software		410	14,909
Purchase of motor vehicles		(108,027)	(140,966)
Sale of motor vehicles		146,525	107,849
Purchase of bank bills		(24,266,446)	(25,363,772)
Maturity of bank bills		24,590,415	25,912,629
Purchase of negotiable certificates of deposit		-	(16,627,710)
Sale/maturity of negotiable certificates of deposit		448,666	16,719,738
Purchase of bank bonds		(2,495,050)	(2,000,000)
Sale/maturity of bank bonds		2,500,533	3,000,825
Investment in term deposits		-	(955,900)
Net increase/(decrease) in deposits from Diocesan funds		<u>(1,187,733)</u>	<u>557,210</u>
<b>Net cash flows from/(used in) investing activities</b>		<u>(908,244)</u>	<u>535,188</u>
<b>Net increase in cash held</b>		<u>121,131</u>	<u>449,395</u>
<b>Cash at the beginning of the year</b>		<u>595,441</u>	<u>146,046</u>
<b>Cash at the end of the year</b>	4b	<u>716,572</u>	<u>595,441</u>

## **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. Summary Of 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.

### **(b) Revenue recognition**

Income 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% per annum.

### **(d) Employee entitlements**

Liabilities for employees' entitlements to wages and salaries, annual leave and long service leave are accrued at nominal amounts calculated 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.

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 Glebe Income Account 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

	2002	2001
	\$	\$
<b>Summary of reserves</b>		
Staff replacement/development	-	150,000
Staff training	-	49,967
Office alterations and maintenance	-	170,000
Archbishop's appointment	-	5,913
Publishing Handbook	-	46,758
Software replacement	-	100,000
	<u>-</u>	<u>522,638</u>
<b>Movement in reserves-transfer to capital funds</b>		
Staff replacement/development	(150,000)	43,100
Staff training	(49,967)	(11,070)
Office alterations and maintenance	(170,000)	(125,175)
Archbishop's appointment	(5,913)	(38,995)
Publishing Handbook	(46,758)	5,000
Future Synod grant	-	(18,733)
Software replacement	(100,000)	45,000
Net movement in reserves	<u>(522,638)</u>	<u>(100,873)</u>
<b>Staff replacement/development</b>		
Balance 1 January	150,000	106,900
Transferred to capital funds	(150,000)	43,100
Balance 31 December	<u>-</u>	<u>150,000</u>
<b>Staff Training</b>		
Balance 1 January	49,967	61,037
Transferred (to)/from the Statement of Financial Performance	-	(11,070)
Transferred to capital funds	(49,967)	-
Balance 31 December	<u>-</u>	<u>49,967</u>
<b>Office alterations and maintenance</b>		
Balance 1 January	170,000	295,175
Expenditure incurred during the year and shown in the Statement of Financial Performance	-	(150,680)
Allocation for the year	-	25,505
Transferred to capital funds	(170,000)	-
Balance 31 December	<u>-</u>	<u>(170,000)</u>
<b>Archbishop's appointment</b>		
Balance 1 January	5,913	44,908
Expenditure incurred during the year and shown in the Statement of Financial Performance	-	(48,995)
Allocation for the year	-	10,000
Transferred to capital funds	(5,913)	-
Balance 31 December	<u>-</u>	<u>5,913</u>

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	2002	2001
	\$	\$
<b>Publishing Handbook</b>		
Balance 1 January	46,758	41,758
Expenditure incurred	-	-
Allocation for the year	-	5,000
Transferred to capital funds	(46,758)	-
Balance 31 December	<u>-</u>	<u>46,758</u>
<b>Future Synod grant</b>		
Balance 1 January	-	18,733
Allocation previously set aside and now used	-	(18,733)
Balance 31 December	<u>-</u>	<u>-</u>
<b>Software replacement</b>		
Balance 1 January	100,000	55,000
Transferred from Statement of Financial Performance	-	45,000
Transferred to capital funds	(100,000)	-
Balance 31 December	<u>-</u>	<u>100,000</u>

**4. Reserves**

**a. Reconciliation of operating results to the net cash flows from operating activities:**

Operating (deficit) from ordinary activities	(257,501)	(80,516)
Depreciation and amortisation	626,904	379,288
Loss on sale of motor vehicle	-	4,143
Write off investment in Anglican Insurance	90,004	-
Carrying cost of fixed assets sold	83,659	-
Profit on sale of investments	(15,355)	(827)
Distributions on investments reinvested	148,599	-
Proceed on sale of office equipment/furnishings	(82,955)	-
Profit on sale of computer equipment	-	(892)
Profit on sale of motor vehicles	-	(6,170)
Interest on fixed interest units reinvested	-	(154,435)
<b>Changes in assets and liabilities:</b>		
Decrease/(Increase) in accounts receivable	299,380	(225,165)
Increase in accounts payable and accruals	170,702	255,944
(Decrease)/Increase in trust funds	(129,330)	(36,427)
(Decrease)/Increase in provision for annual leave	83,487	(135,036)
(Decrease)/Increase in provision for long service leave	11,781	(85,701)
<b>Net cash flows from/(used in) operating activities</b>	<u>1,029,375</u>	<u>(85,794)</u>
<b>b. Reconciliation of cash:</b>		
Glebe Income Account deposits - at call	652,068	573,170
Cash on hand	900	770
Cash at bank	63,604	21,501
	<u>716,572</u>	<u>595,441</u>

**5. Investments - Unlisted**

		<b>2002</b>	<b>2001</b>
		<b>\$</b>	<b>\$</b>
<b>Current (as cost)</b>			
Bank accepted bills		150,640	549,601
Deposit - 11 am call		-	955,901
Negotiable certificates of deposit		450,999	351,402
SACIT fixed interest		<u>2,498,501</u>	<u>2,367,555</u>
<b>Total current investments</b>		<b><u>3,100,140</u></b>	<b><u>4,224,459</u></b>
	<b>No. of units</b>	<b>No. of shares</b>	
		<b>2002</b>	<b>2001</b>
		<b>\$</b>	<b>\$</b>
<b>Non-current (at cost)</b>			
Anglican Insurance Limited	-	52,945	64,338
Anglican Insurance Agencies Pty Ltd	-	52,945	529
Anglican Insurance Trust (in liquidation - liability for repayment with Anglican Insurance Ltd)	2,513,675	-	<u>25,137</u>
			<u>90,004</u>
<b>At member's valuation:</b>			
NSW Council of Churches Broadcasters Pty Ltd	-	47	<u>47</u>
<b>Total non-current investments</b>		<b><u>47</u></b>	<b><u>90,051</u></b>
<b>Net fair values</b>			
The aggregate net fair value of securities are:			
<b>Current</b>			
Bank accepted bills		151,080	549,665
Deposit - 11 am call		-	955,901
Negotiable certificates of deposit		453,166	352,229
Glebe pooled fixed interest/ SACIT fixed interest units		<u>2,507,995</u>	<u>2,319,596</u>
		<b><u>3,112,241</u></b>	<b><u>4,177,391</u></b>
<b>Non-current Shares</b>			
		<u>47</u>	<u>90,051</u>

Note: Shares in Anglican Insurance Limited, Anglican Insurance Agencies Pty Ltd and Anglican Insurance Trust have been written off as the companies and trust are in liquidation. Recovery of any amount from the liquidation is uncertain.

**6. Accounts receivable, prepayments and accrued income**

		<b>2002</b>	<b>2001</b>
		<b>\$</b>	<b>\$</b>
Sundry debtors		16,443	764,900
Prepayments		82,245	2,343
Input tax credits		79,808	-
Accrued income		288,914	-
Accrued interest		<u>3,958</u>	<u>3,505</u>
		<b><u>471,368</u></b>	<b><u>770,748</u></b>

**7. Non-current assets**

	<b>2002</b>	<b>2001</b>
	<b>\$</b>	<b>\$</b>
Furnishings and effects at cost	300,832	295,447
Additions	16,543	9,613
Disposals	-	4,228
	<u>317,375</u>	<u>300,832</u>
Less: provision for depreciation	<u>252,064</u>	<u>218,454</u>
	<u>65,311</u>	<u>82,378</u>
Equipment and machinery	456,935	7,698
Additions	5,037	449,237
Disposals	2,341	-
	<u>459,631</u>	<u>456,935</u>
Less: provision for depreciation	<u>107,581</u>	<u>13,859</u>
	<u>352,050</u>	<u>443,076</u>
Office equipment	491,129	474,084
Additions	62,912	17,045
	<u>554,041</u>	<u>491,129</u>
Less: provision for depreciation	<u>458,237</u>	<u>420,513</u>
	<u>95,804</u>	<u>70,616</u>
Motor vehicle	447,327	500,147
Additions	108,027	140,968
Disposals	146,525	193,788
	<u>408,829</u>	<u>447,327</u>
Less: provision for depreciation	<u>149,312</u>	<u>138,039</u>
	<u>259,517</u>	<u>309,288</u>
Computer hardware/software	1,120,286	981,920
Additions	455,386	232,480
Disposal	410	94,114
	<u>1,575,262</u>	<u>1,120,286</u>
Less: provision for depreciation	<u>1,041,326</u>	<u>803,003</u>
	<u>533,936</u>	<u>317,283</u>

**8. Accounts payable and accruals**

	<b>2002</b>	<b>2001</b>
	<b>\$</b>	<b>\$</b>
Sundry creditors	105,586	76,324
Accrued expenses	607,268	623,306
Other payables	396,170	238,692
Balance 31 December	<u>1,109,024</u>	<u>938,322</u>

**9. Provision for employee entitlements**

	<b>2002</b>	<b>2001</b>
	<b>\$</b>	<b>\$</b>
<b>Provision for annual leave</b>		
Balance 1 January	388,693	523,729
Movement during year	83,487	(135,036)
Balance 31 December	<u>472,180</u>	<u>388,693</u>

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	<b>2002</b>	<b>2001</b>
	\$	\$
<b>Provision for long service leave</b>		
Balance 1 January	448,405	534,106
Movement during year	11,781	(85,701)
Balance 31 December	<u>460,186</u>	<u>448,405</u>
Current liability	245,875	128,929
Non-current liability	214,311	319,476
Balance 31 December	<u>460,186</u>	<u>448,405</u>
<b>Employee numbers</b>		
Average number of employees during the financial year	108	97

**10. Capital Funds**

	<b>2002</b>	<b>2001</b>
	\$	\$
Balance 1 January	2,031,352	2,111,868
Write back of reserves to capital funds	522,638	-
Deficit for year	(257,501)	(80,516)
	<u>2,296,489</u>	<u>2,031,352</u>

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

**11. Trust funds**

	<b>Clergy removals fund \$</b>	<b>Clergy stipend continuance plan \$</b>	<b>Total 2002 \$</b>	<b>Total 2001 \$</b>
Balance 1 January	45,466	(11,332)	34,134	70,561
Received	52,069	-	52,069	361,202
Interest	-	-	-	2,610
Less payments	(59,050)	(122,349)	(181,399)	(400,239)
Balance 31 December	<u>38,485</u>	<u>(133,681)</u>	<u>(95,196)</u>	<u>34,134</u>

The Clergy removals fund reimburses parishes for clergy removals under the provisions of the Clergy Removals Fund Ordinance 2003. The Clergy Stipend continuance plan pays the insurance premium to cover the clergy for the extended absence caused by sickness or accident under the provisions of the Sydney Diocesan Sickness and Accident Fund Ordinance 1969.

**12. 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,

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\$100,000 to Sydney Diocesan Superannuation Fund and \$100,000 to Sydney Church of England Finance & Loans Board through current accounts with the Secretariat.

### 13. 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 P Berkley (appointed on 18 November 2002)	Mr I C Miller
Mr R E Bucknell (retired on 19 November 2002)	Mr W H Olson
Mr R C Corbett (retired on 18 November 2002)	Dr L A Scandrett
Rt Rev R C Forsyth	Mr P Shirriff
Mr N Ingham (retired on 19 November 2002)	

### 14. Commitments - Premises Rental

	2002	2001
	\$	\$
Gross rent	483,000	395,032
Cleaning, electricity and outgoings	36,000	33,849
No later than one year	519,000	428,881

### 15. 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 2002	Weighted effective interest rate %	Floating interest rate \$	Fixed interest maturing in			Non-interest bearing \$	Total \$
			1 year or less \$	over 1 year %	more than 5 years \$		
<b>Assets</b>							
Cash	2.75	716,572	-	-	-	-	716,572
Accounts receivable		-	-	-	-	471,368	471,368
Bank accepted bills	4.85	-	150,640	-	-	-	549,601
Negotiable certificates of deposit	4.85	-	450,999	-	-	-	450,999
SACIT - fixed interest		-	-	-	-	2,498,501	2,498,501
Shares		-	-	-	-	47	47
		716,572	601,639	-	-	2,969,916	4,687,088
<b>Liabilities</b>							
Accounts payable and accruals		-	-	-	-	1,109,024	1,109,024
Current account with client funds	2.75	1,352,062	-	-	-	-	1,352,065
Trust funds		-	-	-	-	(95,196)	(95,196)
		1,352,062	-	-	-	1,013,828	2,365,893
<b>Net financial assets/ (liabilities)</b>		(635,490)	601,639	-	-	1,956,088	2,321,195

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31 December 2001	Weighted effective interest rate %	Floating interest rate \$	Fixed interest maturing in			Non-interest bearing \$	Total \$
			1 year or less \$	over 1 year %	more than 5 years \$		
<b>Assets</b>							
Cash	1.97	595,441	-	-	-	-	595,441
Accounts receivable	-	-	-	-	-	770,748	770,748
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
SACIT - fixed interest	-	-	-	-	-	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>3,228,354</u>	<u>5,680,699</u>
<b>Liabilities</b>							
Accounts payable and accruals	-	-	-	-	-	938,322	938,322
Current account with client funds	1.97	2,539,795	-	-	-	-	2,539,795
Trust funds	-	-	-	-	-	34,134	34,134
		<u>2,539,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>972,456</u>	<u>3,512,251</u>
<b>Net financial assets/ (liabilities)</b>		<u>(1,944,354)</u>	<u>1,856,904</u>	<u>-</u>	<u>-</u>	<u>2,255,898</u>	<u>2,168,448</u>

**(ii) Credit Risk**

The carrying amount of financial assets included within the balance sheet represents the Fund's maximum exposure to credit risk in relation to these assets.

**(ii) Net Fair Value**

The members consider the carrying amount of financial assets and liabilities approximate their net fair value. (See also Note 5).

**16. Income Tax**

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

**17. Auditors' Remuneration**

	2002	2001
	\$	\$
Auditing costs	149,240	175,000
Other costs	113,280	-
Total paid to auditors	<u>262,520</u>	<u>175,000</u>

**18. 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 at 1 January 2003.

**Statement by the Members**

In the opinion of the members of the 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 2002 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.

R H Y Lambert  
L A Scandrett  
**Members**

16 April 2003