

**Third Session of
52nd Synod**

(to be held on 10, 12-14 and 19-20 September 2022)

Book 4

(Pages 402 to 490)

**Reports and Papers
to be received**

**Standing Committee of the Synod
Anglican Church Diocese of Sydney**

2022 Other Reports and Papers Received

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Synod Funds – Amalgamated

Annual Financial Report – 31 December 2021

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 135	Ministry Spouse Support Fund
Fund 136	Parish Human Resources Partner Fund
Fund 153	The Archbishop's Professional Standards Unit
Fund 189	Ordination Training Fund

Discussion and Analysis report for the year ended 31 December 2021

The Synod Funds' (the Fund) Discussion and Analysis report provides an overview of the Fund's financial activities for the year ended 31 December 2021. 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 405.

The Fund is an amalgamation of the individual funds listed below. At 31 December 2021 the Synod Funds comprised of 11 funds (2020: 11 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 135	Ministry Spouse Support Fund
Fund 136	Parish Human Resources Partner Fund
Fund 153	The Archbishop's Professional Standards Unit
Fund 189	Ordination Training Fund

The main sources of funds during 2021 were distributions from the Diocesan Endowment (DE), and the Synod – St Andrew's House Fund. The distribution from the DE was a higher amount of \$3,239,000 (2020: \$2,880,000). The distribution from the Synod – SAH Fund was also higher at \$2,693,000 (2020: \$2,600,000). Distributions under various parish ordinances totalled \$1,164,361 (2020: \$1,223,738). Of the components of the parish ordinance distributions the increase mainly related to the Church Hill Trust, lower by \$59,000 and the Ryde Ordinance, which contributed \$58,000 less than in 2020. The Professional Standards Unit received \$90,000 (2020: \$190,331) 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 Diocesan Cash Investment Fund. The significantly lower interest earnings is due to the low interest rate environment that prevailed during most of 2021.

The Fund's total revenues decreased by \$97,760 or 1.12% to \$8,600,786 (2020: \$8,698,546).

The application of funds is divided between:

- grants appropriated by the Standing Committee in the *Synod Appropriations and Allocations Ordinance 2018*,
- 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 increased by \$1,192,272 or 15.77% to \$8,751,775 (2020: \$7,559,503). This increase reflects higher grants.

The Net Assets of the Fund increased by 6.31% to \$2,528,876 (2020: \$2,699,068) due to operating surpluses in almost all of the funds. 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 has exceeded the target equity identified as appropriate at its establishment. During 2021 there is no pre-approved replenishment of the Fund 0131 from the Appropriation Fund 0129.

Fund 134 Synod – St Andrew's House 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.

Reasons for not including Fund 134 in the amalgamated report include:

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

Redress Scheme Contingent Liabilities Disclosure

The Standing Committee of the Synod of the Anglican Diocese of Sydney has elected to participate in the *National Redress Scheme for People who have Experienced Child Sexual Abuse* (the Scheme). The Diocese is responsible for satisfying its financial liabilities to the Scheme, should such liabilities occur. There are no such known liabilities as at 31 December 2020.

There are no matters that have arisen since 31 December 2021 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 16 June 2022.

Standing Committee of Synod - Synod Funds

Income Statement for the 12 months ended 31 December 2021

	Fund 127	Fund 128	Fund 129	Fund 130	Fund 131	Fund 132	Fund 133	Fund 135	Fund 136	Fund 153	Fund 189	Elimination	Total	Actual
	Work Outside the Diocese Fund	Mission Areas Fund	Synod Approp. & Alloc. Fund	Sydney Reps. at General Synod Fund	Sydney Diocesan Synod Fund	Social Issues C'tee Fund	Diocesan Research Fund	Ministry Spouse Support Fund	Parish Human Resources Partner Fund	Archbp's PSU	Ordin. Training Fund			12 Months ending 31 December 2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income	Note													
Distributions - Diocesan Endowment		-	-	3,239,000	-	-	-	-	-	-	-	-	3,239,000	2,880,000
Distributions - Synod - St Andrew's House - Fund 0134		-	-	2,693,000	-	-	-	-	-	-	-	-	2,693,000	2,600,000
Distributions - Anglican Church Property Trust	2	-	-	1,164,361	-	-	-	-	-	-	-	-	1,164,361	1,223,738
Distributions - Diocesan Cash Investment Fund				96,000									96,000	
Interest		113	44	1,295	49	582	14	17	104	12	152	26	2,408	18,056
PCR Contributions		-	-	-	-	52,311	-	-	-	1,149,710	-	-	1,202,021	1,326,587
Synod Grants		607,000	-	-	40,000	-	47,040	-	-	-	54,000	(748,040)	-	-
Other Income		-	-	500	-	-	-	-	-	203,496	-	-	203,996	650,165
Total income		607,113	44	7,194,156	40,049	52,893	14	47,057	104	12	1,353,358	54,026	(748,040)	8,600,786
Expenses														
Interest		-	-	-	-	-	-	-	-	594	-	-	594	969
Staff & Related		-	-	-	-	-	37,600	-	-	763,016	-	-	800,616	901,954
Professional Fees		-	-	15,120	-	2,240	400	-	-	179,646	2,280	-	199,686	188,225
SDS Fees		13,700	3,396	1,021,008	17,196	3,396	6,996	-	-	42,300	3,396	-	1,111,388	1,109,628
Computer & Software		-	-	-	-	-	-	-	-	26,595	-	-	26,595	23,141
Insurance		-	-	-	-	-	-	-	-	678	-	-	678	478
Rent & Occupancy		-	-	27	-	-	-	-	-	31,278	-	-	31,305	38,774
Printing & Stationery		-	-	4,954	-	-	-	-	-	1,060	-	-	6,014	11,231

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	Fund 127 Work Outside the Diocese Fund	Fund 128 Mission Areas Fund	Fund 129 Synod Approp. & Alloc. Fund	Fund 130 Sydney Reps. at General Synod Fund	Fund 131 Sydney Diocesan Synod Fund	Fund 132 Social Issues C'tee Fund	Fund 133 Diocesan Research Fund	Fund 135 Ministry Spouse Support Fund	Fund 136 Parish Human Resources Partner Fund	Fund 153 Archbp's PSU	Fund 189 Ordin. Training Fund	Elimination	Total	Actual 12 Months ending 31 December 2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income	Note													
Entertainment & Travel	-	-	623	1,364	-	-	-	-	-	4,115	1,006	-	7,108	11,772
Depreciation	-	-	-	-	-	-	-	-	218	4,600	-	-	4,818	3,597
Advertising	-	-	-	-	-	-	-	-	-	7,810	-	-	7,810	7,835
Office	850	-	-	-	-	-	-	-	-	6,571	-	-	7,421	10,491
Miscellaneous	-	-	667	-	25,000	-	-	-	-	34,191	-	-	59,858	61,672
Grants	503,249	343	6,349,116	-	177,594	-	-	-	-	114,012	49,695	(748,040)	6,445,969	5,189,736
Bad Debts (Recovery)	-	-	-	-	-	-	-	-	-	1,915	-	-	1,915	-
Fund reserves	40,000	-	-	-	-	-	-	-	-	-	-	-	40,000	-
Total expenses	557,799	3,739	7,391,515	18,560	208,230	400	44,596	-	218	1,218,381	56,377	(748,040)	8,751,775	7,559,503
Net surplus/(deficit)	49,314	(3,695)	(197,359)	21,489	(155,337)	(386)	2,461	104	(206)	134,977	(2,351)	-	(150,989)	1,139,043
Transfer from current year surplus/(deficit)	-	-	-	-	-	-	-	-	-	69,200	-	-	69,200	-
Net available surplus/(deficit) after transfer to reserve	49,314	(3,695)	(197,359)	21,489	(155,337)	(386)	2,461	104	(206)	65,777	(2,351)	-	(220,189)	1,139,043

Notes to the financial report for the year ended 31 December 2021

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 Services, 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 amounts lodged with the Diocesan Cash Investment Fund (DCIF). These deposits are 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 2018*. Work Outside the Diocese

Fund has established reserves towards support for the Church of Confessing Anglicans Aotearoa New Zealand in 2020, and the cost of GAFCON in 2023.

(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 Services GST group and the Anglican Church of Australia GST Religious 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 expense or as part of the cost of acquisition of the asset.

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)

	2021	2020
	\$	\$
Ryde (Kirkby Gdns. & Archbold) Ordinance 2000	548,697	572,656
Church Hill Trust (No1 York Street)	267,881	326,462
St James Hall	231,000	231,000
Narellan (Elderslie) Land Sale Ordinance 1980	25,322	19,204
Wollongong Parish Leasing and Licensing Property Fund	25,305	24,814
Bondi Trust Ordinance	21,642	13,081
St Georges Paddington Leasing Ordinance	14,741	8,738
South Sydney Variation of Trusts Ordinance 50/97	7,199	9,666
Sydney St Phillip (Resumption) Ordinance 19/1983	4,985	3,832
Miranda Leasing Ordinance	3,665	6,926
Surry Hills Trust	1,965	1,483
Retained net income from ACPT Fund 0400	11,959	5,876
	1,164,361	1,223,738

3. Current liabilities - Provisions

		2021	2020
Current		\$	\$
Employee benefits - annual leave		53,545	53,545
Employee benefits - long service leave		2,188	2,188
		55,733	55,733

4. Non-current liabilities – Provisions

		2021	2020
(a) Non-current		\$	\$
Employee benefits - long service leave		34,319	34,319
(b) Provisions	Note	2021	2020
		\$	\$
Provisions - Current	3	55,733	55,733
Provisions - Non-current	4(a)	34,319	34,319
Balance 31 December		90,052	90,052

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. Contingencies

Under the *Sydney Anglican (National Redress Scheme) Corporation Ordinance 2018* the Synod Funds have an obligation to provide funding to the Sydney Anglican (National Redress Scheme) Corporation to meet a share of ongoing administrative expenses of the Corporation and also claims that derive from defunct bodies. As at 31 December 2021 the Synod Funds had no outstanding obligations to the Corporation.

7. 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 2021.

The financial statements were authorised for issue on 16 June 2022 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 405 to 410 –

- (a) comply with the accounting policies set out in note 1,
- (b) give a fairly presented view of the Fund’s financial position as at 31 December 2021 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.

NICOLA WARWICK-MAYO
Member

JOHN PASCOE
Member

16 June 2022

Synod 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 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 135	Ministry Spouse Support Fund
Fund 136	Parish Human Resources Partner 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. *[Appendix 1 and Appendix 2 not reproduced here.]* The procedures performed are detailed in the engagement letter dated 9 November 2021 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.

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 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

NIALL McCONNELL
Principal

Sydney
19 May 2022

Parish Funds – Amalgamated

Annual Financial Report – 31 December 2021

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 2021

The Parish Funds' Discussion and Analysis provides an overview of the Parish Funds' financial activities for the calendar year ended 31 December 2021. The Discussion and Analysis should be read in conjunction with the financial report for the same period beginning on page 415.

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 2021 the Parish Funds amalgamation is comprised of 5 funds (2020: 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 2021 were mainly from Parochial Cost Recoveries Charges on Parochial units as determined in the *Parochial Cost Recoveries and Church Land Acquisitions Levy Ordinance 2018*. 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 the Stipend Continuance Insurer in respect to individual claims.

The Parish Funds total revenues increased by \$2,962,497 or 16.95% to \$20,444,716 (2020 \$17,482,219). This increase is a result of the resumption of collecting the Church Land Acquisition Levy, which contributed \$2,453,593 to the increase. Also significantly lower were claims to use Long Service leave, down \$553,296 on 2020.

Claims on insurers via the Stipend Continuance Fund decreased by \$553,296 or 39.90% to \$833,299 (2020: \$1,386,595). At 31 December 2020 there were 11 clergy receiving stipend continuance claims (2020: 11). Long Service Leave receipts increased \$111,421 or 15.73% to \$819,575 (2019: \$708,154).

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 clergy superannuation funds, the Long Service Leave Fund, the Sydney Diocesan Sickness and Accident Fund and cost of obtaining stipend continuance insurance.

Under the *Parochial Cost Recoveries and Church Land Acquisitions Levy Ordinance 2018* parochial network costs during 2021 were principally comprised of –

- the property and liability insurance program,
- the parish related work of the Professional Standards Unit
- the parish risk management program,
- the safe ministry training program,
- the Ministry Spouse Support and Clergy Assistance programs,
- the ACPT management fee payable by all parishes with property, and
- the contribution towards the costs of the Diocesan archives.

Funds were also applied to expenses such as Sydney Diocesan Services administration fees. The Parish Fund total outgoings increased by \$3,260,110 or 19.07%, to \$20,358,853 (2020: \$17,098,743).

The Net Assets of the Parish Funds increased by \$85,860 or 3.61% (2021: \$2,461,128, 2020 \$2,375,268). 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.

There are no other matters that have arisen since 31 December 2021 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 16 June 2022.

Sydney Diocesan Parish Funds

Amalgamated income and expenditure statement for the period ending 31 December 2021

	FUND 951 PARISH COSTS RECOVERY FUND	FUND 952 STIPEND CONTIN- UANCE FUND	FUND 953 LONG SERVICE LEAVE FUND	FUND 954 SICKNESS & ACCIDENT FUND	FUND 955 CLERGY REMOVALS FUND	ELIMIN- ATIONS	TOTAL	Dec-20 TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
INCOME								
Parochial Network Costs recoveries								
PCR Variable Charge Recovery	6,192,037	-	-	-	-	-	6,192,037	5,062,825
PCR Professional Standards Unit Recovery	998,264	-	-	-	-	-	998,264	1,021,573
PCR Risk Management Recovery	246,598	-	-	-	-	-	246,598	240,659
PCR Safe Ministry Recovery	155,741	-	-	-	-	-	155,741	151,786
PCR Administration Fee	215,641	-	-	-	-	-	215,641	210,699
PCR Archives Recovery	72,875	-	-	-	-	-	72,875	70,900
PCR Relief or Remission Recovery	9,979	-	-	-	-	-	9,979	9,987
PCR Ministry Spouse Support Fund Program	-	-	-	-	-	-	-	150,194
PCR ACPT Management Fee	478,815	-	-	-	-	-	478,815	558,227
PCR Clergy Assistance Program	68,367	70,874	-	-	-	(68,354)	70,887	56,779
Parochial Network Costs recoveries Sub-total	8,438,317	70,874	-	-	-	(68,354)	8,440,837	7,533,629
Clergy Support Cost recoveries								
PCR Superannuation Recovery	5,378,279	-	-	-	-	-	5,378,279	5,331,813
PCR LSL Recovery	752,853	-	752,979	-	-	(752,979)	752,853	754,474
PCR LSL - Admin Fees	61,322	-	61,344	-	-	(61,344)	61,322	61,456
LSL - Organisations	-	-	86,786	-	-	-	86,786	117,370
LSL - Organisations - Admin Fees	-	-	5,292	-	-	-	5,292	7,157
PCR Stipend Continuance Recovery	1,312,743	1,312,578	-	-	-	(1,312,578)	1,312,743	1,307,983
PCR Stipend Continuance Admin Fees	54,697	54,684	-	-	-	(54,684)	54,697	54,499
Stipend Continuance Organisations	-	86,499	-	-	-	-	86,499	89,564
Stipend Continuance Orgs - Admin Fees	-	3,654	-	-	-	-	3,654	3,767
PCR S&A Recovery	58,964	-	-	58,985	-	(58,967)	58,982	59,092
Clergy Support Cost recoveries Sub-totals	7,618,858	1,457,415	906,401	58,985	-	(2,240,552)	7,801,107	7,787,175
PCR Church Land Acquisition Levy	2,454,933	-	-	-	-	-	2,454,933	1,340
AMP Stipend Continuance receipts	-	833,299	-	-	-	-	833,299	1,386,595
LSL - Buy-backs	-	-	71,327	-	-	-	71,327	30,734
LSL - Claims - Anglican LSL Fund	-	-	819,575	-	-	-	819,575	708,154
PCR Contribution cost of NCLS Profiles	-	-	-	-	-	-	-	-
Interest on cash	3,045	55	140	212	40	-	3,492	7,521
Moorebank Estate - Distribution	-	-	-	-	19,921	-	19,921	27,071
Receipt of prior year PCR charges	-	-	-	-	-	-	-	-
TOTAL INCOME	18,515,153	2,361,643	1,797,443	59,197	19,961	(2,308,906)	20,444,491	17,482,219

416 Reports & Papers to be received for the Third Session of the 52nd Synod

	FUND 951 PARISH COSTS RECOVERY FUND	FUND 952 STIPEND CONTIN- UANCE FUND	FUND 953 LONG SERVICE LEAVE FUND	FUND 954 SICKNESS & ACCIDENT FUND	FUND 955 CLERGY REMOVALS FUND	ELIMIN- ATIONS	TOTAL	Dec-20 TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
EXPENSES								
Parochial Network Costs								
PCR Insurance	6,192,037	-	-	-	-	-	6,192,037	5,076,133
Professional Standards Unit	1,082,833	-	-	-	-	-	1,082,833	973,022
Parish Risk Management Program	246,598	-	-	-	-	-	246,598	241,285
Safe Ministry Training Program	155,741	-	-	-	-	-	155,741	152,181
Accounting & Secretarial Fees	215,004	54,996	54,996	14,004	6,000	-	345,000	337,896
PCR Archives Charges	72,875	-	-	-	-	-	72,875	71,084
PCR Clergy Assistance Program	68,354	86,200	-	-	-	(68,354)	86,200	66,127
PCR Ministry Spouse Support Fund Program	-	-	-	-	-	-	-	150,583
PCR ACPT Management Fee	549,670	-	-	-	-	-	549,670	380,951
PCR Replenish Synod Risk Reserve	-	-	-	-	-	-	-	51,209
Parochial Network Costs Sub-total	8,583,112	141,196	54,996	14,004	6,000	(68,354)	8,730,954	7,500,471
Clergy Support Cost contributions								
PCR Superannuation	5,380,657	-	-	-	-	-	5,380,657	5,331,813
PCR LSL	814,218	-	-	-	-	(814,323)	(105)	-
LSL - Payments to the Anglican LSL Fund	-	-	866,684	-	-	-	866,684	868,358
PCR Stipend Continuance	1,367,129	-	-	-	-	(1,367,262)	(133)	-
Stipend Continuance Insurance Expense	-	1,264,729	-	-	-	-	1,264,729	1,186,125
PCR S&A	58,967	-	-	-	-	(58,967)	-	-
Clergy Support Cost contributions Sub-total	7,620,971	1,264,729	866,684	-	-	(2,240,552)	7,511,832	7,386,296
Church Land Acquisition Levy	2,454,933	-	-	-	-	-	2,454,933	-
Claims Paid	-	772,685	891,521	40,678	24,933	-	1,729,817	2,170,806
Audit Fees	13,800	-	-	-	-	-	13,800	13,432
Operating Costs	300	-	-	-	-	-	300	301
PCR Relief or Remission costs	-	-	-	-	-	-	-	-
Contribution to Human Resources Partner Fund	-	-	-	-	-	-	-	-
Contribution to Professional Standards Unit review of the Ministry Standards Ordinance	-	-	-	-	-	-	-	27,437
Sundry Expenses	(84,569)	1,561	-	-	-	-	(83,008)	-
TOTAL EXPENSES	18,588,547	2,180,171	1,813,201	54,682	30,933	(2,308,906)	20,358,628	2,211,976
NET SURPLUS/(DEFICIT)	(73,394)	181,472	(15,758)	4,515	(10,972)	-	85,863	(36,518)

Amalgamated Balance Sheet as at 31 December 2021

	FUND 951 PARISH COSTS RECOVERY FUND	FUND 952 STIPEND CONTIN- UANCE FUND	FUND 953 LONG SERVICE LEAVE FUND	FUND 954 SICKNESS & ACCIDENT FUND	FUND 955 CLERGY REMOVALS FUND	ELIMIN- ATIONS	TOTAL	Dec-20 TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Assets								
Cash	1,476,669	619,959	482,568	473,117	98,227	-	3,150,540	2,670,005
PCR Receivables - Parishes	-	-	-	-	-	-	-	16,662
Organisations Receivable	-	-	-	-	-	-	-	31,021
Other receivables	3	6,031	-	74	14	-	6,122	21,879
TOTAL Assets	1,476,672	625,990	482,568	473,191	98,241	-	3,156,662	2,739,567
Liabilities								
LSL Fund Payable	-	-	-	-	-	-	-	218,162
Other Payables	278,439	187,894	229,201	-	-	-	695,534	146,137
TOTAL Liabilities	278,439	187,894	229,201	-	-	-	695,534	364,299
Net Assets	1,198,233	438,096	253,367	473,191	98,241	-	2,461,128	2,375,268
Equity								
Accumulated Surplus - Prior Year	1,271,627	256,624	269,125	468,676	109,213	-	2,375,265	1,991,792
Net Surplus/(Deficit) - Current Year	(73,394)	181,472	(15,758)	4,515	(10,972)	-	85,863	383,476
TOTAL Equity	1,198,233	438,096	253,367	473,191	98,241	-	2,461,128	2,375,268

Notes to the financial report for the year ended 31 December 2021**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 amalgamated income and expenditure 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, 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) 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.

In addition to cash and cash equivalents balances the Parish Funds have adopted a policy which includes short-term investments as a cash and cash equivalent balance. These investments are lodged with the Diocesan Cash Investment Fund (DCIF). The deposits are at call.

(e) 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.

(f) Fair value estimation

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

(g) 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.

(h) 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.

(i) Goods and Service Tax (GST)

The funds are members of the Sydney Diocesan Services GST group and the Anglican Church of Australia GST Religious 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.

(j) 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 2021.

The financial statements were authorised for issue on 16 June 2022 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 415 to 419 –

- (a) comply with the accounting policies set out in note 1,
- (b) give a fairly presented view of the Fund's financial position as at 31 December 2021 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, test 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.

NICOLA WARWICK-MAYO
Member

JOHN PASCOE
Member

16 June 2022

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	Sydney Diocesan Long Service Leave Fund
Fund 954	Sydney Diocesan Sickness and 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. [*Appendix 1 and Appendix 2 not reproduced here.*] The procedures performed are detailed in the engagement letter dated 28 August 2020 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.

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 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

NIALL McCONNELL
Principal

Sydney
19 May 2022

Synod – St Andrew’s House Fund

Annual Financial Report – 31 December 2021

Statement of comprehensive income for the year ended 31 December 2021

	Notes	2021 \$	2020 \$
Revenue from continuing operations			
Interest		246	2,273
Distributions from St Andrew's House Trust		2,567,500	2,783,000
Total revenue from continuing operations		<u>2,567,746</u>	<u>2,785,273</u>
Expenses from continuing operations			
SDS Management fee		90,000	90,000
Payments under ordinance to the Anglican Church Growth Corporation		345,000	643,094
Total expenses from continuing operations		<u>435,000</u>	<u>733,094</u>
Share of net profit of investments	5	821,809	(401,852)
Surplus for the year		<u>2,954,555</u>	<u>1,650,327</u>
Other comprehensive income			
Funding of provision for distribution	6	(2,477,000)	(2,693,000)
Total comprehensive income for the year		<u>477,555</u>	<u>(1,042,673)</u>
Transfer from current year surplus			
Transfer (to) future rental costs reserve	8	-	-
Transfer from (to) future non-sinking fund capital works reserve	8	-	742,500
Net available surplus/(deficit) after transfer from (to) reserves		<u>477,555</u>	<u>(300,173)</u>

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

Statement of financial position as at 31 December 2021

	Notes	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	3	1,514,928	2,075,328
Receivables	4	146	-
Total current assets		1,515,074	2,075,328
Non-current assets			
Investment in St Andrew's House Trust	5	111,203,134	110,381,325
Total non-current assets		111,203,134	110,381,325
Total assets		112,718,208	112,456,653
LIABILITIES			
Current liabilities			
Provisions	6	2,477,000	2,693,000
Total current liabilities		2,477,000	2,693,000
Net assets		110,241,208	109,763,653
EQUITY			
Capital	7	78,945,046	78,945,046
Reserves	8	3,671,250	3,671,250
Accumulated surplus		27,624,912	27,147,357
Total equity		110,241,208	109,763,653

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

Statement of changes in equity for the year ended 31 December 2021

	Notes	Capital \$	Reserves \$	Accumulated surplus \$	Total \$
Balance at 1 January 2020		78,945,046	4,413,750	27,447,530	110,806,326
Surplus for the year		-	-	(1,042,673)	(1,042,673)
Total comprehensive income for the year		-	-	1,042,673	1,042,673
Transactions with beneficiaries:					
Share of SAHT's movement in future non-sinking fund capital works reserve	8	-	(742,500)	742,500	-
		-	(742,500)	742,500	-
Balance at 31 December 2020		78,945,046	3,671,250	27,147,357	109,763,653
Surplus for the year		-	-	477,555	477,555
Total comprehensive income for the year		-	-	477,555	477,555
Transactions with beneficiaries:					
Share of SAHT's movement in future non-sinking fund capital works reserve	8	-	-	-	-
		-	-	-	-
Balance at 31 December 2021		78,945,046	3,671,250	27,624,912	110,241,208

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

Statement of cash flow for the year ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Interest received		100	8,374
Distributions received		2,567,500	2,783,000
Payments to suppliers (SDS Management fee)		(90,000)	(90,000)
Net cash inflow from operating activities		2,477,600	2,701,374
Cash flows from financing activities			
Payments under ordinance to the Anglican Church Growth Corporation		(345,000)	(643,094)
Capital paid out		(2,693,000)	(2,600,000)
Net cash (outflow) from financing activities		(3,038,000)	(3,243,094)
Net (decrease) increase in cash held		(560,400)	(541,720)
Cash at the beginning of the period		2,075,328	2,617,048
Cash at the end of the period	3	1,514,928	2,075,328

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

Notes to the annual financial report for the year ended 31 December 2021

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 for financial reporting.

(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 2).

(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 operating surplus.

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 surplus. 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 Knight Frank Australia Pty Ltd. 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:

	2021	2020
	%	%
Tower and Car Park	5.50	5.75
Town Hall Square Arcade	5.75	5.50

The valuation is as follows:

	2021	2020
	\$	\$
Tower and Car Park	176,500,000	172,000,000
Town Hall Square Arcade	36,000,000	41,500,000
	<u>212,500,000</u>	<u>213,500,000</u>

The fair value of the investment properties 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.

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.

Cash includes amounts lodged with the Diocesan Cash Investment Fund (DCIF). These deposits are at call. DCIF pays interest quarterly.

(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 Services 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. Current assets – Cash and cash equivalents

	2021	2020
	\$	\$
Current account with Sydney Diocesan Services	286,064	2,573
Diocesan Cash Investment Fund (DCIF)	1,228,864	2,072,755
	<u>1,514,928</u>	<u>2,075,328</u>

Included as a cash equivalent is a deposit with the Diocesan Cash Investment Fund (DCIF). The DCIF is a wholesale charitable investment fundraiser. The Glebe Administration Board is trustee of the DCIF. The underlying investments of DCIF are cash accounts at call, term deposits and cash trusts. Deposits are payable at call.

4. Current assets – Receivables

	2021	2020
	\$	\$
Diocesan Cash Investment Fund interest receivable	146	-

5. Non-current assets – Investment in St Andrew's House Trust

	2021	2020
	\$	\$
Beneficial interest in the St Andrew's House Trust	<u>111,203,134</u>	<u>110,381,325</u>
Movements in carrying amounts of investment in associate		
Carrying amount at 1 January	110,381,325	110,783,177
Share of net (deficit) surplus of investments	821,809	(401,852)
Carrying amount at 31 December	<u>111,203,134</u>	<u>110,381,325</u>
Comprised of:		
Capital invested	4,714,615	4,714,615
Future rental costs reserve	8 1,310,000	1,310,000
Non-sinking fund capital works reserve	8 986,250	986,250
Strategic projects reserve	8 1,375,000	1,375,000
Accumulated surplus	102,817,269	101,995,460
	<u>111,203,134</u>	<u>110,381,325</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
	%	\$	\$	\$	\$
2021					
St Andrew's House Trust	50	113,953,771	2,750,637	5,628,705	3,389,309
2020					
St Andrew's House Trust	50	113,834,633	3,453,308	6,154,351	2,381,149

(b) Share of capital commitments

	2021	2020
	\$	\$
Share of capital commitments	-	-

6. Provisions

	2021	2020
	\$	\$
Current		
Provision for distribution to the Synod Appropriations Fund	2,477,000	2,693,000

7. Capital

	2021	2020
	\$	\$
Balance 31 December	78,945,046	78,945,046

Capital has been contributed by variations of the trusts declared in the *St Andrew’s House Trust Ordinance 2015*.

8. Reserves

	2021 \$	2020 \$
Share of SAHT's future rental costs reserve	1,310,000	1,310,000
Share of SAHT's future non-sinking fund capital works reserve	986,250	986,250
Share of SAHT's strategic projects reserve	1,375,000	1,375,000
	<u>3,671,250</u>	<u>3,671,250</u>
Movements:		
Future rental costs reserve (a)		
Balance at 1 January	1,310,000	1,310,000
Share of increase in SAHT's future rental costs reserve	-	-
Balance at 31 December	<u>1,310,000</u>	<u>1,310,000</u>
Future non-sinking fund capital works reserve (b)		
Balance at 1 January	986,250	1,728,750
Share of increase in SAHT's future non-sinking fund capital works reserve	-	742,500
Balance at 31 December	<u>986,250</u>	<u>986,250</u>
Strategic projects reserve (c)		
Balance at 1 January		
Balance at 1 January	1,375,000	1,375,000
Share of increase in St Andrew's House Corporation's strategic projects reserve	-	-
Balance at 31 December	<u>1,375,000</u>	<u>1,375,000</u>
Total Reserves	<u>3,671,250</u>	<u>3,671,250</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.

9. Events occurring after the balance sheet date

The members are not aware of any other events occurring after reporting date that impact on the financial report as at 31 December 2021.

The financial statements were authorised for issue on 16 June 2022 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 422 to 430:

- (a) comply with the accounting policies set out in note 2,
- (b) give a fairly presented view of the Fund’s financial position as at 31 December 2021 and of its performance for the year ended on that date.

In the members’ opinion there are reasonable grounds to believe the Fund 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.

NICOLA WARWICK-MAYO
Member

JOHN PASCOE
Member

16 June 2022

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 (Procedure 6 & 7 only applicable)

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. *[Appendix 1 and Appendix 2 not reproduced here.]* The procedures performed are detailed in the engagement letter dated 9 November 2021 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.

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 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

NIALL McCONNELL
Principal

Sydney
19 May 2022

62/19 Gender Representation on Diocesan Boards and Committees

(A report from the Standing Committee.)

Recommendations

1. Synod receive this report.

Background

62/19 Gender representation on Diocesan boards and committees

2. In 2019, the Synod passed Resolution 62/19 in the following terms –

‘Synod, noting the report 27/17 Gender representation on Diocesan boards and committees (Revised 2019) –

- (a) requests the Standing Committee to ask the members of the 2019 Committee to oversee the implementation of the following initiatives –
 - (i) a survey of Synod members to determine logistical arrangements (such as times and locations) that should be considered by boards and committees,
 - (ii) analyse the responses to the survey, and convey relevant information to the boards and committees of the Diocese including –
 - (A) an outline of the value of increasing women’s participation, and presenting the case for reconsideration of the skills matrix, if appropriate, to include broader competencies and life experiences in addition to traditional professional competencies,
 - (B) a suggestion that they give fresh consideration to their meeting logistics (such as times and locations) to ensure that any possible obstacles to serving are removed,
 - (C) encouragement to foster a culture of mentoring by appointing existing members as mentors for new members (or those considering membership),
 - (D) encouragement to develop a one-page overview of the work of their board or committee, to be made available to potential new members,
 - (E) a request that when vacancies need to be filled, to include information on gender composition along with any recommendations regarding skills desired in a person to fill a vacancy,
 - (iii) seek publication of articles in print and online media to stimulate interest in serving on boards and committees, and
- (b) encourages its members who are experienced as board or committee members to consider a ministry of mentoring women newly appointed to, or considering a position on, boards and committees in the Diocese,
- (c) requests SDS to –
 - (i) produce a short guide to participating on boards and committees in the Diocese,
 - (ii) provide annual statistics of gender composition on boards and committees to the Standing Committee,
- (d) encourages the Standing Committee in its existing practice of considering gender composition when filling casual vacancies.’

3. At its meeting on 18 November 2019, the Standing Committee noted Synod resolution 62/19 (above), and asked in accordance with paragraph (a) of the resolution, asked the Gender Representation Committee (the **Committee**) to –

- (a) survey Synod members to determine logistical arrangements (such as times and locations) that should be considered by boards and committees in an effort allow women greater opportunity to participate, and
- (b) analyse responses to the survey, conveying relevant information to boards and committees of the Diocese, and
- (c) seek publication of articles in print and online media to stimulate interest in serving on boards and committees.

Discussion

Results of surveys

- 4. In addition to the Synod survey, the Committee, in response to the Synod resolution, also gathered information from the Chairs of all diocesan boards, councils and committees indicating their meeting patterns going forward.
- 5. A total of 73 responses (from a possible 83) were gathered from boards, councils and committees in response to our request for information.
- 6. In May 2022 the results of the survey of Synod members were analysed along with the information gathered from committee chairs regarding their meeting patterns going forward. From this analysis we learn that one of the significant reasons women indicated a reluctance to serve on a diocesan board, council or committee was due to the time & location of the meetings. It is significant to note that of the 73 boards, councils and committees who completed our survey, 32 (44%) indicated they met in the early evening (5-7pm).
- 7. An overview of the results, alongside the matters under 2 (ii) (a) of the 2019 Synod motion, have now been sent to the chairs of diocesan boards and committees as requested by the Synod. This overview includes suggestions of how the chairs might consider issues like those above which need to be addressed to increase participation of women on their committee. A copy of the letter is attached as **Appendix 1** for information.

ARCHDEACON KARA HARTLEY
Chair, Gender Representation Committee

15 July 2022



Anglican Church Diocese of Sydney

LEVEL 2, ST. ANDREW'S HOUSE
464-480 KENT ST
SYDNEY NSW 2000
TELEPHONE: +61 2 9265 1555

ALL CORRESPONDENCE TO:
PO BOX Q190
QVB POST OFFICE NSW 1230
www.sds.asn.au

Via email attachment

15 July 2022

[Name, Position
Organisation]

Email: [email address]

Dear [first name]

Findings from Gender Representation surveys

Thank you for your contribution to the recent survey conducted by the Gender Representation Committee about the anticipated logistical arrangements for boards, councils and committees in 2022.

You may also be aware a survey of the whole Synod was undertaken in 2021 to ask what kind of logistical arrangements would allow women greater opportunity to participate in diocesan governance.

The Synod requested the findings from both these surveys be sent to you for your consideration in enabling greater participation of women on your board, council or committee. As such, please find attached a short overview of those findings with some brief recommendations.

The Synod also requested that I convey to you –

- (a) the value of increasing women's participation, and the potential need to reconsider your skills matrix, if appropriate, to include broader competencies and life experiences in addition to traditional professional competencies,
- (b) a suggestion that you give fresh consideration to your meeting logistics (such as times and locations) to ensure that any possible obstacles to serving are removed,
- (c) encouragement to foster a culture of mentoring by appointing existing members as mentors for new members (or those considering membership),
- (d) encouragement to develop a one-page overview of the work of your board, council or committee, to be made available to potential new members,
- (e) a request that when vacancies need to be filled, to include information on gender composition along with any recommendations regarding skills desired in a person to fill a vacancy.

I would be grateful if you could please bring this to the attention of «Committeethe». Should you wish to access the full report, please contact me at khartley@sydney.anglican.asn.au.

Yours sincerely

Kara Hartley

ARCHDEACON KARA HARTLEY
Chair, Gender Representation Committee

[cc. Name, Position]

1. Overview of Synod Survey

The data from this survey has been analysed and considered alongside data produced by the 2021 survey of Synod representatives, which enquired more broadly into the reasons people may or may not choose to serve on Diocesan boards, councils, and committees.

As a diocese we want to continue to encourage a greater number of Sydney Anglicans to become involved in board/council/committee work. Benefits of a concerted effort in this direction may include:

- the inclusion/participation of some church members that might otherwise feel on the 'outside' in the Diocese,
- a wider range of qualified and committed Christian voices on Diocesan boards, councils, and committees,
- increasingly targeted and productive application of God's gifts for the building up of His Kingdom.

Just under half of Synod members submitted a completed survey (324 responses out of around 819). The distribution between male/female (77%/23%) and clergy/lay (36%/64%) of respondents is roughly equivalent to the overall proportions in Synod.

The survey of Synod members made enquiries about possible obstacles that may exist for a Synod member to be involved in Diocesan governance. The findings are outlined below.

2. Overall Findings

While meeting location and time appear to be factors in the ability to be / interest in being involved in boards, councils and committees, and particularly so for women, regional (out of Sydney), and older members of Synod, they weren't the only factors. The survey highlighted the following factors of at least equal significance:

- ***Prior and other commitments/priorities***
- ***Awareness of opportunities, and understanding the roles of boards, councils, and committees***

Awareness and education about board/council/committee participation, the expectations, and opportunities, are areas in which further work could be undertaken, especially if attracting women to Diocesan board, council, and committee work is a goal. Compared to male Synod members, female Synod members are less likely to have served on a Diocesan board, council, or committee, (69% of females compared to 51% of males have not served) and, at the moment, are slightly less interested in doing so (36% of females and 42% of males, of those that are not serving, are interested in doing so).

When given the opportunity to elaborate on possible reasons for lack of involvement by lay people many helpful and constructive ideas were raised by female Synod members. These include:

- ***Busyness/Other priorities and responsibilities.***
Many respondents pointed out that women were often busy with family and other ministry responsibilities. Even if they wanted to serve on a board/committee the time required, and the frequency of meeting (travel, prep, actual meeting) would be a factor in their willingness to be involved.
- ***Meeting Arrangements.***
The ability to attend meetings was also mentioned in relation to older women (meeting start time) and those from outside the Sydney metropolitan area (meeting location). Attending 'in person' was more problematic than virtual.
- ***Attitude to women, recruitment, awareness, perceptions about boards/committees/councils, and governance.***
Some female respondents felt they would not be wanted or valued in what they see as a male dominated/oriented environment. Linked to this, comments indicated that these sort of bodies

could be perceived as a 'boys' club'; there was a lack of awareness amongst women about how to get involved and the expectations of members; and some indication that the basis of recruitment was 'who you knew', rather than the experiences and skills one might bring to a board, council, or committee.

When asked the same questions, themes from male respondents were similar to those found amongst female respondents:

- Other commitments/priorities, and inability/barriers to attending meetings,
- A feeling that particular experience or knowledge is needed, and
- Lack of awareness about how such bodies work and how one might serve on one.
- Additionally a number of male respondents indicated they believed that some women feel undervalued in and/or intimidated by the Sydney Diocese's formal structures.

The male respondents also noted:

- There is a place for considering how to increase the involvement of other groups that are currently underrepresented on boards, councils, and committees such as younger people, those who do not work in professions, and those living outside Sydney.
- The perception that it's 'who you know', rather than what one can offer, that determines one's involvement, which leads back to the awareness/perception issue identified by female respondents.
- The perception that given the high demands on people's time there is more value in continuing to serve in local church ministries which appear to more directly helpful to Gospel work.

3. Survey of Diocesan boards, councils, and committees about their current and future meeting arrangements

The survey of Diocesan boards, councils, and committees about their meeting arrangements found that:

- Monthly is the prevalent frequency for meetings.
- Mid-week is the most popular meeting time (Tuesday/Wednesday).
- Early evening is the most common meeting start time, with significant numbers of others (approximately 30%) split evenly between afternoon and later evening starts.
- The majority have been using a mix of meeting modes (in person, videoconferencing, hybrid, and changing according to circumstances)

An understandable degree of uncertainty about the mode of meeting to be used in the future was detected. However, responses indicate that whilst technology is valued, and is used/continues to be used, in-person meeting is still favoured when/where possible.

4. Summary

Overall the Synod survey, and survey of boards, councils and committees highlight some important issues concerning female participation in diocesan governance.

Some issues, such as greater education on the purpose, value, and role of these committees will require the Synod and Standing Committee to address.

Yet there are others which your board or committee could consider. For example, the continued use of **videoconferencing** to allow women with young families, older people, and others who may have difficulty attending evening meetings, and those that live outside of Sydney, to serve. On average, women synod representatives scored meeting location and meeting time slightly higher in importance to participation than the wider Synod average score.

In addition, given the perception that women's participation is under-valued it could be helpful for your board or committee to review its own practice to assess if any cultural barriers exist making it difficult for women to participate or join in your work.

Ordinances passed by the Standing Committee since its last report

(A report from the Standing Committee.)

Anglican Church Growth Corporation and Mission Property Amendment Ordinance No 52, 2021
St Andrew's House Trust Ordinance 2015 (Social Covenants) Amendment Ordinance No 53, 2021
Cost Recoveries Framework Ordinance 2008 Amendment Ordinance No 54, 2021
Picton (ACPT Client Fund 0411) Variation of Trusts Ordinance No 55, 2021
Willoughby Land Sale Ordinance 2020 Amendment Ordinance No 56, 2021
Liverpool Trust Ordinance 2016 Amendment Ordinance No 57, 2021
Seven Hills Trust Ordinance No 58, 2021
Northmead and Winston Hills Trust Ordinance No 59, 2021
Northmead and Winston Hills Mortgaging Ordinance No 60, 2021
Anglican Church Growth Corporation and Mission Property Amendment Ordinance 2021
Amendment Ordinance No 1, 2022
Moorebank Trust Ordinance 2020 Amendment Ordinance No 2, 2022
Bellevue Hill Trust Ordinance No 3, 2022
Canterbury with Hurlstone Park Trust Ordinance No 4, 2022
Cranebrook with Castlereagh Trust Ordinance No 5, 2022
The Illawarra Grammar School Ordinance 1958 Amendment Ordinance No 6, 2022
Governance Omnibus Amendment Ordinance No 7, 2022
Annandale Mortgaging Ordinance No 8, 2022
Church Hill Leasing Ordinance 2011 Amendment Ordinance No 9, 2022
Ashfield, Five Dock and Haberfield Variation of Trusts and Mortgaging Ordinance 2016 Amendment
Ordinance No 10, 2022
Randwick Trust Ordinance 2004 Amendment Ordinance No 11, 2022
Asquith/Mt Colah/Mt Kuring-gai Trust Ordinance No 12, 2022
Asquith/Mt Colah/Mt Kuring-gai Mortgaging Ordinance No 13, 2022
Synod Estimates Ordinance 1998 Amendment Ordinance No 14, 2022
Norwest Mortgaging Ordinance No 15, 2022
Wollongong Regional Council Variation of Trusts Ordinance No 16, 2022
Anglican Education Commission Repeal Ordinance No 17, 2022
Westmead Subdivision and Leasing Ordinance No 18, 2022
Manly Corso Property and Mortgaging Ordinance 2017 Amendment Ordinance No 19, 2022
Cronulla Variation of Trusts and Land Sale Ordinance No 20, 2022
Mission Property Fund Ordinance 2002 Amendment Ordinance No 21, 2022
Synod Estimates Ordinance 1998 Further Amendment Ordinance No 22, 2022
South Western Regional Council Land Sale Ordinance No 23, 2022

For and on behalf of the Standing Committee.

DANIEL GYNN
Diocesan Secretary

26 July 2022

Pastoral Consultation (Professional Supervision) Recommendation

Key Points

- There are significant merits of pastoral consultation for all parish ministry workers, and not just for those working with children or youth.
- Standing Committee has agreed to the implementation of a pilot program of pastoral consultation commencing as soon as practicable in 2022 and which includes at least the assistant bishops.
- Standing Committee has also agreed, following a review of the pilot program, to the phased introduction of a program of pastoral consultation for all full-time parish ministry workers in the Diocese over several years (the timing determined to some extent by the number of available consultants).
- This report uses the term 'pastoral consultation' for the type of professional supervision discussed.

Purpose

1. To report to the Synod regarding a program for mandatory professional supervision in the Diocese.

Recommendations

2. Synod receive this report.

Background

3. The Final Report of the Royal Commission into Institutional Responses to Child Sexual Abuse (**Report of the Royal Commission**) was released on 15 December 2017.¹

4. Recommendation 16.45 of the report states –

“Consistent with Child Safe Standard 5, each religious institution should ensure that all people in religious or pastoral ministry, including religious leaders, have professional supervision with a trained professional or pastoral supervisor who has a degree of independence from the institution within which the person is in ministry.”²

5. In addition, Recommendation 16.5 of the report states –

“The Anglican Church of Australia should develop and each diocese should implement mandatory national standards to ensure that all people in religious or pastoral ministry (bishops, clergy, religious and lay personnel):

- a. undertake mandatory, regular professional development, compulsory components being professional responsibility and boundaries, ethics in ministry and child safety
- b. undertake mandatory professional/pastoral supervision
- c. undergo regular performance appraisals.”³

¹ Royal Commission into Institutional Responses to Child Sexual Abuse. 2017. Final Report. Accessed 12 May 2021 at <https://www.childabuseroyalcommission.gov.au/final-report>.

² Royal Commission, *Final Report*, at 58.

³ Royal Commission, *Final Report*, at 50.

6. In 2018, the Professional Supervision Working Group (the **Working Group**) was established to support the Standing Committee's Royal Commission Steering Committee (**Steering Committee**) in its consideration of various recommendations of the Report of the Royal Commission, including mandatory professional supervision for clergy and church workers.
7. Based on the report from the Steering Committee, the Working Group recommended the formation of a subcommittee to bring forward recommendations for implementation of the recommendations in the Report of the Royal Commission in respect of professional supervision (the **Committee**).
8. Accordingly, at its meeting in February 2021, the Standing Committee appointed a subcommittee comprising Bishop Peter Lin (Chair), Archdeacon Kara Hartley, the Rev Gary O'Brien, the Rev Archie Poulos, and the Rev Roger Cunningham to develop a proposal for mandatory professional supervision which articulates –
 - (a) the merits of ensuring that professional supervision is a condition on new licences for first-time rectors and assistant ministers who are primarily ministering to children or youth;
 - (b) a proposal for how the professional supervision will be funded; and
 - (c) a program or strategy to increase the availability of professional supervisors.
9. The Committee met eleven times throughout 2021 and early 2022. Ms Susan Duc, Diocesan Legal Counsel, served as secretary to the Committee.

Introduction

10. This report sets out the program of pastoral consultation adopted by Standing Committee.
11. On 9 May 2022, the General Synod passed the following motion –

“The General Synod notes:

 - (a) Royal Commission recommendations 16.4, 16.44 and 16.45 for national mandatory standards for professional development, professional/pastoral supervision and performance appraisals, and
 - (b) the endorsement of the Ministry Wellbeing and Development: Policy, Guidelines and Resources document by the Standing Committee,

and encourages dioceses to fully implement the policy and guidelines to enhance the wellbeing and professional development of clergy and some paid workers.”
12. In developing the program, regard has been given to the General Synod's *Ministry Wellbeing and Development: Policy, Guidelines and Resources* document.⁴
13. The Committee had also interacted with several practitioners and benchmarked the proposed program against other supervision models in similar contexts, including the NSW Presbyterians, the Anglican Church Diocese of Melbourne and Reach Australia.
14. Pastoral consultation is meritorious in its own right, and the benefits flowing from positive engagement by ministry workers in pastoral consultation should mitigate any concerns regarding their required involvement.

Pastoral consultation vs professional supervision

15. Although terms such as 'professional supervision' and 'pastoral supervision' are used (including in the Report of the Royal Commission), the better term for the activity discussed in this report is 'pastoral consultation'.

⁴ Anglican Church of Australia, Safe Ministry Commission. 'Ministry Wellbeing and Development: Professional Development, Professional Supervision, Ministry Reviews – Policy, Guidelines, Resources', Anglican Church of Australia Trust Corporation (2021). <https://anglican.org.au/wp-content/uploads/2022/03/SC2021-4-12.3-2-National-Policy-and-Guidelines-for-Ongoing-Professional-Development-Professional-Supervision-and-Ministry-Reviews.pdf>

16. The term 'pastoral' was chosen over 'professional' to better reflect and distinguish the theological character of the practice, and 'consultation' over 'supervision' to distinguish the work of the consultant from the supervision commonly provided by a line manager (usually the rector).
17. However, for the purposes of implementing the recommendations of the Report of the Royal Commission, the term 'pastoral consultation' as used in this report is equivalent to 'professional supervision'.
18. This report sets out the following –
 - (a) What is pastoral consultation?
 - (b) What are the merits of pastoral consultation?
 - (c) Who should receive pastoral consultation?
 - (d) Common concerns regarding pastoral consultation
 - (e) How should pastoral consultation be administered?
 - (f) The phased implementation process
 - (g) Two models of pastoral consultation
 - (h) Who can deliver pastoral consultation?
 - (i) Measuring effectiveness/outcomes
 - (j) Costs of the program
 - (k) Ministry reviews

Program of pastoral consultation

What is 'pastoral consultation'?

19. In this report, the term 'pastoral consultation' describes the following –

“...an agreed, regular, planned, confidential and intentional space in which a practitioner skilled in supervision (the supervisor) meets with one or more ministers (the supervisee/s) to consider together the practice of ministry with a view to enhancing the supervisees' personal wellbeing and effectiveness in ministry and in their ministry relationships.”⁵

20. Likewise, the Association for Pastoral Supervision and Education (UK) defines 'pastoral supervision' as –

“a regular, planned, intentional and bounded space in which a practitioner skilled in supervision (the supervisor) meets with one or more other practitioners (the supervisees) to look together at the supervisees practice; a relationship characterised by trust, confidentiality, support and openness that gives the supervisee freedom and safety to explore the issues arising in their work...”⁶

21. As Mike Dicker, Principal of Youthworks College writes –

“[s]o much of ministry practice is shaped by pragmatics and history, rather than our theological beliefs. Supervision provides an opportunity to reflect on our practice in light of our theology. It's time-out from the day-to-day stuff of what we do to think about why we do it”.⁷

22. In essence, pastoral consultation seeks to provide a regular and guided opportunity for a ministry worker to reflect on their practice through formative, restorative and normative activities.

⁵ Paragraph 2.1 of Policy on Professional Supervision of clergy and authorised lay ministers (Approved by Archbishop in Council: September 2021), Anglican Diocese of Melbourne at 1.

⁶ From Leach, J., & Paterson M., (2015) *Pastoral Supervision: A Handbook (2nd ed.)*. SCM Press: London at 10.

⁷ Dicker, M. “The How and Why of Pastoral Supervision” Youthworks College blog dated 19 March 2019. Accessed 29 October 2021 at <https://www.youthworkscollege.edu.au/youthworks-college-blog/pastoral-supervision>.

23. The three activities which comprise the reflective practice undertaken in pastoral consultation can be described as follows –
 - (a) the ‘formative’ activity is directive and educative, including both content and process such as guidance on handling difficult situations, skill development and developing self-awareness, offering different views, and encouraging growth and change;
 - (b) the ‘restorative’ activity incorporates self-reflection and a supportive space in which to reflect through active listening, feedback, and encouragement, where the person is given the opportunity to share difficult feelings and focus on the impact on self; and
 - (c) the ‘normative’ activity identifies and strengthens ethical and moral boundaries to ensure ministry practice standards are maintained, for example *Faithfulness in Service*.⁸
24. In the case of a full-time ministry worker, ‘regular’ pastoral consultation usually involves one-hour long meetings which occur 6-10 times a year.
25. A consultation may involve one consultant to one consultee or one consultant to a group of consultees. The consultee may decide to engage exclusively in one-to-one consultation or group consultation, or decide on a mixture of both types of consultation, although some one-to-one consultation is recommended to provide opportunity to address more sensitive issues.
26. To establish the appropriate framework for pastoral consultation, a written contract for pastoral consultation is essential. The contract sets out expectations regarding the relationship which are agreed between the consultant and consultee, including its duration, the times and occasions of meetings, cost, confidentiality and its limits, short- and long-term goals of consultation, as well as reviews and changes to the contract.⁹

Difference between pastoral consultation, mentoring and coaching

27. The terms ‘coaching’, ‘mentoring’ and ‘supervision’ are often used in development and accountability processes. There is no uniform understanding of these terms, and they exhibit much overlap. Definitions of these terms as used in this report are given in paragraphs 28 to 30 below.
28. ‘Coaching’ is the support of a person or group by a coach who may or may not be a competent practitioner in the field of the coachee. The coach has the capacity to view the context of the coachee objectively, in order to enable observation of blind spots, identification of areas of possible enhancement and to assist in the navigation of the complexities of the coachee’s circumstances in a non-directive manner.
29. ‘Mentoring’ is conducted by a mentor who has extensive experience in the field of the mentee. Like the coach, the mentor facilitates wide observation of the situation but can also offer specific advice based on their own experience. Mentoring may be conducted individually or with a group of mentees.
30. ‘Supervision’ is a practice that enables the supervisee to raise their issues of concern and to assist them to find their own solution to the issue. Consistent with the coach and mentor, the supervisor assists in developing the abilities of the supervisee. However, the supervisor has a specific focus on ensuring the supervisee functions appropriately in their context through adhering to regulations and expectations, and by supporting the supervisee through difficult times.
31. Pastoral consultation recognises that the consultee operates in a setting where they may already have coaching or mentoring relationships. As pastoral consultation employs the skills of coaching, mentoring and supervision, it may be less intense as it understands and utilises the other supports available to the consultee.
32. The ‘Pastoral Consultation Essentials Training Course Overview’ set out in **Attachment 1** provides a more detailed explanation of the differences between supervision, coaching and mentoring and the

⁸ Sarah Balogh. ‘Towards a model of Supervision for the Sydney Anglican Diocese’, unpublished working document at 1 and paragraph 4.16 of ‘Ministry Wellbeing and Development’, at 26.

⁹ Paragraph 4.24 of ‘Ministry Wellbeing and Development’ (2021) at 28.

preference for supervision as the preferred pathway for the provision of support to ministry workers in the Diocese.¹⁰

What are the merits of pastoral consultation?

33. Pastoral consultation has merits for the consultee, persons ministered to by the consultee, other ministry workers who interact with the consultee and the Diocese. The merits of pastoral consultation are also identified in the Report of the Royal Commission.
34. First and foremost, pastoral consultation provides opportunity for personal and ministry development of the consultee as a church worker.
35. Significantly, it can also contribute effectively as a part of a suite of preventative measures against harmful behaviour (including abuse) by growing the worker's reflective practice, self-awareness, modified thinking and behaviour, and resilience.
36. These qualities and skills will, on the one hand, moderate against poor resilience declining into inappropriate habits and behaviours, and on the other, develop and grow the alignment of the inner self with external expectations for the individual (God's and organisations).
37. Although pastoral consultation is intended to respond to a recommendation of the Report of the Royal Commission (to create safer churches and protect vulnerable persons), the primary focus of pastoral consultation is the potential growth in the wellbeing and capacity of ministry workers.
38. As Don Owers states –

“...[i]f the focus on clergy wellbeing is unclear or seen as secondary, any derivative benefit may be lost or diminished.”¹¹

and

“...[i]f supervision is introduced primarily as a means to leverage child protection, there is a high probability that it will be seen as yet another compliance requirement – with consequent resistance to engagement.”¹²

39. Accordingly, pastoral consultation should be viewed primarily as a significant opportunity for refreshment, renewal and theological and personal integration. In being firstly a restorative practice, it can be effective as a normative and formative task.

Merits for the consultee

40. Francis, Kaldor, Shelvin and Lewis surveyed 4370 Australian clergy through the National Church Life Survey and found emotional exhaustion was most prevalent in younger clergy, with Anglican clergy being in the second quartile for clergy stress.¹³
41. Bucknell found that enhanced self-reflection and self-insight, which are developed through pastoral consultation, are strongly correlated to resilience (the ability to quickly recover mental health after significant stress) and improved wellbeing.¹⁴
42. Bucknell also found that pastoral consultation improved positive wellbeing where it was previously lacking.

¹⁰ Sarah Balogh. 'Pastoral Consultation Essentials Training Course Overview', unpublished working document at 16-19 (Appendix 2).

¹¹ D. Owers. 'If supervision is the solution, what is the problem? Some clergy-centred concerns about the proposed introduction of supervision', *St Mark's Review*, No. 254, December 2020 (4): 36-49 at 43.

¹² Note 11, Owers, "If supervision is the solution" at 44.

¹³ L.J. Francis, Kaldor, P.; Shelvin, M.; and Lewis, A. (2004) "Assessing-emotional exhaustion among the Australian clergy: Internal reliability and construct validity of the scale of emotional exhaustion in ministry (SEEM)". *Review of Religious Research*, 45(3) No. 3, 269-274.

¹⁴ K. Bucknell. (2019) "The Moderating Roles of Self—Reflection and Self—Insight in the Relationship Between Religious Coping Methods and the Resilience of Australian Protestant Ministers".

43. Bickerton has explored the relationship between work engagement and the spirituality of Australian clergy. His work demonstrates a strongly negative correlation between work engagement and emotional ill health and concludes that enhanced work engagement will likely improve a clergyperson's emotional health.¹⁵
44. Further, empirical evidence shows that pastoral consultation improves the emotional well-being of the consultee. It does this through enhanced accountability, the benefit of not feeling isolated through an increased feeling of support and the desire for and development of professional skills leading to improved efficacy.¹⁶
45. It is reasonable to assume that these measures will also lead to an increased trust in the integrity of clergy, which will further enhance their sense of wellbeing.

Merits for persons ministered to by the consultee

46. Koivu, Saarinen and Hyrkas observe a strong correlation between job and personal resources and high levels of motivation and commitment to the organisation.¹⁷
47. It follows that the benefits of the enhanced qualities and skills of ministry workers noted in paragraphs 40 to 45 above will flow to persons ministered to and their churches.
48. In addition, pastoral consultation involves exploring normative values and behaviours. Strengthening these values usually leads to the protection of children and vulnerable adults, as well as protecting consultees from behaviours that may imperil them.

Merits for other ministry workers

49. Pastoral consultation involves conversations between a consultee and a consultant. Socialising such conversations usually leads to more constructive conversations between ministry workers.
50. Armenakis et al. observe that changes in belief and practice are facilitated by people feeling there will be support from their peers and leaders. The provision of pastoral consultation, and the improvements in efficacy that may flow from this, benefits not only the consultee but other ministry workers in their team as well.¹⁸

Merits for the Diocese

51. The Report of the Royal Commission has called on the Anglican Church of Australia to implement supervision. Failure to do so has the danger of severely compromising the reputation of the Diocese.
52. Koivu, Saarinen and Hyrkas showed the way that good supervision enhances commitment to the organisation.¹⁹
53. In addition, Poulos' study showed that younger clergy saw support and de-siloing of ministry as the most valuable change that could be implemented in ministry contexts.²⁰
54. Further, Palmer, Feldman and McKibbin identified 'total institutions' as cultures that are prone to enabling child sexual abuse. By this they meant organisations that do not admit external critique. They argue that these dangers to organisational life can be mitigated through employment of non-

¹⁵ G.R. Bickerton. (2013) "Spiritual Resources as Antecedents of Work Engagement among Australian Religious Workers." Unpublished doctoral dissertation, Western Sydney University.

¹⁶ G.W. Lambie and Sias, S.M. (2009). "An Integrative Psychological Developmental Model of Supervision for Professional School Counselors-in-Training." *Journal of Counseling and Development*, 87(3): 349-356 and Bernard, J. M., & Goodyear, R. K. (2014) *Fundamentals of clinical supervision (5th ed.)*. Merrill: Upper Saddle River.

¹⁷ A. Koivu, Saarinen, P.I. and Hyrkas, K. (2012). "Who benefits from clinical supervision and how? The association between clinical supervision and the work-related well-being of female hospital nurses." *Journal of Clinical Nursing*, 21(17-18), 2567-2578.

¹⁸ A. Armenakis, Bernerth, J. B., Pitts, J. P. and Walker, H. J. (2007). "Organizational Change Recipients' Beliefs Scale: Development of an Assessment Instrument". *Journal of Applied Behavioral Science*, 43(4), 481-505.

¹⁹ A. Koivu et al (2012). "Who benefits" at 2567-2578.

²⁰ A.P. Poulos. "The Development of a Competency Measurement Instrument for Sydney Anglican Clergy." Doctoral dissertation, forthcoming.

hierarchical input.²¹ Pastoral consultation is one helpful method of providing such input to ministry workers.

55. The broad definition of pastoral consultation also facilitates the pursuit of the benefits of pastoral consultation in concert with other forms of personal development (such as mentoring and coaching) with the least addition of cost and time.

Merit in responding to the Royal Commission

56. The Report of the Royal Commission was completed after extensive and detailed inquiry into cases of child sexual abuse within institutions.

57. The report includes specific recommendations for both religious institutions in general, and the Anglican Church of Australia in particular, drawing on their case studies, consultations, private sessions, and examples of policies and procedures received during the inquiry.²²

58. Central to the Royal Commission's findings is the identification of a recurrent failure in leadership, governance and culture within religious institutions, and the importance of developing these to reduce the frequency of child sexual abuse.²³

59. The report identifies that –

“leaders play a critical role in shaping and maintaining institutional cultures, through the way in which they model behaviour and communicate assumptions, values and beliefs. Religious leaders, by virtue of their position and religious status, hold considerable power and influence.”²⁴

60. The report contains recommendations to be enacted simultaneously to support leaders in their role and development, with pastoral consultation identified as a specific and necessary element among them.²⁵

61. The report commends pastoral supervision as a reflective practice used in other caring professions such as psychology and counselling as a constructive means of supporting practitioners to better their practice.

62. Further, the report commends not only the culture of healthy boundaries and accountability pastoral consultation develops, but of the culture and benefit of support over and above compliance.²⁶

63. The merits of pastoral consultation outlined in this report are equally applicable to the circumstances of other relationships in which ministry workers are involved apart from safe ministry to children, given the inherent power imbalances and nature of interpersonal and dual relationships in ministry, and the need for ministry workers to be conscious of their internal workings.²⁷

Who should receive pastoral consultation?

64. It is not currently possible to differentiate between licensed clergy and authorised lay ministers who minister to children and youth and those who do not.

65. The merits of pastoral consultation (outlined above) support the case for the involvement of all licensed clergy and authorised lay ministers. As ministry workers serve in a variety of categories (full-time, part-time, trainees), it would be sensible and orderly to begin the program of pastoral

²¹ D. Palmer, Feldman, V. and McKibbin, G. (2016) “Final report: the role of organisational culture in child sexual abuse in institutional contexts.” Royal Commission into Institutional Responses to Child Sexual Abuse research papers.

²² Royal Commission into Institutional Responses to Child Sexual Abuse. 2017. *Final Report*, at 314, accessed 12 May 2021 at https://www.childabuseroyalcommission.gov.au/sites/default/files/final_report_-_volume_16_religious_institutions_book_3_0.pdf

²³ Royal Commission *Final Report*, at 314-338.

²⁴ Royal Commission *Final Report*, at 265.

²⁵ Royal Commission *Final Report*, at 281-400.

²⁶ Royal Commission *Final Report*, at 364-365.

²⁷ Royal Commission *Final Report*, at 365.

consultation with full-time licensed clergy and authorised lay ministers, with ministry workers in categories other than full-time to be considered in due course.

66. Accordingly, when the Standing Committee adopted the program for Pastoral Consultation, it also recommended that the Archbishop mandate formally contracted pastoral consultation as a condition of licensing all new rectors from mid-2023, and licensing and authorising assistant ministers from early 2024, as well as licensing and authorising all full-time parish ministry workers thereafter in a staged process based on years of service (in accordance with the plan outlined in paragraphs 93 to 99 below).

Common concerns regarding pastoral consultation

67. There has been feedback expressing concern in pursuing mandatory pastoral consultation, including –
- (a) the need for the program to have a level of independence from authority structures within the Diocese, including in the handling of personal information obtained from ministry workers;
 - (b) the impact on Anglican polity;
 - (c) the lack of agency afforded to ministry workers;
 - (d) the perceived prohibitive cost of the program; and
 - (e) the short supply of consultants.
68. These concerns are addressed below.

Independence and privacy

69. Pastoral consultation requires openness and honesty to cultivate trust and be effective. Therefore, it is important that any program be established and conducted with appropriate independence from Diocesan ordination and authorising bodies.
70. This can be achieved through upholding the confidentiality of consultations and any records of consultation between the contracted parties.
71. No content from a consultation will be made available to the Diocese, unless disclosure is with the consultee's agreement or required by mandatory reporting.
72. The Diocese will only maintain records to ensure an appropriately contracted pastoral consultation is in place; noting the necessary details of the consultee and consultant, and confirming the consultant is on the register of consultants approved to undertake such relationships in the Diocese.

Pastoral consultation and Anglican polity

73. The pastoral consultation relationship is novel to the Anglican polity relationships established by the threefold roles of bishop, presbyter and deacon.
74. The program of pastoral consultation does not interfere with the existing relationship between rector and ministry worker. The rector will continue to have prime responsibility for the development and well-being of ministry workers in their team. In addition, it is the rector who has the prime responsibility for ensuring that ministry workers in his team undergo regular performance appraisals, as recommended by the Report of the Royal Commission.
75. According to Leach and Paterson, line management relationships sometimes inhibit honest conversations in the clerical context and so it is beneficial for ministry workers to have a separate formal relationship to express their issues.²⁸
76. The methodology of pastoral consultation aims to enhance accountability of the ministry worker to external expectations (biblical and organisational) and offers suggestions about personal norms and development which the worker will be encouraged to discuss with their rector or bishop.

²⁸ J. Leach and Paterson, M. (2009) *Pastoral Supervision – A Handbook*. SCM Press: London.

Mandatory pastoral consultation

77. The merits of pastoral consultation, which make the case for the introduction of the practice in the Diocese, have been enumerated above.
78. Further, the Diocese must take responsibility for requiring pastoral consultation. To delegate the choice to undertake pastoral consultation to individual ministers would be incongruent with both the problems identified and recommendations in the Report of the Royal Commission regarding leadership, governance and culture.
79. Although a recommendation of the Royal Commission is not lawfully binding, it carries significant moral weight and shapes community expectations regarding the required response of the Diocese.
80. The proposal in this report does not prescribe specific requirements for pastoral consultation but establishes minimum Diocesan standards. Individuals have the flexibility to make their own consultation arrangements based on their needs or preferences, provided the minimum Diocesan standards are met.

Costs of pastoral consultation

81. The start-up costs, consultation costs and administration costs associated with the program of pastoral consultation are considered in paragraphs 122 to 136 below.
82. In sum, the overall costs represent, at most, a two percent increase in the cost of a full-time parish ministry worker.
83. When the overall cost of pastoral consultation is balanced against its merits, a program of pastoral consultation appears to be both necessary and warranted.

Supply of consultants

84. In addition to the existing supply of pastoral supervisors, highly experienced ministers could provide pastoral consultation, including retired and part-time rectors.
85. The Centre for Ministry Development (**CMD**) has also indicated that the 40 coaches at CMD were interested in providing pastoral consultation alongside their current services.

How will the program of pastoral consultation be administered?

86. The program has ongoing administrative needs that are intended to be finalised by the time of the review of the pilot program. However, it is anticipated that the program may be serviced as follows:
 - (a) MTD to assume overall responsibility for the program, its management, development and improvement.;
 - (b) MTD to screen and approve candidates to be pastoral consultants;
 - (c) Moore Theological College has been approached to deliver appropriate training; and
 - (d) the Diocesan Registry to maintain the register of pastoral consultants and records of pastoral consultation relationships for compliance with the Diocesan Policy in a similar way to how safe ministry requirements are managed centrally.
87. Appropriate funding is required to facilitate the work of overseeing the program. This may involve the employment of a program coordinator for 1-2 days per week in order to implement the Diocesan Policy and to make recommendations to the oversight body.

The phased implementation process

Development phase

88. The Standing Committee has tasked the Committee (that proposed the Consultation program) to develop a Diocesan Policy on pastoral consultation (which will deal with matters such as training

- requirements, the approval process, the requirements for pastoral consultation relationships and record-keeping), and implement a 12 month pilot-program of pastoral consultation.
89. The proposed Pastoral Consultation Essentials Training Course (see **Attachment 1**), developed by Sarah Balogh, sets out the core competencies and essential training for pastoral consultants.
 90. Other persons with expertise and experience in this field have also agreed to serve in an advisory role, including the preparation of the terms of the Diocesan Policy.
 91. Once the program design has been completed and approved by the Committee, the pilot program will run for a period of 12 months (expected to commence in late 2022), and will involve –
 - (a) pastoral consultants selected by the Committee who will undertake the 'Pastoral Consultation Essentials Training Course' before working with their assigned consultees; and
 - (b) pastoral consultees consisting of an appropriate and achievable number of ministry workers.
 92. During the pilot, feedback will be sought from the consultants and consultees and measured against a matrix of desired outcomes. The feedback will be provided to MTD as the relevant oversight body for its consideration and response before moving to the implementation phase.

Implementation phase

93. Given the current pool of potential consultants is insufficient to cover all parish ministry workers in the Diocese, any implementation of a program of pastoral consultation will need be a staged process.
94. Following the pilot program, the intention is for the implementation phase to commence with all new rectors and full-time assistant ministers. The granting of licences and authorities to these workers would be conditional on their participation in formal pastoral consultation.
95. From this phase forward, and as part of the licensing or authorisation process, the ministry worker will confirm they have a signed contract for pastoral consultation with the Diocesan Registry. The worker will be required to provide confirmation of a contracted pastoral consultation arrangement every three years thereafter.
96. In the following phase, more full-time assistant ministers will be required to participate in pastoral consultation. The requirement will be rolled out in stages according to years in ministry (e.g., less than 5, 5-10, etc) and increments based on consultant availability.
97. The final phase will involve the inclusion of all current rectors, in a staged process according to years in ministry (from least to most).
98. The proposed timetable for implementation and scope of coverage will be shaped by the number of trained pastoral consultants available to meet demand.
99. Consideration should be given to the integration of pastoral consultation into the existing structures of CMD and MTD as these organisations cover the significant majority of persons targeted in the first phase of the program roll-out. Currently, there are approximately 160 people enrolled in both programs.

Two models of pastoral consultation

100. There are benefits in pastoral consultation under a one-to-one model and in a consultant-led peer group. Ministry workers may choose the most suitable option for their circumstances, although some one-to-one consultation is recommended to allow for exploration of sensitive issues.
101. The one-to-one model means pastoral consultation can address issues on a more individual level and more confidentially. It is however likely to cost more than consultant-led peer consultation, and the consultee may not have the benefit of the insights and honesty of peers.
102. Consultant-led peer groups may have a less personal focus but may cover a wider range of pastoral issues, some of which will be relevant to an observer in the session who may not have considered the issue previously. Notably, reflective practice has been shown to improve in the peer group setting.

103. Consultant-led peer groups are not an unfamiliar concept to ministry workers, and existing 'safe groups' established at Moore College and in MTD and CMD programs could be leveraged for this type of consultation.
104. Over the past 5 years, students at Moore College have been enrolled in a subject called 'Intentional Ministry Reflection' which has generated significant trust across peer groups.
105. Further, MTD conducts mentor groups that could become consultant-led peer groups, and CMD convenes cluster groups of seasoned clergy where there is a strong dynamic of trust.
106. It is important that the pastoral consultant is not the consultee's line manager. The reasons are set out in the paper, *Dual Relationships* at **Attachment 2**.
107. Ministry workers should be encouraged to discuss with their rector, mentor or other appropriate person about the type of consultation that may be best for them.

Who can deliver pastoral consultation?

108. The proposed Pastoral Consultation Essentials Training Course comprises training in pastoral consultation and Diocesan-specific requirements including *Faithfulness in Service*, the structure of the Diocese, its commonly shared practice and theology, and the character of the movement that is Sydney Anglicanism.
109. All candidates intending to become Diocesan-approved pastoral consultants must meet the minimum standards reflected in the four components of the Essentials Training Course.
110. The Essentials Training Course as currently drafted provides that a candidate who has already received training in certain competencies will only be required to complete the relevant components required to meet the minimum standards.
111. However, the Committee is contemplating, based on feedback received from experienced supervisors, to require candidates to complete all four components of the Essentials Training Course. The Committee will continue to liaise with relevant experts in finalising the program design.
112. Consideration has been given to the training and methodology of several organisations which provide pastoral consultation to ministry workers in the Diocese, including the models established in other denominations. Their responses have been factored into the recommendations set out below.
113. The program envisages two "streams" of pastoral consultant –
 - (a) "Ministry background" consultants: those who have completed an "Essentials Training Course". This type of consultant would typically have no less than 5 years' experience in pastoral ministry (including retired clergy or ministry workers) or other related vocations, but would not be an accredited supervisor through a professional body, such as the Australasian Association of Supervisors (**AAOS**); and
 - (b) "Other background" consultants: supervisors who have completed a recognised supervision, mentoring or coaching course, are accredited through a professional body (such as AAOS) and have practised in one of those fields for at least 5 years, with a minimum of 200 hours' experience. The current proposal will require these candidates to complete at least the relevant components of the Essentials Training Course in order to be approved for inclusion on the Diocesan register of pastoral consultants.
114. Both "Ministry background" and "Other background" consultants who have completed the Pastoral Consultation Essentials Training Course may charge for services provided as part of the program. Accordingly, there may be a range in the fees charged. However, the expectation is that "ministry background" consultants engaged in parish ministry will either impose no charge for their services or pay any fees received to their parish.
115. "Other background" consultants involved in the program would need to have their own professional indemnity insurance. Those "ministry background" consultants who are ordained or authorised ministers in the Diocese will be covered under the Diocesan Church Insurance Policy for services rendered as part of the program, including where fees are charged.

116. All pastoral consultants must have their own pastoral consultation arrangements and be committed to ongoing professional development.

Measuring effectiveness/outcomes

117. In terms of the Report of the Royal Commission, the key outcome is the prevention of abuse of children and other vulnerable people by clergy and church workers. Pastoral consultation is one recommended process to facilitate this outcome, and its effectiveness cannot be easily measured, except by the absence of cases.
118. This report identifies many other important benefits of pastoral consultation. Individual effectiveness may be measured by self-reporting and may include aspects such as a stronger sense of resilience, decreased feelings of burnout, increased self-insight, identification of unhelpful patterns, strengthened personal and pastoral relationships, relative effectiveness of their ministry, the avoidance of moral failures or gross misconduct and so forth.
119. The form and content of individual measures of effectiveness will need to be designed by an expert engaged by the Committee. It is envisaged that the design would enable the data to be collected and collated in a secure, anonymous and time efficient way, such that analysis could facilitate ongoing improvement to the program.
120. At the Diocesan level, the individual (and de-personalised) data collected and collated over a period of time could be used to ascertain whether there is a correlative relationship between pastoral consultation and metrics related to abuse, sense of resilience, burnout rates, self-insight etc.
121. The efficacy of pastoral consultation is significantly dependent on the honesty and deliberate engagement of the consultee. It is expected that clergy and church workers will engage in pastoral consultation in good faith, and the lack of good faith will be evident in due course. The prospect that some participants may simply “go through the motions” is not enough reason to resist pastoral consultation.

Costs of the program

122. An indicative budget for the pilot program of pastoral consultation is included in **Attachment 3**.

Start-up costs

123. Development of the Pastoral Consultation Essentials Training Course Overview and Diocesan Policy will cost approximately \$10,000. This amount has already been approved by Standing Committee and work has commenced on this aspect.
124. Start-up costs for the pastoral consultation program are expected to be \$20,000, comprising:
- (a) training of pastoral consultants in the Pastoral Consultation Essentials Training Course;
 - (b) recruitment and approval of pastoral consultants; and
 - (c) the creation of registries.

Consultation costs

125. Consultation costs could vary from \$0-\$1800 per year. Some consultants may not charge at all (as is the case in some other denominations) and from there costs can range anywhere up to the standard charge for AAOS supervisors (ten one-hour individual sessions amounts to approximately \$1800 per year).
126. A very possible example of pastoral consultation could involve a church worker participating in the suggested minimum of six one-hour consultations a year, in a group setting of five people, with a consultant charging \$200/hr for a group session.
127. In the above example, the cost to the church worker for pastoral consultation would be \$40 per session, for a total cost of \$240 for the year. Were the individual and parish to agree to pay half each, the annual cost of pastoral consultation would be reduced to \$120 each.

128. Consideration was given to seeking Diocesan subsidies for the program through the Diocesan Resources Group. However, any funding from the Diocese would likely be generated through Parish Cost Recoveries, which would involve a further layer of bureaucracy and an additional indirect impost on parishes.
129. As pastoral consultation should be viewed as professional development for ministers, the preference is for parishes and individuals to work out costs between them. The parish may wish to contribute between 50-100% of the cost of pastoral consultation, and the ministry worker paying the balance out of their Minister's Discretionary Benefit Account should they so wish.

Time costs

130. Currently, mandatory professional development ranges from approximately 2 to 12 days per year for parish ministry workers.
131. Pastoral consultation would add an extra 2 days per year to the ministry worker's development schedule. This comprises 6 one-hour sessions, factoring a generous 1 hour's travel on each occasion.
132. Some ministry workers are already engaged in coaching or mentoring. The minimum standards of pastoral consultation do not create undue time demands that are likely to overly impact other commitments or personal development initiatives.
133. A table which sets out the professional development requirements for ministry workers is included as **Attachment 4**.

Administration costs

134. It is envisaged that the Diocese (i.e., MTD, program coordinator, and the Diocesan Registry) would bear the cost of maintaining the program.
135. MTD would also require further resourcing to enable them to carry out any responsibilities given to them for the program.
136. Ongoing administration costs include –
- (a) recruiting, screening and co-ordinating pastoral consultants;
 - (b) review and improvement of the program; and
 - (c) Diocesan Registry functions.

Ministry reviews

137. Recommendation 16.5 of the Report of the Royal Commission set out a three-pronged approach comprising (a) professional development, (b) professional supervision and (c) ministry reviews (performance appraisals). This report only addresses the '(b) professional supervision' component of the recommendation.
138. The professional development of a form envisaged by the Report of the Royal Commission in Recommendation 16.5(a) is mandated in the Diocese through Safe Ministry Training for all clergy and persons undertaking ministry to children and Faithfulness in Service training for clergy and lay ministers.
139. The Standing Committee has, at its meeting in May 2022, appointed a further committee to propose a course of action in relation to Recommendation 16.5(c) (ministry reviews).

For and on behalf of the Standing Committee.



Pastoral Consultation Essentials Training Course Overview

PART 1

Preamble

In November 2021, the Standing Committee of Synod engaged this clinician's services to:

*"Develop an essentials training course for clergy and ministry workers in the Sydney Diocese."*¹

Relevant Background

This Pastoral Consultation Essentials Training Course has been formulated in response to Recommendations 16.45 and 16.5 of the Final Report of the Royal Commission into Institutional Responses to Child Sexual Abuse.

These recommendations identified the need for clergy and church workers to receive professional or pastoral supervision as part of a suite of support mechanisms to create safer churches and to protect vulnerable persons.

However, the primary focus of pastoral supervision is the potential growth in the wellbeing and capacity of ministry workers. The report to the Standing Committee notes:

*"...pastoral consultation should be viewed as a significant opportunity for refreshment, renewal and theological and personal integration. In being firstly a restorative practice, it can be effective as a normative and formative task."*²

Diocesan-specific Requirements

The Pastoral Consultation Essentials Training Course comprises training in Pastoral Consultation for provision of services to clergy and church workers in the Diocese, as well as Diocesan-specific requirements including Faithfulness in Service, the structure of the Diocese and the character of the movement that is Sydney Anglicanism.

External Perspective

Third party perspectives have been gathered to inform the development of the Pastoral Consultation Essentials Training Course.

To this end, the following people have been consulted –

- Rev Paul McKendrick (Mentor and Associate Superintendent Presbyterian Church of NSW Ministry and Mission)
- Dr Rick Lewis (Mentor and Convenor of the Australian Christian Mentoring Network)

¹ P. Lin, Report to Standing Committee on Pastoral Consultation (Pastoral Supervision) Recommendation, 20 May 2022.

² Note 1, Report to Standing Committee.

- Right Rev Peter Lin (Bishop of South Western Sydney)
- Rev Archie Poulos (Head of Ministry and Mission, Director for Centre for Ministry Development at Moore Theological College)
- Rev Ted Brush (Supervisor and Coach)
- Rev Kurt Peters (Ministry Coach, Ministry Supervisor, Trained Counsellor, Co-Founder of Biblical Counselling Australia)
- Paul Grimmond (Dean of Students and IMR program coordinator – Moore College)
- Yannick Jacob (Secular Psychologist, Coach and Supervisor, International Centre for Coaching Supervision London)
- Michelle Grosvenor (Principal Psychologist Associated Psychology Practice)
- Caroline Clarke (Mentor and former CMS Missionary)

PART 2

What is a Pastoral Consultant?

Over the last five years, there has been much debate in churches regarding the difference between mentoring, supervision, and coaching for ministry (see Appendix 2).

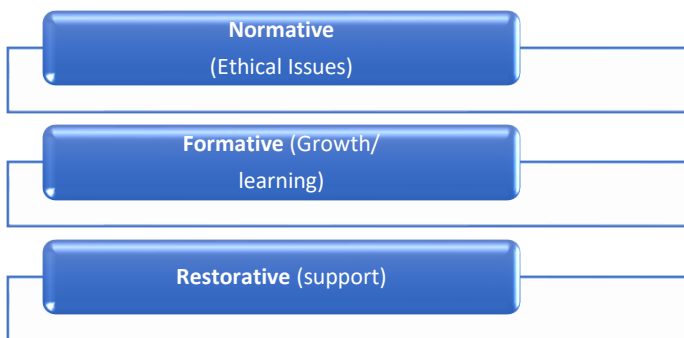
The Royal Commission highlighted this difference when it recommended that ministry workers have supervision with a “trained professional or pastoral supervisor”.³ It also specified that this supervision should have a “degree of independence from the institution within which the person is in ministry.”⁴

Although mentoring, supervision and coaching exist to provide one-to-one support of the “individual” in a ministry setting, the Royal Commission has recommended *supervision*. To satisfy the recommendations of the Royal Commission, the Diocese has decided to adopt a Pastoral Consultation model.

In this document, Pastoral Consultation is defined as:

“...an agreed, regular, planned, confidential and intentional space in which a practitioner skilled in supervision (the supervisor) meets with one or more ministers (the supervisee/s) to consider together the practice of ministry with a view to enhancing the supervisees’ personal wellbeing and effectiveness in ministry and in their ministry relationships.”⁵

In essence, pastoral consultation seeks to provide a regular and guided opportunity for a ministry worker to reflect on their practice through formative, restorative and normative activities.



The Pastoral Consultation Essentials Training Course is based upon a supervision model of practice and will provide basic training in Pastoral Consultation skills appropriate for the provision of Pastoral Consultation to clergy and ministry workers in the Diocese.

However, completion of the Essentials Training Course will not give the consultants accredited qualifications in mentoring, supervision, counselling, or coaching. Pastoral Consultants may pursue qualifications through further training after the Essentials Training Course.

Those who enter the Essentials Training Course with pre-existing supervision, mentoring, coaching, and/or counselling qualifications (see Appendix 1) will only be required to complete component 4.1 of the Course (pending individual application registry approval).

Completion of the required components of the Pastoral Consultation Essentials Training Course and certification by Moore Theological College is required for the approval of any application for inclusion on the Diocesan register of Pastoral Consultants.

³ Recommendation 16.45, *Final Report Recommendations—Royal Commission into Institutional Responses to Child Sexual Abuse*, 58. Accessed on 29 June 2022:

https://www.childabuseroyalcommission.gov.au/sites/default/files/final_report__recommendations.pdf

⁴ Note 3, *Final Report* at 58.

⁵ Paragraph 2.1 of Policy on Professional Supervision of clergy and authorised lay ministers (Approved by Archbishop in Council: September 2021), Anglican Diocese of Melbourne at 1.

What makes a good Pastoral Consultant?

A good Pastoral Consultant is first and foremost a follower of Jesus.

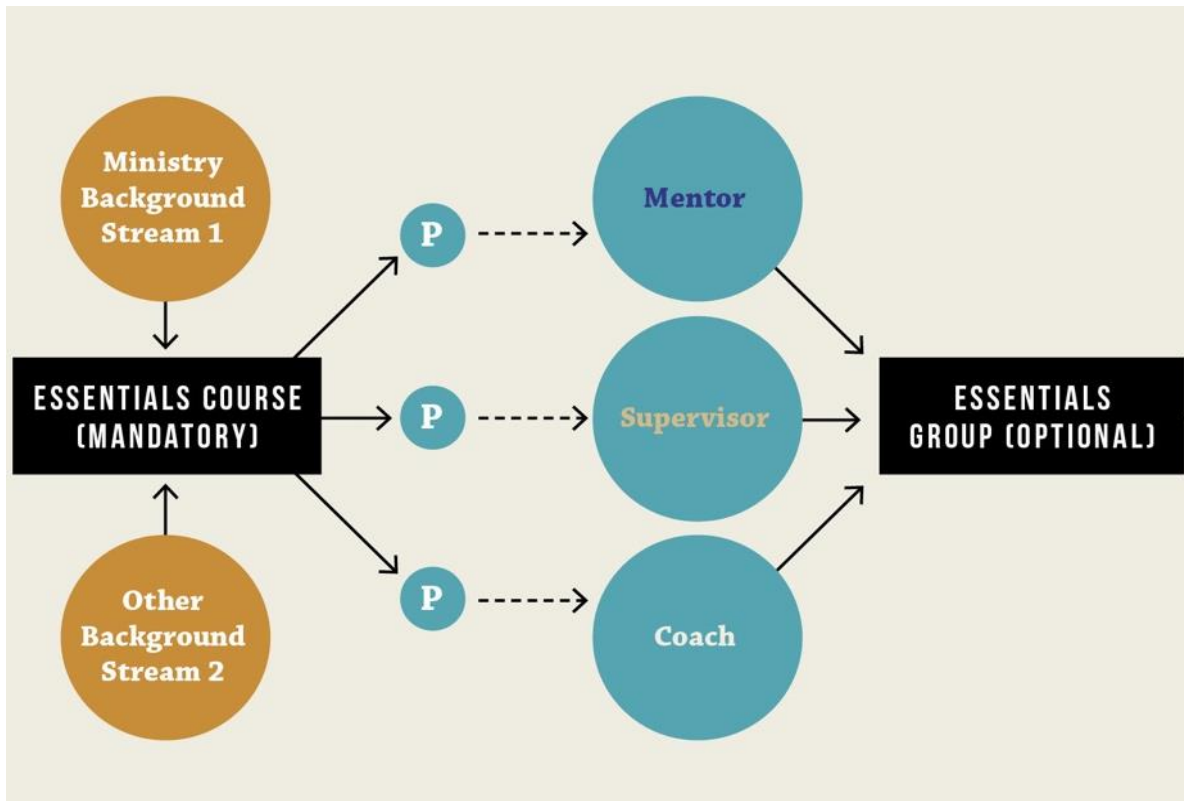
However, good Pastoral Consultants are also:

1. Able (capable, emotionally intelligent, and experienced)
2. Approachable (good interpersonally, good listener)
3. Perceptive (intuitive, curious observer and reflector)
4. Wise (discerning and knowledgeable)
5. Qualified (Completed training and demonstrated competence)
6. Aware (of self and others)

PART 3

Course and Course Structure

Pastoral Consultation Pipeline



Key: P = Pastoral Consultant

Explaining the Pastoral Consultation Pipeline

There are **two streams** from which candidates enter the Pastoral Consultation Pipeline: via a “Ministry Background” or “Other Background”.

Once candidates have completed the Essentials Training Course and have been certified by Moore Theological College, they may be registered as **Pastoral Consultants** in the Diocese and provide Pastoral Consultation services to clergy and ministry workers who are licensed or authorised to serve in the Diocese.

Although a Pastoral Consultant may charge for their services upon completion of only the Essentials Training Course, the Diocese recommends that a Pastoral Consultants complete further training in supervision, coaching, or mentoring before charging for their services.

Candidates with **professional training** in coaching, mentoring or supervision (see Appendix 1 for accredited courses) are encouraged to complete the **Essentials Group** component, which will provide training for Pastoral Consultation in group settings. The Essentials Group component will focus on the implementation of Intentional Ministry Reflection Training (see Appendix 3).

How long will the Pastoral Consultation Pipeline take to complete?

The mandatory Essentials Course takes, at most, four days to complete. However, completing the entire Pastoral Consultation Pipeline may take a year or more for an individual.

The expectation is that all Pastoral Consultants will continue training over many years through ongoing professional development.

Two-streamed training:

The minimum requirement for any Pastoral Consultant is the completion of components 1 and 4.

'Ministry Background' Stream

Prerequisites

Candidates will need five years of voluntary or paid ministry experience in either parish or para-church ministry.

Required components of the Essentials Training Course

If you are coming from a Ministry Background, you must complete Components 1, 3 and 4 of training.

'Other Background' Stream

Prerequisites

Candidates will need five years of experience in any of the following disciplines: Counselling, mentoring, coaching, or supervision. The Diocese must sight formal qualifications.

Five years' experience means the candidate has met with at least 4 different clients during that time, and provided at least 200 hours of service in their discipline.

Required components of the Essentials Training Course

If you are entering from an 'Other' Background, you will need to complete Components 1, 2 and 4.

Exemptions

If you are entering the course from both a 'Ministry Background' and 'Other Background', you may apply for an exemption from Components 2 and 3 and only need to complete Components 1 and 4.

Course Structure – Four Components

- **Component 1 – Pre-selection:** The baseline requirement for enrolment in the Pastoral Consultation Essentials Training Course is a recognised qualification in ministry, counselling, coaching, mentoring or supervision (see Appendix 1).

All candidates must have at least five years of experience in their given specialty and a written character reference from their current Rector/Minister or Christian Supervisor/Mentor/Coach.

All candidates must have a current Working with Children Check and Safe Ministry Training.

- **Component 2 – Knowledge assessment:** Completion of pre-reading in required areas (Faithfulness in Service, knowledge of Sydney Anglicanism, self-reflection and supervision models and practice). To be completed by passing an online assessment task.
- **Component 3 – Skills training workshop:** This part combines prior learning and practical skills. The workshop will involve 1.5 to 3 days (depending on consultant's experience) of face-to-face training and observation to target the development of reflection and Pastoral Consultation competence.
- **Component 4 – Competency-based assessment and evaluation:** Completion of a 30–60-minute conversation demonstrating competencies as a Pastoral Consultant (see below in Table 1).

The conversation is recorded and assessed by a Diocesan representative (a qualified Pastoral Consultant) and given a pass or fail. If the candidate fails component 4, the consultant may resubmit a second time. However, to pass the course, the consultant must pass all four parts of training.

If a candidate enrolls in the Essentials Training course as a qualified counsellor, supervisor, mentor, or coach (see Appendix 1), the candidate may apply for an exemption from Component 4, citing prior learning and experience.

Table 1. Competencies for Pastoral Consultants

	Demonstrated Competencies		Aligns with Component
Formative	1. Demonstration of listening skills	Demonstration of listening skills: <ul style="list-style-type: none"> • Non-verbal listening skills and attending • Building rapport • Reflecting and paraphrasing • Clarifying and the use of open questions • Summarising • Ability to identify emotion 	1.1 Helpful ministry conversations 3.1 Listening and reflecting well 3.2 Listening skills 3.4 Practicum demonstration of listening skills
Formative	2. Demonstration of CLEAR supervision model	Demonstrate examples of the following skills as per the CLEAR supervision model: <ul style="list-style-type: none"> • Contracting • Listening • Exploring • Action planning • Reviewing 	1.2 CLEAR supervision model. 3.3 Practicum demonstration of CLEAR supervision model 3.4 Practicum demonstration of listening skills
Normative	3. Knowledge of, and skills in, Ethical Formation	<ul style="list-style-type: none"> • Knowledge of Faithfulness in Service Code of Conduct • Demonstrate the ability to highlight any issues of concern in relation to the Faithfulness in Service • Demonstrated ability to choose a consultee who has an appropriate degree of independence from the consultant • Identify any issues of misuse of power and/or trust 	2.4 (3.5) Special Issues in pastoral consultation 4.2 Faithfulness in Service – use in Pastoral Consultation 4.3 Legal and ethical issues 4.4 Limits of competence
Normative	4. Knowledge and ability to identify any disconnect between personal practice and Biblical practice	<ul style="list-style-type: none"> • Identify and or/demonstrate the competencies involved (e.g., reflecting and paraphrasing, clarifying, and using open questions and summarising) in reflecting to the consultee any gaps (or potential gaps) observed between their practice and Biblical Practice. 	2.1 Theological Formation 2.2 Theological Formation - Gap and Pre-reflection 2.3 Demonstration of application of theological disconnect

	Demonstrated Competencies		Aligns with Component
Restorative	5. Knowledge of mental health or pastoral concern (e.g., Burnout)	<ul style="list-style-type: none"> • Knowledge of common mental health concerns and or pastoral concerns • Demonstrate ability to identify any mental health or pastoral concerns to consultee using appropriate listening and reflecting skills • Demonstrate knowledge in reflection and resilience • Knowledge of limits of competence and duty of care. 	1.3 Mental Health -caring for consultee's mental health 1.4 Reflection and resilience 3.5 (2.4) Special Issues in Pastoral Consultation 4.5 Limits of competence
Restorative	6. Ability to demonstrate support for consultee and self	<ul style="list-style-type: none"> • Awareness of appropriate referral pathways • Demonstrate the love of Christ through the exercise of care and compassion via verbal or non-verbal listening skills • Knowledge and ability to apply Biblical principles to consultee • Applying self-care and accessing support if required 	1.3 Mental Health - Duty of Care and referral, self-care 2.1 Theological Formation 2.2 Theological Formation - Gap and Preflection 3.1 Listening and reflecting well 3.2 Listening skills

Required Pre-Reading for Pastoral Consultation Essentials Training Course

Key Texts

- Hawkins and Aisling McMahon (2020) "Supervision in the Helping Professions"
- Jane Leach and Michael Paterson (2015) "Pastoral Supervision" (2nd Ed)

Required pre-training reading

<p><u>What is Pastoral Consultation (Supervision)?</u> J. Leach and M. Paterson (2015) Pastoral Supervision: A Handbook (London: SCM Press), pp. 1-7.</p>
<p><u>The Seven Capacities of the Reflective Learner</u> J. Leach and M. Paterson (2015) Pastoral Supervision: A Handbook (London: SCM Press), pp. 35-61.</p>
<p><u>Ethical Formation</u> The Anglican Church of Australia Trust Corporation (2006) Faithfulness in Service (2017 ed.)</p>

Models of Supervision

Peter Hawkins & McMahon, Aisling (2020) *Supervision in the helping professions* (London: McGraw Hill, 5th ed.), pp.65-74.

Reflective Practice

K. Bucknell (2019) *The Moderating roles of Self-Reflection and Self-Insight in the Relationship between Religious Coping Methods and the Resilience of Australian Protestant Ministers* Department of Psychology, Macquarie University. pp 1-20.

Australian Context – Sydney

N. Lock (2014) *An exploration into the nature of reservations concerning professional Supervision amongst Sydney Anglican Clergy* School of Theology Charles Sturt University. pp 1-10.

Independence of Relationship

F. Reamer (2003) *Boundary Issues in Social Work: Managing Dual Relationships* Social Work, Vol 48 (1), 121-133.

A Theology of Pastoral Consultation

Archie Poulos TBA

Required pre-Reading for Component 1

For both “Other Background” and “Ministry Background” Streams

1.1 Supervision, coaching, mentoring...?

- Why “Pastoral Consultant”?
- Background and Royal Commission

Safe Ministry

- Having a helpful conversation?
- Contracting and Confidentiality – Brief Overview of different contracts that may be used but are mandatory

1.2 Models of Supervision

- Focus – more than the individual (7 eyed)
- Example: CLEAR Model – used in both supervision and coaching

1.3 Mental Health

- Caring for consultee’s mental health
- Duty of Care and referral
- Self-care

1.4 Reflection and Resilience

- Best practice
- IMR Framework for reflection

Required pre-Reading for Component 2 – “Other path”

2.1 Theological formation <ul style="list-style-type: none">• Theology of Pastoral Supervision Archie Poulos or Paul Grimmond (Pre-recorded)
2.2 Transformation- <ul style="list-style-type: none">• What is the gap? Closing the gap• Acquiring self-knowledge• Appraising self-knowledge, using Biblical principles, ethics, and values.• Pre-reflection
2.3 Practicum <ul style="list-style-type: none">• Demonstration of, then application of theological disconnect (Gap)• Afternoon session practising application (with CLEAR model)
2.4 Special issues in pastoral consultancy (2.4 and 3.5 are the same component) <ul style="list-style-type: none">• Burnout, ethical breaches, family breakdown, critical pastoral incidents

Required pre-Reading for Component 3 – Ministry Path

3.1 Common pitfalls in ministry conversations <ul style="list-style-type: none">• Listening and reflecting well Practicum
3.2 Listening skills focus on open questions <ul style="list-style-type: none">• Reflection Practicum
3.3 Contracting Informed consent
Working Alliance
3.4 Practicum <ul style="list-style-type: none">• Demonstration then application• Afternoon session practising the application of counselling skills (with CLEAR model)
3.5 Special issues in pastoral consultancy <ul style="list-style-type: none">• Burnout, ethical breaches, family breakdown, critical pastoral incidents

Required pre-Reading for Component 4

4.1 Sydney Diocese – Sydney Anglicanism and the structure of the Diocese
4.2 <i>Faithfulness in service</i> – how to use this document in Pastoral Consultation
4.3 Legal and ethical issues <ul style="list-style-type: none">• Ethical breaches and models for decision making
4.4 PSU – How this system works <ul style="list-style-type: none">• Critical incidents
4.5 Limits of competence <ul style="list-style-type: none">• When to refer?• Who to refer to?
4.6 Recording your sessions?
4.7 Case notes for clients
4.8 Insurance
4.9 Where to from here? <ul style="list-style-type: none">• Further training pathways

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Ministry Supervisor

AAOS Supervisor

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Accredited Supervisor, CA (Chaplaincy Australia)

PACFA, ACWA, ACA and AASW Recognised Supervisor



Ministry Supervision

Ministry for the long haul

Online Contact: sarahbalogh.net

Appendix 1

Certified Counsellor, Psychologist, Supervisor, Mentor, Coach, Ministry Facilitator.

Counsellor/Supervisor – [ACA](#), [AASW](#), [PACFA](#), [CCAA](#) (clinical supervisor member certified).

Psychologist/Supervisor – [AHPRA](#), St Marks [Register](#), ACA, [AAOS](#), [Chaplaincy Australia Supervisor Register](#), or PACFA certified.

Mentor/Coach – [ACMN](#), Professional Category.

Ministry (IMR) Facilitator – Pastoral Consultation Essentials Training Course (Component 1-4), Essentials Group, plus at least 2 years of IMR Facilitation at MTC (Moore Theological College).

AHPRA Australian Health Practitioner Regulation Agency

AAOS Australasian Association of Supervision

AASW Australian Association of Social Workers

ACA Australian Counselling Association

ACMN Australian Christian Mentoring Network

CCAA Christian Counselling Association of Australia

PACFA Psychotherapy and Counselling Federation of Australia

Ministry

Ministry in a voluntary or paid capacity in a church or para-church organization (e.g., AFES, CMS, City Bible Forum) of a Reformed Evangelical persuasion who can sign the Pastoral Consultant's statement of faith⁶.

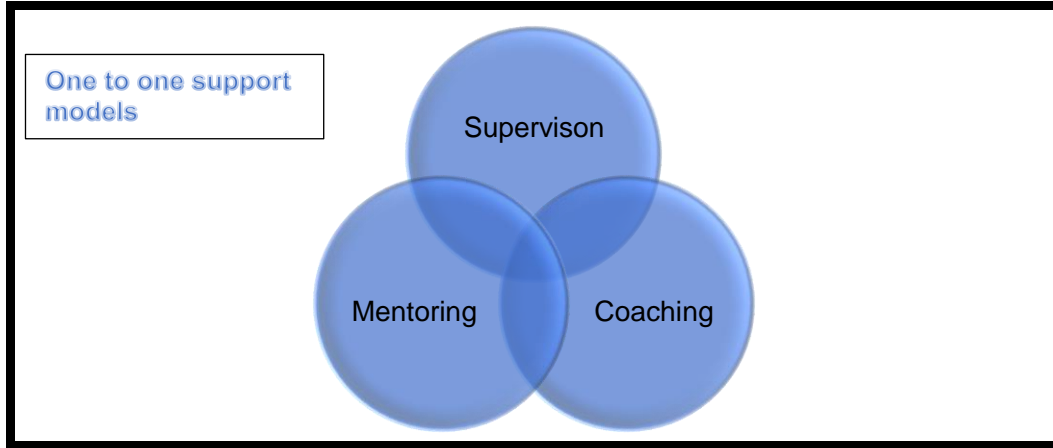
⁶ This shall be consistent with the Sydney Diocese statement of faith.

Appendix 2

Benefits of the Supervision Model

Mentoring, Supervision and Coaching are all one-to-one support models for individuals.

Table 1. One to one support models



Below is a table that highlights some similarities and differences between mentoring, coaching and supervision.

Table 2. Some similarities and differences between Supervision, Mentoring and Coaching

	Mentor	Coach	Supervisor
Focus	Personhood	Performance orientated	Best practice via reflection
Experience in occupation of the client	Required	Not necessary, but may be present	Not necessary, but may be present
Support for client	Present	Present	Present
Boundaries	Informal, ongoing	Informal, short-term activity	Formal, professional, ongoing
Contracted expectations	Not required but may be present	Not required but may be present	Required
Ethical Focus	Not required but may be present	Not a focus, but may be present	Required. Ethical accountabilities are transparent
Independence of relationship	Not required – dual roles may occur	Not a focus	Required as part of practice
Focus on ministry recipients (see 3. Below)	Not required	Not required	Required
Goal development	A focus	A focus	Not a focus but discussed when contracting
Accountability	Present	Present in relation to planned actions ⁷	Present

⁷ Qld Baptists Pastoral Services (2021). 'Professional Supervision A Guide for Queensland Baptists' at 8.

Differences of Opinion

There are several tables in the literature which will differ from the one above. This is due to differences of opinion around what sets mentoring, supervision, and coaching apart.⁸ There is also variance around the benefits and drawbacks of each field, with practitioners from each field tending to preference their own. Given that the areas of one-to-one support are less regulated than other allied health professions (e.g., social work), this is not surprising, and variance is likely to persist depending on the working environment.

There is overlap between the three fields (see Table 1), but they do have different one-to-one support foci. The Diocese recognises each form of one-to-one support and wishes to use them across the Diocese for the assistance of those in ministry. There are also several gifted practitioners who work within these spaces, and their expertise is welcome. At the same time, it is important to recognise the differences between the frameworks, and that the Diocese needed to choose a framework to underpin its training.

Whereas Pastoral Consultants are free to choose further training in their area of choice (mentoring, coaching or supervision, as per the Pastoral Consultation Pipeline) the Diocese encourages consultees to choose supervision as their preferred pathway for the following reasons:

1. Supervision has a greater focus on Normative (ethical) practice

The above table indicates ethical practice is not a focus for coaching and mentoring in general. Given that ethical practice is one of the recommendations from the Royal Commission, supervision seems best placed to offer this support.⁹

2. Supervision is the one-to-one model chosen by the Royal Commission

The Royal Commission has named supervision as their benchmark for one-to-one support in the Child Safe Standards. Their choice of wording should be noted. That is, the Royal Commission did not use the word “coach” or “mentor” in Recommendation 16.45:

Consistent with Child Safe Standard 5, each religious institution should ensure that all people in religious or pastoral ministry, including religious leaders, have professional supervision with a trained professional or pastoral supervisor who has a degree of independence from the institutions within which the person is in ministry.”¹⁰

3. Recipients of ministry are kept “in view”

Supervision is the only one-to-one model that focuses on keeping ministry recipients (often called clients in other professions) “in view” at all times. This means that it is the only model that continuously focuses on the recipients of the ministry. Given that the Royal Commission recommendations were made to prevent the abuse of recipients of ministry, supervision seems the logical choice.¹¹

4. Conflict of Interest

The Royal Commission has warned against conflict of interest in relationships. This quote expands on their view:

⁸ J. Leach and M. Paterson (2015). *Pastoral Supervision: A Handbook* (London: SCM Press) at 2. Trist, R. (2017). *Professional Supervision for Clergy and Lay Ministers for the 2017 General Synod*. (Melbourne) at 2. Qld Baptists Pastoral Services (2021). *Professional Supervision A Guide for Queensland Baptists* at 7-8. Gray, D (2010). *Towards the lifelong skills and business development of coaches: An integrated model of supervision and mentoring*. *Coaching An International Journal of Theory Research and Practice* Research and Practice (1): 60-72. Moore, P. (2021). *Supervision, Christian Mentoring and Gospel Coaching in Australia after the Royal Commission into Institutional Responses to Child Sexual Abuse*. Pp.8. Reach Australia. Unpublished.

⁹ Recommendation 16.46 in *Final Report Recommendations—Royal Commission into Institutional Responses to Child Sexual Abuse* (2017).

¹⁰ Recommendation 16.45 in *Final Report Recommendations—Royal Commission into Institutional Responses to Child Sexual Abuse* (2017) at 58. Accessed on 29 Jan 2022: https://www.childabuseroyalcommission.gov.au/sites/default/files/final_report_recommendations.pdf.

¹¹ Trist, R. (2017). *Professional Supervision for Clergy and Lay Ministers* at 2 (see table taken from St Marks Theological Centre Graduate Certificate in Supervision Cert).

“We found that in some instances conflicts of interest arose for diocesan bishops and senior office holders in their response to individuals accused of child sexual abuse. Bishops have close relationships with clergy in their dioceses, which we found has at times impacted on their response to allegations. We also found that conflicts arose for senior office holders as a consequence of their personal and professional interests.”¹²

It is clear from this statement that the Royal Commission would like one-to-one support to be free from conflict of interest.

Some mentors and coaches consult with people within their social circles and church ecosystems. This practice opens the door to conflict of interest and lack of objectivity in the one-to-one support space which can lead to abuse.¹³

For this reason, supervisors are directed to avoid multiple relationships and dual roles and do so in practice.¹⁴ It makes sense then, that supervision may be a better one to one model for reducing the instances of conflict of interest and therefore abuse.

5. Number of people to Supervise

Traditionally, mentoring and coaching tend to be “spaces” with fewer boundaries than supervision.¹⁵ Personal information from a mentor may be shared, and relational reciprocity is often at play.

Because the relationship is closer in mentoring and there are fewer boundaries, mentoring may require more emotional energy and thus the emotional load of the relationship may be heavier. For this reason, professionals who work across mentoring, supervision and coaching find that they can supervise more individuals than they may have the capacity to mentor.

Given the sheer number of people the Diocese needs to have supervision, supervision seems the best model for maximum coverage of people.

¹² *Final Report Recommendations—Royal Commission into Institutional Responses to Child Sexual Abuse* (2017), Final Report: Volume 16, Religious Institutions Book 1 at 756.

¹³ Reamer, F. (2009). Boundaries in supervision. *Social Work today*. Vol 9. No.1: “Supervisors should avoid dual relationships that have the potential to interfere with the quality and objectivity of their supervision.”

¹⁴ Kreider, H.D. (2014). *Administrative and Clinical Supervision: The Impact of Dual Roles on Supervisee Disclosure in Counselling Supervision*. *The Clinical Supervisor*, 33: 256-268.

¹⁵ Leach, J. and Paterson, M (2015). *Pastoral Supervision: A Handbook* (London: SCM Press) at 10, 22.

Appendix 3

IMR (Intentional Ministry Reflection) groups

IMR is a group model which intends to enhance ministry trainee's self-awareness and awareness of others. This model has been running at Moore College since 2018.

According to Paul Grimmond, Dean of Students at Moore College:

“The aim has been to grow skills in self-awareness, perspective (the ability to understand a complex situation from another person's point of view), the ability to see the 'gaps' between a student's desire to honour Jesus and their actual behaviour in difficult pastoral situations, and the ability to grow in pastoral wisdom as they seek to serve others with the gospel.”

The IMR model has enormous transformative power in aiding reflection, resilience, and growing self-awareness and ministry competence among students. Due to its overwhelming success, Moore College plans to make it mandatory for all students in 2023.

The IMR Reflection template is like a group supervision model. Within its structure, IMR provides some room for normative, formative, and restorative care.

This essay was originally written as part of the course work for the Pastoral Supervision Masters Subject at Moore College.

Supervision and dual relationships. Is it possible to supervise someone you have a dual relationship with? This seminar presentation explores the theological, clinical and ethical/practical considerations in the reality of professional supervision.

Dual Relationships

An ongoing ethical issue in professional supervision is the existence of dual relationships. These relationships are defined as 'any situation where multiple roles exist between a therapist and a client.'¹ Essentially when we interact with another person in more than one capacity we form a dual relationship. Richard Gula says, 'Dual relationships are like trying to wear two hats at the same time.'² Examples of dual relationships include a teacher inviting a student to be a baby-sitter or a youth minister dating someone from youth group, or a supervisor seeking financial services from a supervisee.

In the helping professions it is generally agreed that dual relationships are to be avoided, but if not possible, managed wisely and carefully. The reason is because of the possibility supervision will be at best compromised and at worst neglectful or harmful, to either the supervisee, the supervisor or the supervisee's work. The Zur Institute identifies at least 11 types of dual relationships, including supervisory relationships, which inherently involve multiple roles, loyalties, responsibilities and functions. A supervisor has professional relationships and duty not only to the supervisee, but also to the supervisee's clients, as well as to the profession and the public.³ Many other professional organisations develop guidelines regarding when and where crossing boundaries might be appropriate.⁴ These guidelines include policy around receiving gifts, inappropriate and unethical sexual relationships with clients, and also how to handle the possible inevitable dual relationship for those in rural communities for example. Ultimately the ethical guidelines for many professional bodies exist to ensure no harm is done to a client or supervisee.⁵ It is not necessarily true that every boundary crossing is a violation of the client. It will be up to the professional to differentiate between the conduct that simply crosses boundaries, versus conduct that violates the boundary.⁶ Included in the ethic of avoiding harm and exploitation is the appropriate use of any power within the relationship. The greater the power differential between two parties allows for the potential for greater harm or exploitation. The clinician, social worker, counselor, or supervisor must take this in to consideration if a relationship then occurs outside the bounds of the professional boundaries.

At this point the place of contracts or covenants become an essential element of the supervisory experience. A clear example is that a doctor is not to serve as the primary physician for a family member. 'Multiple relationships can be inappropriate and even wrong because they are fertile ground for impairing judgment, harbouring conflicts of interest, and exploiting the trust of dependency.'⁷ Ultimately there is room within the clinical professions for dual relationships, but strong ethical codes ensure the good and wellbeing of the client remain the priority.

¹ <http://www.zurinstitute.com/dualrelationships.html> cited on 21/7/16

² R. Gula, *The Dynamics of Power in Just Ministry* (New York: Paulist Press, 2010). 137.

³ <http://www.zurinstitute.com/dualrelationships.html#key> cited on 13/11/16

⁴ see <https://www.aasw.asn.au/document/item/2354>, <https://www.bu.edu/ssw/files/2015/09/Reamer-F.-Boundary-Issues-in-Social-Work-Managing-dual-relationships.pdf>; <https://www.apa.org/about/policy/guidelines-supervision.pdf>

⁵ <http://drwaltz.com/laws-ethics/what-is-a-dual-relationship> cited 13/11/16.

⁶ See Olusegun Emmanuel Afolabi: Dual Relationships and Boundary Crossing: A Critical Issues in Clinical Psychology Practice. Department of Educational Foundation, University of Botswana, Botswana. Received 21 October 2014; Accepted 2 February, 2015. Accessed online 13/11/16 at <http://www.academicjournals.org/journal/IJPC/article-full-text-pdf/327553050945> pg 31.

⁷ Gula, *Dynamics of Power*, 138.

Yet what about pastoral ministry and professional supervision? Can we and ought we be as strict about dual relationships as other helping professions? Is it possible to be this deliberate? It can be argued that the nature of pastoral ministry, which doesn't exactly parallel the helping professions, doesn't necessarily allow for exact boundaries and therefore the reality of dual relationships exists. As Gula says, 'Realistically and sometimes out of necessity, we inevitably blend several roles and functions.'⁸ Given this reality, what is it about dual relationships makes them problematic? The simple answer to that is 'us'. The very nature of humanity is a chief factor in complicating dual relationships. This is because at the heart of the issue around dual relationships are two pillars – power and boundaries. How we manage these ethical realities is one of the greatest professional challenges we have to face.

In Christian ministry theological and ethical considerations help face this challenge, and answer the question of whether it's possible to supervise someone with whom you have a dual relationship.

Theological Issues

Kenneth Pholy, as quoted in Leach and Paterson, believes supervision occurs within the covenant established by God. We belong to one another because of Christ and in and through Christ.⁹ The intention of supervision is to help the supervisee see their ministry clearly. Leach and Paterson call for mutual accountability in ministry and supervision attends to the 'vision and vocation into which God is calling us.'¹⁰ Inskipp and Proctor argue for a three-legged stool model of supervision, the three tasks being the normative, formative and restorative, in enabling supervisees to address and explore ministry practice.

In light of these intentions and models, and the fact that in supervision the primary responsibility of the supervisor is not to the supervisee but to the congregation beyond them, the application of theological understanding of biblical anthropology, the doctrine of sin, soteriology, that is salvation in Christ, & eschatology will bring clarity on how dual relationships may impact the practice of supervision. Since we exist in community as we supervise and are supervised this is all set against the backdrop of the church.

Biblical anthropology begins with the assertion that humanity is made equally in the image of God, with dignity and purpose as outlined in Genesis 1 & 2. Men and women were created to be in relationship and are conducted under God's good rule, within the paradigm of love and good of the other.¹¹ Due to the fall and introduction of sin in Genesis 3 that image is marred.¹² As humanity is marred by sin we are incapable of seeing God, the world and ourselves rightly.¹³ Despite being intelligent, able creatures with an ability to do good ultimately our efforts will be tainted as we fail to live according to God's good rule.¹⁴ This impairment, lack of judgment and in the end sin, which is rife in our world, is seen in violence, sickness, disease, misuse of power and even death (Romans 8). As the minister conducts his/her ministry within a broken world it has a cumulative effect on them. The worker needs a place to wash the muck off their boots before heading back into the trenches. This is where supervision can play such a restorative role.

Yet it's not just the cumulative effects of the broken world that makes supervision necessary, but biblical anthropology informs us that the minister themselves are impaired. Due to sin, we are unable to assess our world and ourselves rightly. Through the spirit of God we have been restored, yet we still live out the effects of world under sin. We need a place for accountability. Therefore the normative and formative functions of supervision allow space for reflection and helping the minister to reflect on their practice and tell the truth about themselves. Yet if this supervision takes place in the context of a dual relationship, each aspect of the supervision functions may be compromised. As mentioned one of the great concerns around dual relationships is the possible distortion that comes from the use of power. In a world opposed to God's rule power becomes a weapon against another. The misuse of power is seen throughout the Bible, and this misuse has the ability to lead people into evil actions and behaviours that harm the other. Examples include God's people in the Old Testament who were punished by God for mistreating the foreigner, the widows and

⁸ Gula, *Dynamics of Power*, 138.

⁹ J Leach and M Paterson, *Pastoral Supervision: A Handbook* (2nd Ed; London: SCM Press, 2015), 17.

¹⁰ Leach and Paterson, *Pastoral Supervision*, 7.

¹¹ Genesis 1:1; Genesis 1:26; Genesis 2:22; Exodus 20; Matthew 5-7.

¹² Genesis 3.

¹³ See Genesis 6:5; Psalm 10:4-7; Jeremiah 17:9; Romans 3:10

¹⁴ While the penalty of sin has been dealt with in Jesus' death on the cross, we still live with the reality and power of sin in the world. Romans 5-8 outlines this tension in the life of the believer along with Colossians 3.

the orphans against God's express command.¹⁵ Prophets, priests and kings, teachers of the law all misused their God given power.¹⁶ It is only God and Jesus who are able to exercise true power with justice and equity, emanating from their innate character.¹⁷ If misuse of power is within the human capacity as we relate to one another, either as equals, or in authoritative relationships, even with the best of intentions an inappropriate power dynamic may corrupt the safe space essential for supervision.

The theology of salvation found in the Lord Jesus allows each one of us to be restored back into true relationship with God, and also into new covenant relationship with one another, in light of the eschaton.¹⁸ The restoration in the gospel then allows us to love one another in a new way with Jesus himself modelling for us the way of love that is sacrificial and life giving, seeking the good of the other (John 13). Seeking the good of the other offers an alternative to misuse of power and gives an ethical framework to supervision, enabling the other to enter into a process which reforms and shapes their ministry practice. Supervision is an other-person centred activity. Yet when supervision is conducted in a dual relationship it is easy to see how it may become problematic. With a dual relationship in operation the supervisor may not be seeking the best for the supervisee, but instead seeking to meet their own needs in that relationship. If supervisee and supervisor share the same ministry experience, the supervisor may seek the best for their own ministry rather than their supervisee or the congregation beyond them. Part of the reality of supervision is accepting responsibility to monitor our own needs and 'satisfy them outside the professional relationship.'¹⁹ When supervision takes place between friends or colleagues, it is important for the supervisor to submerge their own needs to meet the needs of the other and even more importantly the congregation or group beyond.

'The purpose of avoiding dual relationships is to guarantee a unambiguous space for people who seek pastoral service to get their needs met without our own needs and projections getting in the way.'

Against the backdrop of a hierarchical ecclesiology, such as the Anglican Church, placing the supervision in context of an "in-line" relationship may have issues of conflicts of interest, lack of accountability, and seeking the good of the institution over the needs of the supervisee. This is where some of the examples of Royal Commission into Institutional Responses into Child Sexual Abuse found fertile ground. The investigation into the abuse with the CEBS group in the Anglican church in Hobart and Sydney, for example, discovered a series of failures to report or listen to reports of abuse by CEBS leaders by those in authority, because the man was trusted, known and enjoyed the confidence & friendship of those in leadership.²⁰

Given these theological considerations what ethical considerations need to be addressed in regard to dual relationships and supervision?

As mentioned the two ethical issues related to supervision relationships are power and boundaries. Gula argues that pastoral relationships are fundamentally marked by inequality of power (minister to parishioner, bishop to minister) and 'hierarchical stratification creates enormous potential to take advantage of the vulnerability of those seeking pastoral advice.'²¹ This comment together with the theological issues outlined above, means a minister is unlikely to experience 'safe' supervision, which is accountable, formative, normative and restorative from a bishop for example, who has the power over the minister's very employment/ministry. This dual relationship creates a compromise of care of the other.

'The potential for negative outcomes, as a result of dual relationships, centers on the power differential between the two parties. Dual relationships may be problematic in that they increase the potential for exploitation and for impairment of the objectivity of both parties, and they can interfere with the professional's primary obligation for promoting the student's welfare.'²²

¹⁵ See Ezekiel 22:7; cf. Exodus 22:21-24.

¹⁶ Jeremiah 23:15f; 2 Sam 11:3f; Matt. 23:23;

¹⁷ Ps. 77:14; Daniel 2:37; Acts 10:34-43. See also Ex.34:6 and Ps. 145:8 for descriptions of God's character.

¹⁸ Gal. 6:1-2; Eph. 2:10, 19-22, 4:2-6; Phil. 2:2-5; Col 3:12-17; 1 John 4:7, 10-11; Rom. 13:8-14; 1 Thess. 5:4-11

¹⁹ Gula, 140.

²⁰ <http://www.childabuseroyalcommission.gov.au/case-study/eac1b457-7227-4c5f-bf2d-bc9433cca7cf/case-study-36,-january-2016,-hobart>

²¹ Gula, 119.

²² <http://www.zurinstitute.com/dualrelationships.html> accessed on 21/7/16

This may also be true for a supervision relationship with between a minister's and his warden or an assistant minister and senior minister. This doesn't mean there can't be any kind of supportive role given in these relationships, and common sense suggests there ought to be, but given the problematic nature of dual relationships highlighted above, the best supervision isn't possible when the supervisee feels compromised in what they share in such a relationship.

The second ethical consideration is the issue of boundaries. Dual relationships by nature cross boundaries. The minister meets with people in a variety of settings and as such pastoral relationships can easily overlap with other kinds, such as personal, social and business. Boundaries are important as they give safety, security and respect to the other. In dual relationships it is difficult to establish and maintain boundaries. For example in the pastoral ministry a supervisor and supervisee may find themselves bought together in an external group or committee. They will need discipline to leave the supervision relationship aside and relate equally in the external group.

'It is the Supervisors responsibility to openly acknowledge and discuss the management of the multiple relationships that may exist between supervisor and supervisee. Supervisees are encouraged to ask for clarifications regarding any confusion resulting from dual relationships.'

Case Study

A church organisation seeks to install supervision as best practice for professional development and accountability. They arrange the supervision within line-management structures. One of these relationships is a Bishop who is supervising a Rector of a local parish. The Bishop is the pastoral supervisor and overseer of the Rector, a dual relationship.

The Rector has only been at the church for 18 months. He has made some significant changes and there is unrest in the parish. This continues to the point where an extraordinary general meeting is called and the wardens invite the Bishop to attend and help navigate through the relational breakdown.

At this point the Bishop, who is supervisor of Rector, needs to act as impartial 'referee' between the congregation and Rector. It wouldn't be a) unreasonable for the Rector to feel vulnerable, or b) unreasonable for the Bishop to feel compromised or unable to put aside the information the Rector has shared with him about the congregation during their supervision sessions. Overall this situation highlights the problems of the appropriateness of supervision in the context of a dual relationship, especially in a hierarchical church structure. The power dynamic, which may be managed well during supervision, eventually could become a reality affecting the supervision relationship.

Overall, dual relationships are a reality in pastoral ministry. If in conducting professional supervision a dual relationship exists or emerges it is the responsibility of both parties to monitor that reality and if it becomes unhelpful, for one or both to seek clarity via contracting, or consider the possibility to end that relationship. In the context of a hierarchical ecclesiology such as the Anglican Church, the existence of a power dynamic in relationships is a reality. Given humanity's difficulty of managing power responsibility, or the prospect of relationship boundaries being crossed, then it could be that for the sake of the supervisor and supervisee who participate in an 'in-line' relationship and the parish/community beyond them, that these supervision relationships are avoided. Of course in this church network it would not be possible to avoid dual relationships per se. After all the nature of the community holds the possibility of crossing over from supervision into committee's or even social networks. Yet because the power dynamic may change, or even disappear, as for example the supervisee becomes the chair of the committee of which the supervisor is a member, it is more possible to provide the space for the transition into the new dynamic. Dual relationships therefore aren't always going to be a problem in pastoral supervision, but wisdom suggests that for supervision to be conducted as a place for reflective practice, it must be removed from any dual relationship where power and authority have the possibility of compromising the process.

KARA HARTLEY

2016

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Indicative Budget for Pilot Program of Pastoral Consultation

Delivery of Essentials Training		4,000
2 facilitators X 4 days		
Participants		
Group		
2 groups of 4	\$300 per session/group X 6 sessions	3,600
Group + Individual		
2 groups of 4	\$300 per session/group X 3 sessions	1,800
	\$150 per session X 3 sessions (8pax)	3,600
Individual		
15 approx.	\$150 X 6 sessions	13,500
Assessment/analysis of Pilot		0*
Total		26,500

Note: This is the bare minimum of 6 sessions

* Marshall Ballantine Jones and Peter Mayrick have agreed to do this gratis.

Professional Development Days for Clergy and Lay Ministers

	Assistant Minister (1-3 years)	Assistant Minister / Lay Minister	Rector
MD program	10 days	-	-
Synod	-	-	5 days
Faithfulness in Ministry (Triennial – 1 day)	1/3 day	1/3 day	1/3 day
Safe Ministry Refresher (Triennial 3.5 hrs)	1 hour	1 hour	1 hour
Current total days of professional development	~12 days per year	~2 days per year	~7 days per year
<i>Pastoral consultation</i>	<i>6 hours</i>	<i>6 hours</i>	<i>6 hours</i>
<i>Proposed total days of professional development</i>	<i>~14 days per year</i>	<i>~4 days per year</i>	<i>~9 days per year</i>

Anglican Church Property Trust Diocese of Sydney (ACPT)

(Report to Third Session of the 52nd Synod of the Diocese of Sydney.)

Introduction

1. As the Chair of the ACPT, and on behalf of the Board, I have pleasure in presenting the ACPT's 2021 annual report to the Synod.
2. Our report to the 3rd Ordinary Session of the 52nd Synod, was prepared against the backdrop of floods that have impacted a number of parishes and the communities they serve and of course, the COVID-19 pandemic that has affected the lives of everyone across the diocese during all of 2021 and continues into 2022. The Board acknowledges the way parishes across the diocese rose to the challenges presented and on behalf of my fellow Board members and the SDS team that supports the ACPT, we again say "thank you!" and assure you of our ongoing collective prayers.

Strategic focus

3. As noted in previous annual reports to Synod, the role of the ACPT as defined by its constituent documents, an Act of the NSW parliament (1917) and an ordinance of the Synod (1965), has necessarily evolved from operating as a relatively passive trustee of church trust property to one that had needed to respond to significantly more complex regulatory, legal, political and social environments. As mentioned in previous annual reports, Trustees may also be exposed to potential personal liability under legislation such as that relating to heritage and fire safety.
4. As complexity has continued to increase for parishes, so it has for the ACPT through 2021 as members continued to ensure that corporate and individual fiduciary duties were effectively discharged. The examples of where parishes and ACPT have needed to operate in a more highly complex environment are varied. The examples previously cited remain:
 - (a) ongoing obligations under frequently changing NSW Department of Health Orders
 - (b) obligations under the *NSW Heritage Act 1977*
 - (c) ongoing compliance with ACNC legislation
 - (d) ongoing compliance with fire safety aspects of the Environmental Planning and Assessment Regulations (2000)
 - (e) increased obligations under the *Cemeteries & Crematoria Act 2013*
 - (f) operating in an increasingly litigious external environment with associated implications for insurance, reputation/risk and personal liability
 - (g) changes to NSW planning instruments
 - (h) more complex administration of the various Local, NSW and Commonwealth Government grant programs
 - (i) ongoing key obligations arising from the Royal Commission into Institutional Responses to Child Sexual Abuse.
5. Because parishes are unincorporated bodies there is a necessary interface with ACPT in parish church trust property matters. In this regard, the ACPT includes the following February 2014 Standing Committee resolution as a salient reminder of the polity of the diocese:

Standing Committee declares its view that the polity of this Diocese generally gives precedence to parishes over the affairs of the Diocese, including in relation to the management of property held for a parish and the benefit of income from such property.
6. This intersection needs to be managed with consistency and regard to the interests of parishes, the increased complexities noted above, the legal and fiduciary obligations of the ACPT and the potential personal liability that may be imposed upon its Board members.

Highlighted activities during 2021

7. The 2020 report was prepared in mid-2021 for consideration by the Standing Committee and tabling at the one day Synod on 3 May 2021. Since that time, ACPT, as the corporate trustee of the Diocese, has continued to operate across the full spectrum of diocesan activities. Some notable outcomes include:
 - (a) Ensuring that the capital of parish investments in the DCIF would be maintained over 2021 by granting relief from the portion of the funding of the ACPT's business that is contributed through a 0.5% pa of the market value of parish assets invested in the Glebe Administration Board's Diocesan Cash Investment Fund (DCIF) over 2021. As foreshadowed in our last annual report, the ACPT and the Standing Committee have worked together to ensure that the temporary relief granted to parish DCIF investments over 2021 is now a permanent outcome. This was achieved through a very modest increase in the portion of the PCR that contributes to the ACPT's support of parish activities.
 - (b) ACPT is currently working with the Standing Committee with a view to seeking an alternative funding mechanism for the sole remaining portion of the ACPT management fee that is applied to parishes outside the PCR process. That is to remove the 0.5% pa of the market value of direct parish Long Term Pooling Fund (LTPF) investments that is subject to a management fee.
 - (c) Assisting parishes lodge over 73 applications under various NSW and Commonwealth Government grant programs and administered in excess of \$1.067m in successful grant funding.
 - (d) Overseeing the investment, on behalf of parishes, of approximately \$61.7 million (31 December 2021) in the DCIF and a further \$89.2 million (31 December 2021) in the LTPF.
 - (e) Implementing and concluding the 2021/2022 renewal of the Church Insurances Program (CIP) in an ongoing "hard" insurance market to deliver a level of insurance coverage at a cost outcome that was ~ 14% higher than the prior year, in the midst of a market that was generally seeing 20%+ year on year increases in cost.
 - (f) Further bolstering the membership of the ACPT's "Major Property Works" sub-committee by appointing additional property and finance specialists, active in diocesan parishes, to harness their professional skills and to bolster the ACPT's existing skills in these areas for the guidance of parishes and oversight of larger property projects. On behalf of the Board I thank the sub-committee members and especially the Rev David Ould for his contribution as Chair over 2021.

Synod's Governance Policy for Diocesan Organisations

8. As detailed in the last two reports to Synod, the ACPT Board welcomed the Governance Policy for Diocesan Organisations that was approved by Synod 2019. The Board has investigated ways to adopt as many of the Governance Standards and Policy Guidelines that are included in the policy as are pragmatically possible for a trustee. Several amendments to the ACPT's constituent documents have already been agreed by the Board and discussions following legal comment concluded in May 2022 in respect to a perceived structural impediment to full compliance with the Synod's Governance Policy regarding placing maximum terms fixed for members of diocesan bodies. The structural impediment relates to the provisions of the Anglican Church of Australia Trust Property Act 1917 (the Act) which provides for 6 year appointment terms and no maximum term, so the Act would need to be amended by the NSW Parliament if such tenure compliance is to be achieved. Recent attempts to amend the Act have foundered because the NSW Parliamentary process requires all diocese within the province of NSW to agree the amendments, and such agreement has not historically been forthcoming. Options that the Standing Committee might consider to overcome the need for an amendment to the Act to be sought will be included in the response.
9. In the interests of efficiency, rather than promoting several amendment ordinances to Standing Committee, the Board will now seek to conclude the matter with a single amendment ordinance which will be submitted to the Standing Committee before the end of 2022.

Composition of the Board

10. Refer Appendix for details of Board membership.

Acknowledgements

11. I take this opportunity to thank parish councils, the episcopal team and the SDS teams that support the Board, especially recognising the contribution made, often in the face of intensive workloads, to deliver lasting and meaningful ministry outcomes. I also take this opportunity to acknowledge the contribution made to the efficient functioning of the ACPT through the critical skills provided by all members of the Board. During 2021 Dr Glenn Davies concluded his episcopacy and also retired from the Board. In the 2020 report to Synod I commented on his judicious and effective manner in which he presided over the Board during his episcopacy as the 12th Archbishop of Sydney. I also acknowledge with gratitude, Bishop Peter Hayward's term as Administrator of the Diocese during the period between Dr Davies' episcopacy ending and Archbishop Kanishka Raffel's election and consecration. My fellow directors and I valued his strong engagement with the ACPT's various activities during his administration. In June 2021, the Board welcomed Archbishop Raffel to the presidency of the Board and prays for the Lord's blessing on his episcopacy and for the Raffel family in a personal sense.
12. On behalf of the Board, I also extend sincere appreciation to the advisors to the non ACPT members of the various sub-committees, Ms Michelle Lim (Director, KPMG with a banking and strategic advisory background) and Mr Roger Collison, (former member of the ACPT) who are both advisors to the investment, insurance and finance subcommittee, and Finance subcommittee (IIFC), and Mr Greg Chambers (Engineer and Director, Strategy and Development, Jones Nicholson), Mr Glynn Evans (architect and former member of the ACPT), Ms Charmian Reid (Development Manager, Charter Hall), Ms Priscilla Tran (Development Manager, City West Housing) and Mr John Ward (Architect, Fulton Trotter), advisors to the Major Works subcommittee.
13. Finally, I express my personal thanks to Mrs Melinda West, who very capably supports the Board as Deputy Chair and Chair of the IIFC as well as the staff of SDS who continue to serve the Board faithfully and diligently.
14. A summary of the operational aspects of the breadth of the ACPT's activities in support of parishes during 2021 is provided below by the ACPT's executive officer and Head of Parish Property Services, Mr Greg Ellem.
15. I commend this report to the Synod.

MR RICHARD NEAL

Chair, Anglican Church Property Trust Diocese of Sydney

May 2022

Summary by the Head of Parish Property Services, Mr Greg Ellem

1. On behalf of my Parish & Property Services (PPS) colleagues, Penny Barletta, Scott Lincoln, Cindy Wong, Elle Byrne, Kenneth Ho, Sally Satya, Grace Shi, I express gratitude for the assistance provided to us by the Board, the senior episcopal team and the many parish volunteers, as we partner parishes in a variety of property and insurance matters as they continue to undertake front line Christian ministry across the diocese.
2. We serve the Board as its executive management arm and relate to the Board in accordance with a service level agreement that is negotiated annually and is reviewed during the year.

Executive summary

3. During 2021 the SDS management team supported the ACPT in its corporate and trustee capacity as trustee for parishes and some diocesan organisations in the following areas:
 - (a) Exercised oversight and administered 7 separate building projects for amounts in excess of \$1 million with a total value of \$14.7 million. Key property projects that were completed during 2021 include a new church building at Silverdale for Grace West parish and a new foyer connecting ministry buildings at Jannali church. ACPT administered contracts and completed projects on a number of heritage buildings including: roof restoration works at St Michael's Cathedral Wollongong and Redfern church on behalf of Synod (Maori Anglican Fellowship); church building remediation works at South Sydney and a pipe organ at St Luke's Mosman. During 2021 contracts were executed and work commenced for alterations and additions to the heritage buildings at Vine Church Surry Hills.
 - (b) Assisted parishes in the provision of 9 ministry houses. 4 new properties were acquired that comprised existing dwellings for occupation as rectories for the parishes of Campbelltown, Central Villages Lawson, Lidcombe and Jervis Bay and St Georges Basin. ACPT exchanged contracts to acquire 3 rectories on behalf of the parishes of Village Church Annandale, Darling Street and Northmead. ACPT administered and completed contracts for the construction of 2 new ministry houses and a rectory on existing parish lands for 2 parishes at Belmore with McCallums Hill and Clemton Park and at Stanhope respectively.
 - (c) Received, reviewed, signed and processed a record 600 separate documents for parishes (including development applications, building contracts, leases, licence agreements, contracts of sale, applications for grant funding, insurance claims, etc.). This compares with 535 documents processed in the 12 months to Synod 2021,
 - (d) Circulated Spring 2020 and Summer 2021 editions of "Property Matters" newsletter for parishes to enhance communication channels with parishes in respect to insurance and property-related matters,
 - (e) Administered a record 78 Public Liability insurance claims and 63 Industrial Special Risk (Property and Contents) insurance claims or notifications on behalf of parishes,
 - (f) Prepared and issued 16 separate circulars to parishes about a range of policy/procedure matters such as the quarterly "About Your Invested Funds" circular to parishes and diocesan organisations on whose behalf the ACPT invests funds, advice about applications for grant funding from the NSW, Local and Commonwealth governments, advice in respect to cemeteries and columbaria, advice about using Anglican halls as polling places, as well various insurance related circulars.
4. In compliance with NSW Government Public Health Orders, for much of 2021, SDS staff worked remotely. Despite not having access to the St Andrew's House facilities, and as noted above, it was very much "business as usual" in our support of parishes. We are particularly pleased that the aggregate value of the NSW Government's CBP program alone, has delivered financial support to parishes over the period 2010 – 2021 of \$15.9m. The ACPT's executive team also met with the parliamentary staff and elected members of the NSW Government and local Councils, in relation to several specific parish building, sale and heritage projects. Further meetings have occurred during 2022.

Constitution and purpose

5. The ACPT is an incorporated body constituted by the *Anglican Church of Australia Trust Property Act 1917*. The *Anglican Church Property Trust Diocese of Sydney Ordinance 1965* regulates the functioning of the ACPT. Pursuant to the 1917 Act, the ACPT is the legal owner and trustee of church trust parish property within the Diocese of Sydney. As owner, the ACPT is required to be involved in a wide range of parish property transactions, including but not limited to insurance, leases, licences, property sales/purchases, building contracts and administration of estates.

Principal ACPT Activities during 2021

6. Partnering parishes with specific significant projects:

(a) Parish of Parramatta

Since 2018, the parish and ACPT have been progressing a Planning Proposal through the City of Parramatta Council to give effect to a 2020 Gateway Approval from the NSW Department of Planning & Environment that will transform the parish footprint around the historic St John's Cathedral by significantly enhancing ministry facility space while providing a robust, recurrent ground lease rental cash flow that will assist the parish and broader diocesan mission into the future.

(b) Parish of Surry Hills

The completion of this project during Q2/Q3 2022, will see the church building, original rectory and heritage hall joined together with an expansive foyer providing much needed gathering space, improved amenities and connection to the street and green space. The church building itself has also been modernised with the floor levelled, pews removed and a new sound system, but still retains its heritage charm – even more apparent now with custom designed lighting.

(c) Parish of South Sydney

Significant restoration project scheduled for completion in Q2 2022 that will ensure the extraordinary barrel ceiling of the church remains protected from the elements. The project includes stone repair and cleaning four storeys off the ground and repair of stained glass windows. The work continued underground with solutions being implemented to resolve rising damp problems. The investment of time and money in this project will ensure the parish is able to continue to serve the local community well into the next century

(d) Parish of Jannali

Mission to the local community has been enhanced by the addition of a new foyer and meeting/amenities area has connected the various ministry buildings comprising the ministry centre designed around a central courtyard and children's playground area.

(e) Parish of Grace West

A new 150 seat ministry centre with associated hall, amenities and car parking facilities was completed in a population growth area at Silverdale. The official building opening was a time of thankfulness to God representing the culmination of more than 2 decades of work by the congregation at Mulgoa parish and more recently in partnership with the Glenmore Park parish following the 2005 acquisition of the subject land.

(f) Jervis Bay and St Georges Basin

ACPT, on behalf of the parish of Jervis Bay and St Georges Basin completed the sale of the Huskisson church building, cemetery and rectory and the Sanctuary Point church building to realise funds that have been used to purchase a new rectory with remaining funds held to fund the construction of a new parish ministry centre at a more suitably and centrally located site in Vincentia that was acquired from Anglican Schools Corporation in 2020. ACPT continues to work with the parish to submit a development application for the construction of the new ministry centre.

(g) Cathedral of St Andrew – Chapter House redevelopment

A partnership between the Chapter of the Cathedral of St Andrew and St Andrew's Cathedral School (SACS) enabled the Cathedral Chapter to embark on a much needed renovation of the Chapter House. The space is now used by the school as its principal auditorium under a lease and licence arrangement between the ACPT as trustee for the Cathedral and SACS. In ACPT's trustee role various agreements were executed which established the formal relationship that should ensure the Chapter House remains in excellent condition, and the Cathedral has significant new facilities to support its various ministries.

- (h) Parish of Wollongong

The impact of COVID-19 on the residential student population of University of Wollongong (UoW), led UoW to take the strategic decision to take steps to dispose of its interest in the MarketView student accommodation that is owned by UoW on parish land and subject to long term ground lease rentals. ACPT and its SDS executive management team continue to work with UoW executives and the wardens and acting rector to agree a suitable incoming lessee for the property.
- (i) 1 York, Sydney (Parish of Church Hill and Synod as income beneficiaries)

In early 2021, the Head Lessee of the current ground lease over the building at 1 York Street, Sydney approached the Landlord (ACPT) seeking to negotiate revised terms. Those negotiations involve engagement with the two diocesan income beneficiaries (the wardens of the parish of Church Hill and a subcommittee of the Standing Committee) and are ongoing.
- (j) Construction on behalf of the Mission Property Committee (MPC)

In the northwest of Sydney a new 250 seat ministry centre at Leppington was completed and occupied in time for Christmas 2021 church services. The project included construction of mains sewer infrastructure works on behalf of Sydney Water to replace an existing septic system and a new stormwater drainage system on the former agricultural site, coordination of a shared driveway and car parking area with the adjoining site that is owned by Anglican Schools Corporation and will become a new Anglican School. In the South West of Sydney, development consent was obtained for the staged construction of a new ministry centre at Marsden Park.

7. Providing guidance to parishes:

- (a) Presented parish property webinars including a webinar attended by 14 parish representatives in relation to State Heritage listing and the requirements for maintenance of cemeteries on church trust properties and a Property webinar for 30 rectors and wardens in the Western Region. More webinars are planned for the various diocesan regions in 2022.
- (b) Conducted a survey on building maintenance of 40 parishes and published online best practice guidelines on the maintenance of church buildings.
- (c) Lodged objections to the proposed draft local heritage listings of church buildings at parishes of Campsie, Lidcombe, Wentworthville and Westmead and submissions to the City of Sydney in support of heritage floor space incentives to facilitate funding for the maintenance of state heritage listed church buildings including St Andrews Cathedral.
- (d) Provided desktop valuations to over 30 parishes free of charge in relation to prospective properties to be acquired as ministry housing

Insurance

- 8. Pursuant to the terms of the *Church Insurances Ordinance 1981* the ACPT effects insurance on behalf of parishes and some diocesan organisations under the CIP. The annual renewal date of the diocesan insurance policies is 31 August. There is an annual insurance premium of approximately \$4.9million, to insure some 1,100 parish buildings and property of many diocesan organisations under the CIP.
- 9. The ACPT Manager, Insurance Services, commences the renewal process early each calendar year by collecting key insurance data from parishes and diocesan organisations to facilitate negotiations with various investment grade insurance counterparties for suitable insurance cover. Significant time is invested in administering the cover for those diocesan organisations that participate in the CIP (including Anglican Aid, Anglican Education Commission, Anglican Media, Arundel House, Anglican Youthworks, Camperdown Cemetery Trust, Endowment of the See, Evangelism & New Churches, GFS, Glebe Administration Board, Ministry Training & Development, Mission Property Committee, Moore Theological College, Mothers Union, New Churches for New Communities, Sydney Anglican Loans, Sydney Anglican Indigenous Peoples Ministry Committee, St Andrew's House Corporation Council St James Hall, Sydney Diocesan Services, St Jude's Music Association, Anglican Church Growth Corporation (ACGC), Sydney Anglican (National

Redress Scheme) Corporation (SANRSC), SDS Legal, Professional Standards Unit, the Council of Living Faith and Work Outside the Diocese). This is achieved under the oversight of the diocesan insurance broker, Marsh Pty Ltd (Marsh). With the assistance of Marsh, insurance policies are established for a suite of insurance products with a spectrum of insurance counterparties, all of whom are ascribed an “investment grade” external counterparty credit rating by the recognised international insurance Credit Rating Agencies.

10. As noted in the report from the Chair, 2021 again proved to be a challenging year for insurance markets generally. While market rates generally increased by ~ 20% year on year, the cost of the CIP was able to be restricted to ~ 14% higher than the 2020/21 CIP. This was achieved through the benefits derived from the second year of a two year Long Term Agreement (LTA) in respect to the parish ISR component of the CIP (representing ~ 60% of the total cost of the CIP) that was negotiated with the CHUBB Australia Insurance Ltd and Catholic Church Insurance at 2020 premium rates. This structure enabled the year on year increase in the cost of the ISR policy between 2020/21 and 2021/22 to be held at 7.5%.
11. Insurance-related enquiries are dealt with by the Manager, Insurance Services (Cindy Wong) and the Insurance Assistant, Ms Sally Satya. The enquiries handled by Cindy and Sally include day-to-day insurance enquiries and issuance of Certificates of Currency which enable parishes to conduct off-site activities.

Archbishop of Sydney’s Discretionary Trust

12. ACPT is trustee of the Archbishop of Sydney’s Discretionary Trust (“ADT”). The fund was established pursuant to the *Archbishop of Sydney’s Discretionary Trust Ordinance 2012*. On 18 March 2019 the ACPT was appointed trustee of the ADT pursuant to the *Archbishop of Sydney’s Discretionary Trust Vesting and Amendment Ordinance 2019* and was no longer subject to an external audit as the client fund is just one of some 455 separate ACPT client funds. With net assets of \$1,616,586 as at 31 December 2021 (2020: \$1,558,251), the ADT was solvent and also ranked 22nd largest ACPT client fund (excluding the LTPF and Church Insurances Fund). The ACPT auditor, PricewaterhouseCoopers, undertook a range of Agreed Upon Procedures for the 2021 year in respect to ACPT client funds.
13. On 27 May 2022, ACPT received and adopted the ADT Financial Report for 2021 and authorised the Trustee’s Declaration in the report to be signed.
14. The funds are currently invested in both the ACPT’s LTPF and the GAB’s DCIF.
15. Further information required by clause 14 of the *Accounts, Audits and Annual Reports Ordinance 1995* is set out in the Appendix.

Long Term Pooling Fund

16. While the ACPT Board provides key strategic oversight of the LTPF, management is responsible for reviewing and developing/recommending policies and procedures for adoption by the full ACPT Board in relation to the 191 separate investments in the DCIF as trustee for parish unitholders and some 102 separate investments for parish unitholders in the LTPF.
17. The Investment Objective for the LTPF is to achieve a real rate of return of 3.5% pa over rolling 5 year periods (after external investment management fees and tax effects) subject to:
 - (a) preserving the real value of a unit in the LTPF over a rolling 10 year period (commencing 1/7/2010) with a 60% - 70% probability, and
 - (b) adopting a distribution policy that is consistent with the Investment Objective
18. As at 31 December 2021, the aggregate value of the LTPF was ~ \$88.6 million. The average real rate of investment return generated by the LTPF over the rolling 10 year period to 31/12/2021 was 8.22%pa, considerably above the real rate of return objective. During 2021 distributions aggregating \$2.46 million were made to beneficiary parishes and diocesan organisations.
19. Quarterly reports are received from the investment and asset manager, Mercer Pty Limited (Mercer) that demonstrated that ACPT’s Ethical Investment Policy (EIP) was in compliance

throughout the review period. ACPT's EIP requires underlying fund managers to positively tilt their portfolios to ethical companies and to maintain carbon intensity exposures below that of equivalent market benchmarks within the actively managed listed asset classes. The EIP was initially adopted and implemented by the ACPT with the endorsement of the Standing Committee in 2016. The policy was reviewed by ACPT during 2020 and a subcommittee, comprising members of ACPT, GAB and Anglican Super has been assembled to consider a diocesan-wide EIP for consideration by either Synod or Standing Committee.

20. The EIP also retains the “negative screens” (that is, screening out “disapproved businesses”) such as businesses deriving income from alcohol, armaments, gambling, pornography and tobacco and stem cell research involving the destruction of embryos, abortifacients and elective abortions.
21. Overseas Shares are passively managed so there is no difference from the benchmark in terms of carbon intensity. The ACPT is well advanced in taking a similar approach to seeking a reduction in the carbon intensity of other parts of the portfolio in due course. A copy of the ACPT's EIP can be found at www.sds.asn.au.
22. Further information required by clause 14 of the *Accounts, Audits and Annual Reports Ordinance 1995* is set out in the Appendix.

Sydney Grants Administration Fund

23. The Sydney Grants Administration Fund is the Fund held on trust by ACPT to receive grants and payments, including government grants for specific parish projects. Some 81 of grants received by the Fund are derived from the NSW Government's Community Building Partnership Grant program for which grants are generally made annually.
24. Since the initial CBP grants were announced in 2009, the ACPT has promoted, facilitated and administered all CBP Grant Programs. The process includes:
 - (a) assisting parishes construct applications and liaising with local MPs
 - (b) reviewing documentation and grant conditions applicable to each successful parish
 - (c) responding to enquiries from parishes about various aspects of the CBP Grant Program
 - (d) responding to enquiries from the NSW CBP Office and NSW Government Members of Parliament about successful parish projects
 - (e) receiving and distributing grant funds to each successful parish
 - (f) progress and acquittal reporting to the NSW State Government in accordance with grant application criteria
 - (g) following up incomplete acquittal information from grantees to satisfy NSW Government CBP Grant Program audit procedures and ensure that parishes are given a fair opportunity to share in future CBP Grant Programs.
 - (h) The data collected over the years of CBP Grant Programs is currently being analysed for information about successful applications and the lessons learnt will be provided to parishes through a new Grants tab on the SDS Parish Property page in due course.
25. A summary of the grants received from CBP Grant Programs since the program commenced in 2009 follows –

Year	No. of successful Parishes	\$ Grant amount (rounded)
CBP 2009 - 2020 CBP (I) – (XII)	677	\$14,325,663
CBP 2021 (XII)	62	\$1,067,189
Total	739	\$15,392,52

26. In addition to the \$1,067,189 received over 2021 from CBP Grant programs, the Fund received grants totalling \$1,313,889 including Stronger Communities Program, Powering Communities Program and My Community Projects Program and others across a number of Federal, other NSW State and Local Government Grant programs.

27. Further information required by clause 14 of the *Accounts, Audits and Annual Reports Ordinance 1995* is set out in the Appendix.

Property and Insurance team

28. The SDS parish and property services team who support the ACPT look forward to continuing to serve parishes and diocesan organisations. The Parish Property Services team can be contacted:

Greg Ellem, Head of Parish Property	gxe@sydney.anglican.asn.au	02 9265 1546
Penny Barletta, Manager, Parish Property (Northern and South Sydney regions)	pxb@sydney.anglican.asn.au	02 9265 1561
Scott Lincoln, Manager Parish Property (Western, South Western and Wollongong regions)	sxl@sydney.anglican.asn.au	02 9265 1633
Cindy Wong, Manager, Insurance Services	cpw@sydney.anglican.asn.au	02 9265 1679
Grace Shi, Assistant, Parish Property (Tuesday, Wednesday, Thursday)	gbs@sydney.anglican.asn.au	02 9265 1562
Elle Byrne, Assistant, Parish Property (Monday, Wednesday, Thursday)	elle.byrne@sydney.anglican.asn.au	02 9265 1517
Kenneth Ho, Assistant, Parish Property	Kenneth.Ho@sydney.anglican.asn.au	02 9265 1516
Sally Satya, Insurance Assistant	ssatya@sydney.anglican.asn.au	02 9265 1557

GREGORY ELLEM
Head of Parish Property

May 2022

Additional information required by Accounts, Audits and Annual Reports Ordinance 1995

This appendix sets out additional information required by clause 14 of the *Accounts, Audits and Annual Reports Ordinance 1995* for the following trusts held by the ACPT -

- The Archbishop of Sydney’s Discretionary Trust
- The Anglican Church Property Trust (Sydney) Long Term Pooled Investment Fund
- The Anglican Church Diocese of Sydney Grants Administration Fund

Charities group status report (clause 14(c))

Legal name and ABN of entity (and any other entity under its control)	Whether registered with the ACNC as a charity? (√/X)	Whether an AIS and, if applicable, an annual financial report and auditor’s or reviewer’s report provided to the ACNC for 2021? (√/X)
Archbishop of Sydney’s Discretionary Trust ABN 82 339 428 846	√	√
Anglican Church Property Trust (Sydney) Long Term Pooled Investment Fund ABN 40 383 894 774	√	√
Anglican Church Diocese of Sydney Grants Administration Fund ABN 19 344 575 886	√	√

Access information (clause 14(d)(i))

The principal office is
Level 2, St Andrew’s House,
Sydney Square

Mail: PO Box Q190
QVB Post Office, NSW 1230

Phone: (02) 9265 1555

Hours of access are between 8.30am and 5.30pm

Members (clause 14(d)(ii))

Throughout 2021 the Board comprised the following members –

Name of member	Method and term of appointment	Attendance at meetings	Membership of significant board committees
The Most Rev Kanishka Raffel	Ex Officio – President. Term expires at conclusion of episcopacy.	6 of 7	Various ex officio committees

Name of member	Method and term of appointment	Attendance at meetings	Membership of significant board committees
Dr Glenn Davies	Ex officio – President. Concluded in March 2021	2 of 2	Various ex officio committees
The Rt Rev Peter Hayward	Ex officio – (Diocesan Administrator) until the consecration of Archbishop Raffel	2 of 2	Various ex officio committees
The Rev Canon Christopher Allan	Synod – expires Synod 2023	9 of 11	ACPT's MWC**, the Archbishop's Committee for portraits, etc, board of ACGC, and Council of SHORE
Mr Wayne Bramley	Synod – expires Synod 2024	9 of 11	ACPT's IIFC **
Mr Richard Neal (Chair)	Synod – expires Synod 2025	10 of 11	ACPT's IIFC** and MWC **
Mr David Nelson	Synod – expires Synod 20263	11 of 11	Nil
The Rev David Ould	Synod – expires Synod 2027	10 of 11	ACPT's IIFC** and MWC** (Chair), Anglican Super Board, Ethical Investment Working.
Mr Ian Pike	Synod – expires Synod 2025		ACPT's IIFC
Mr Peter Rusbourne	Synod – expires Synod 2027	10 of 11	Nil
The Rev Andrew Schmidt	Synod – expires Synod 2023	11 of 11	Nil
Ms Margaret Stuart	Synod – expires Synod 2026	7 of 11	Ethical Investment Working Group
Mrs Melinda West (Deputy Chair)	Synod – expires Synod 2025	9 of 11	ACPT's IIFC ** (Chair) and MWC ** Standing Committee and Synod

** IIFC – Investment, Insurance & Finance subcommittee of the ACPT

** MWC – Major Works Committee subcommittee of the ACPT

Charter and financial results summary (clause 14(d)(iii) and (v))

Name of entity	Charter	Financial Results
Archbishop of Sydney's Discretionary Trust (ADT)	<i>In accordance with Clause 5 of the Archbishop's Discretionary Trust Ordinance 2012, the ADT is held on trust for the purposes of the Anglican Church of Australia in the Diocese of Sydney (the Diocese). The capital of the ADT is to be invested and may be applied for such purposes of the Diocese as the Archbishop-in-Council may approve.</i>	<i>As at 31 December 2021, the ADT held net assets of \$1,616,586 (31 December 2020: \$1,558,251). The ACPT deemed the ADT solvent as at the last balance sheet date.</i>

Name of entity	Charter	Financial Results
	<p><i>30% of the income of the trust fund is to be capitalised and the undistributed income of the trust fund may be applied for such purposes of the Diocese as the Archbishop may approve.</i></p>	
<p>Anglican Church Property Trust (Sydney) Long Term Pooled Investment Fund</p>	<p>In accordance with paragraphs 3 and 4 of the LTPF Ordinance 2012, the LTPF is held by ACPT on trust for the Anglican Church of Australia in the Diocese of Sydney to make distributions of income to invested client funds, and to pay costs and expenses of ACPT in performing its functions and exercising its powers under this ordinance.</p> <p>The ACPT is to invest, manage and administer the LTF and maintain the real value of the LTPF</p>	<p>The average real rate of investment return generated by the LTPF over the rolling 10 year period to 31/12/2021 was 8.22%pa, considerable above the real rate of return objective.</p> <p>As at 31 December 2021, the aggregate value of the LTPF was ~ \$88.6 million and during 2021 distributions aggregating \$2.46 million were made to beneficiary parishes and diocesan organisations.”</p>
<p>Anglican Church Diocese of Sydney Grants Administration Fund</p>	<p>In accordance with paragraphs 4 and 5 of the <i>Sydney Grant’s Administration Ordinance 2019</i>, the fund is held on trust for the Anglican Church of Australia in the Diocese of Sydney to receive grants and payments, including government, grants, for purposes including specific projects and also broader purposes that are not specific to any particular type of grant, on behalf of Anglican entities and to receive distribute/apply those grants in accordance with the purposes for which they have been made.</p>	<p><i>Over 2021, NSW Govt. Community Building Partnership grants were received for 62 separate parishes in the aggregate amount of \$1,067,189.</i></p> <p>In addition to the CBP Grant programs, the ACPT administered a further \$246,700 across a number of Federal, State and local Government Grant programs.</p>

Conformity with Synod Governance Policy (clause 14(e))

The Synod Governance Policy applies to ACPT as trustee of the Archbishop’s Discretionary Trust, Long Term Pooled Investment Fund and Sydney Grants Administration Fund.

Refer paragraphs 7 and 8 of this Annual Report.

Regional Councils' Annual Reports for 2021

(A compilation of extracts from the annual reports of 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 2021 for the purposes of clause 9(2). These reports are extracts from the annual reports prepared by the Regional Councils and tabled at the Synod under the *Accounts, Audits and Annual Reports Ordinance 1995*.

Northern Regional Council

4. The Council met once during the year. The Council also passed a circular resolution on 23 March 2021, with all members at the time supporting the resolution.
5. The Rev Ian Millican resigned from the Council effective 17 September 2021 because of his taking the role of Bishop's Assistant in Armidale Diocese. Mr Millican served on the Council since 2006.
6. The Council meeting 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.
7. The coronavirus pandemic restricted the Council's ability to meet face to face and to undertake a range of activities that it had planned or usually would have undertaken, such as an annual meeting of region clergy.

8. In accordance with its authority and responsibilities under relevant ordinances, in March 2021 the Council agreed to support the Parish of St Paul's Terry Hills progressing to full parish status with effect from 1 July 2021 [promoted to Synod in May 2021].
9. The Council noted and discussed the paper presented at [the May 2021] Synod which will result in new regional boundaries. The Council supported engaging with parish churches to seek their input on the boundary matter and also to establishing roles akin to prior archdeacon offices with authority to make mission area decisions e.g. a mission area deacon/leader to approve certain property matters without being required to consult with the Regional Bishop.

South Sydney Regional Council

10. The South Sydney Regional Council serves the South Sydney Region of the Diocese of Sydney which includes the Inner West, Sydney City, Eastern Suburbs, and Bayside Mission Areas. The South Sydney Region also includes the parish of Lord Howe Island and the Church of England on Norfolk Island.
11. Only two Council meeting was held in 2021. Further consultation occurred via phone and email.
12. In 2021, the main activities of the Council either by way of report or action was as follows –
 - Receiving reports from, and providing approved funding for, the Church of England on Norfolk Island (\$28,228), Living Water Indigenous Ministry (\$6,250), and the Parish of South Sydney (\$10,000).
 - Distributing to the Parish the Synod Grant for Lord Howe Island (\$22,000).
 - Giving feedback to the reconfiguration of Regions and Mission Areas in the Diocese.
 - Providing financial support for a Regional Ministry Conference (which was cancelled due to COVID restrictions).
 - Approving the change of rules that apply to the Parish of Eastgardens under the Parish Administration Ordinance from Schedule 1 to Schedule 2.
 - Reviewed progress on the appointment of clergy to vacant parishes and various property development proposals.

South Western Regional Council

13. The Regional Council had three meetings in 2021 due to COVID-19. The Council continued to meet to discuss strategies for reaching the Region. The challenge of the Greenfields has begun to be a discussion point. Whilst the Council does not have much by the way of funds nor any significant ongoing source of funds, how to maximize those funds for gospel ministry has also been subject to discussion.

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 3 occasions during 2021 via Zoom.
16. The main areas of consideration included assisting parishes with a response to COVID-19 lockdowns and related matters, parish vacancies and new appointments, strategic partnerships between parishes, formation of a new recognized church, building projects in the region, approving parish boundary adjustments, assisting a parish in negotiations with ASC over property use, assisting a parish to regenerate ministry in a socially disadvantaged area and encouraging some ministers into the Reach Australia development program.

Wollongong Regional Council

17. The Wollongong Regional Council met three times during 2021, on the evenings of 2 March, 22 June and 12 October. The meetings were held in Wollongong with each meeting preceded by a meal.
18. The realignment of regional boundaries midway through 2021 meant that the Macarthur Mission Area was no longer part of the Wollongong Region. This meant that Rev Stephen Swanepoel and Mrs Kerry Thomas were no longer members of the Regional Council for the third meeting of the year.
19. Bishop Peter Hayward and the Regional Council worked closely to further support ministry across the Region. This included –
- providing financial support for CMD consultancy for parishes working in marginalised communities
 - coordinating the sale of a dwelling to the parish of Sussex Inlet for use as a rectory
 - coordinating the sale of a dwelling to MPC for use as a rectory at Leppington
 - tidying up parochial boundaries for parishes in the Macarthur Mission Area prior to the regional boundary realignment
 - creating a pilot program to help fund new workers in parishes (Keiraville and Port Kembla for 2022)
 - promoting an ordinance to change the status of Jamberoo to a full parish at the next synod session
 - providing financial support with subsidised demountable at Helensburgh and Denham Court, and agreeing to the sale of a demountable to Helensburgh
 - meeting with and support of Mission Area leaders
 - support for Rectors
 - ongoing support for ESL English classes
 - ESL classes were delivered in 13 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
 - provision of advice and support through the impact of the pandemic.
20. During 2021 funding from the Region's assets was allocated to the specific ministry in the South West growth sector.

Ministry	Purpose	Allocation	Total
CMD	Consultancy – marginalised areas	\$20,000	
Keiraville Parish	Grant – new worker	\$5,000	\$25,000

21. 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

26 July 2022