



**Uniting Church in Australia**  
**ASSEMBLY**  
**Assembly Standing Committee**

27 – 28 August 2021

**DOCUMENT 6**

<b>Title</b>	<b>Assembly Finance Audit and Risk Committee (AFARC) Report to Assembly Standing Committee</b>
Type of Paper	For Decision For noting
Assembly or ASC Minute	Regulation 3.7.5.2
Consultation	AFARC Assembly General Secretary Assembly Associate General Secretary Assembly Agencies National Director, Strategic Finance and Administration
Purpose	To provide information and assurance to the ASC with respect to the management of finance, audit, and risk issues across the Assembly.
Rationale & Findings Summary	<p>The Committee continues to follow an annual work plan that ensures all matters within its mandate are addressed and reviewed on a regular and rolling basis.</p> <p>The attached report (and appendices) reviews Assembly's current financial position as well as discussing several other relevant matters.</p> <p>Importantly, Assembly and Agency budgets for 2021/22 are presented for ASC endorsement.</p>
Attachments	<p>Financial Overview and Review of AFARC Operations.</p> <p>With Appendices:</p> <ul style="list-style-type: none"><li>• A: Financial Reports Full Year June 2021</li><li>• B: Statement of Available Funds as of June 2021</li><li>• C: Budgets for 2021/22 for ASC Endorsement</li><li>• D: Total JobKeeper/Cashboost support received</li></ul>
Proposals	<p>That the Assembly Standing Committee:</p> <ol style="list-style-type: none"><li>1. Approve the 2021/22 Budgets for the Assembly and its Agencies as submitted; and</li><li>2. Receive the report.</li></ol>
Submitted by	Stuart Woodward, Chair, Assembly Finance, Audit and Risk Committee

	<a href="mailto:stuartwoodward202@gmail.com">stuartwoodward202@gmail.com</a> 0414 886 346 9 <sup>th</sup> August 2021
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## ASSEMBLY FINANCE, AUDIT AND RISK COMMITTEE (AFARC) REPORT - FINANCIAL OVERVIEW AND REVIEW OF AFARC OPERATIONS

### 1. Full Year Results for the 2021/22 Financial Year – Management Accounts

At the time of writing this report, the Assembly finance staff are currently in the final stages of completing the full year results for the 2020/21 Financial Year. Included below are summaries extracted from the management accounts (which are more fully reflected at Appendix A to this report).

As the finance team moves to finalise the year end accounts in the form of audited financial statements, we do not envisage, nor expect, any material changes to these results as included in this report. The external audit process is underway.

Included below are two summary tables: the General Funds Table and the All-Funds Table, the distinction being that All Funds is inclusive of all funds held by the Assembly and its agencies, irrespective of any encumbrances or limitations that may exist over any of these funds, whilst General Funds are those funds considered unencumbered and available for the Assembly and its Agencies to use, or reserve, for purposes that their governing committees may designate. General funds are the more useful focus area.

#### **General Funds**

For the Full Year to 30 June 2021, consolidated **General Funds** financial results are as follows:

Consolidated - General Fund \$000			
	Full Year 30 June 2021 Actual \$'000	Full Year 30 June 2021 Budget \$'000	Actual to Budget Variance \$'000
Revenue	16,779.0	10,918.2	5,860.8
Less Expenses	12,919.5	10,997.9	(1,921.6)
<b>Net Surplus/(Deficiency)</b>	3,859.5	(79.7)	3,939.4

#### **All funds**

For the Full Year to 30 June 2021, consolidated **All Funds** financial results are as follows:

Consolidated - General Fund \$000			
	Full Year 30 June 2021 Actual \$'000	Full Year 30 June 2021 Budget \$'000	Actual to Budget Variance \$'000
Revenue	23,209.3	16,124.4	7,084.9
Less Expenses	18,512.3	17,363.4	(1,148.9)
<b>Net Surplus/(Deficiency)</b>	4,697.0	(1,239.0)	5,936.0

Key points to highlight in assessing the actual v budget variances in the tables above are noted as:

- **Impact of the Onset of COVID on Budget Preparation** - At the time of preparing the 2020/21 budgets (March – May 2020), the severity of the COVID crises was beginning to be felt and there was significant uncertainty and anxiety as to the future, leading Agencies, with support from AFARC, to be more conservative in their income budgets expecting reductions in income as COVID limited operational activity.
- **JobKeeper and Cashboost** – The Assembly and the Agencies received the balance of JobKeeper 1 (the first initiative of 6 months) in the July to September months of the 2020/21 financial year (with the initial payments being in the previous financial year). UnitingWorld moved to its new PBI (Public Benevolent Institution – or “charity”) endorsed ABN (Australian Business Number) from 1 October 2020, and therefore no longer qualified for JobKeeper support under the continuity of business rules. Fronter Services also received support for both Extension 1 (October - December 2020) and Extension 2 (January - March 2021). The Assembly, UAICC and UnitingCare Australia, that sit within the Assembly ABN, received support for Extension 2. (Note the Assembly ABN support for extension 1 was initially obtained but was subsequently refunded upon review of qualification of turnover test, relating to the discrepancy of recognising contract income between Australian Accounting Standards when compared to GST turnover legislation for the period). Cashboost for both the Assembly and Frontier Services was also received. Detailed financial support received under both programmes is set out in the separate schedule included within the Appendix to this paper (Appendix D). As reported to Assembly in May, total support received across both programmes, all entities and all time periods was just shy of \$1.7million, enabling staff to be retained and programmes continued.
- **Investment Returns** – After a significant dip in investment market returns in March 2020, as the onset of COVID was being realised, markets recovered somewhat by June 2020. Markets continued to recover during the 2021 financial year with both local and overseas equities markets posting over 20% annual returns. This assisted the EDF (Uniting Financial Services -where the majority of Assembly investment funds are housed) significantly, which returned approximately 11.6% for the year from its diversified portfolio approach. The strong equity returns in the EDF continue to be fuelled by the continuation of the quantitative easing environment with record low interest rates, which act to the detriment of fixed interest investment products like bonds, which saw bond returns at near 0% (or small losses in some cases). Reflecting the EDF performance, investment outcomes were significantly above budget for the year.
- **Matters of Redress** – During the financial year, the Assembly continued to receive claims of Redress in relation to the Mogumber Mission. The overall Mogumber Redress “Gross provision for claims” was increased from \$2.5M as of 30 June 2020 to \$2.85M as of 30 June 2021. UnitingWorld has agreed to share the Mogumber Redress matters 50/50 with the Assembly and accordingly took up 50% of this provision being \$1.425M. The Assembly also elected, in a prudent manner, to book, as of June 2021, an additional provision for claims with respect to potential Civil Claims of \$1.5M, recognising the possibility of the Civil claims it may receive over coming years. (Recent experience across the Church indicates that the Redress Scheme has by its nature also increased the likelihood of Civil matters being raised.) In terms of Frontier Services, two claims totalling \$113K were paid in the 2021 financial year, and the Frontier Services Board has also resolved to take up a Gross Provision of \$1.065M for both Redress and Civil claims it may receive during the remaining seven years of the

National Redress Scheme. A total of \$2.9M was charged across all entities to the provision through the Profit and Loss for the 2020/21 financial year. Redress and related matters are further discussed below.

- **Fundraising and Bequests** – As noted above, the initial 2020 COVID outbreak coincided with the 2020/21 budget process, with the Assembly and the Agencies preparing various scenario plans as to the possible impact on Revenue lines. Whilst the final budgets reflected an expected drop in fundraising, the fundraising performance for the financial year did in the end hold up quite well. This was assisted by Frontier Services receiving an unconditional \$3M bequest on year end, and following year end has also been notified of an additional \$1M bequest.
- **Expenses Generally** – The financial year, due to COVID, saw staff alternate between “work from home” and “work in the office”. Working from home, via use of Zoom, MS Team or other electronic means, became the norm for both staff and committees. This had the impact of reducing expenses of travel, meeting and other associated costs to significantly under budget.
- **DFAT Grants** – In July/August 2020, UnitingWorld received approximately \$650K of DFAT COVID Grants (unbudgeted) to assist its partners in overseas countries deliver COVID support to overseas aid programs.
- **Synod Grants** – Whilst there was significant discussion re the potential for Synod Grants to reduce, especially at the time COVID was setting in, the Synods were able to maintain and continue their contributions for the full year. This is greatly appreciated.

It is pleasing to be able to report such a favourable (currently unaudited) result for the year just past – a result above budget and above the prior year. Thanks are due to all involved in such an outcome. Audit outcomes will be reported to a future ASC meeting.

## **2. Balance Sheet as at 30 June 2021**

The strong results for the 2020/21 financial year have had a positive outcome on the Assembly’s collective Balance Sheet.

The table below presents the consolidated Balance Sheet as at 30 June 2021.

## Balance Sheet 30-Jun-2021

Description	June								
	ASM \$000	UW \$000	UAICC \$000	Ucare \$000	FS & JFF \$000	NSCU \$000	Total \$000	Last year \$000	Var. \$000
<b>Assets</b>									
<b>Current Assets</b>									
Other Assets	56.4	181.4	43.7	59.3	24.4	15.5	380.7	493.7	-113.0
Cash At Bank	3,740.4	6,248.5	907.0	2,197.6	4,213.6	223.1	17,530.2	16,139.8	1,390.4
Trade Receivables	782.0	18.7	0.0	299.4	0.0	19.4	1,119.6	292.1	827.4
<b>Total Current Assets</b>	<b>4,578.8</b>	<b>6,448.6</b>	<b>950.7</b>	<b>2,556.4</b>	<b>4,238.0</b>	<b>258.1</b>	<b>19,030.5</b>	<b>16,925.7</b>	<b>2,104.9</b>
<b>Non Current Assets</b>									
Fixed Assets	1,365.8	2,175.7	0.0	16.3	158.6	8.5	3,724.9	3,880.9	-156.0
Investments	600.9	8,336.5	5,161.0	1,300.0	5,347.5	0.0	20,746.0	15,823.8	4,922.3
Leased Asset	853.0	848.7	0.0	714.5	31.2	0.0	2,447.3	2,886.9	-439.5
<b>Total Non Current Assets</b>	<b>2,819.7</b>	<b>11,360.9</b>	<b>5,161.0</b>	<b>2,030.9</b>	<b>5,537.3</b>	<b>8.5</b>	<b>26,918.3</b>	<b>22,591.5</b>	<b>4,326.7</b>
<b>Total Assets</b>	<b>7,398.5</b>	<b>17,809.5</b>	<b>6,111.8</b>	<b>4,587.3</b>	<b>9,775.3</b>	<b>266.5</b>	<b>45,948.8</b>	<b>39,517.2</b>	<b>6,431.6</b>
<b>Current Liabilities</b>									
Creditors & Accruals	252.2	1,944.7	8.3	603.4	131.0	19.8	2,959.4	2,412.4	-547.0
Lease Liabilities- Current	83.9	88.4	0.0	138.8	13.7	0.0	324.8	354.2	29.4
Provision	2,635.1	886.7	3.0	99.8	1,000.0	62.8	4,687.4	3,076.1	-1,611.3
<b>Total Current Liabilities</b>	<b>2,971.2</b>	<b>2,919.8</b>	<b>11.2</b>	<b>842.1</b>	<b>1,144.7</b>	<b>82.6</b>	<b>7,971.6</b>	<b>5,842.8</b>	<b>-2,128.8</b>
<b>Non Current Liabilities</b>									
Lease Liabilities - Non Current	777.9	773.5	0.0	609.8	17.4	0.0	2,178.6	2,565.4	386.8
Non-Current Other Liabilities	16.9	55.4	0.0	11.2	0.0	0.0	83.6	91.0	7.5
<b>Total Non Current Liabilities</b>	<b>794.9</b>	<b>828.9</b>	<b>0.0</b>	<b>620.9</b>	<b>17.4</b>	<b>0.0</b>	<b>2,262.2</b>	<b>2,656.4</b>	<b>394.2</b>
<b>Total Liabilities</b>	<b>3,766.1</b>	<b>3,748.7</b>	<b>11.2</b>	<b>1,463.0</b>	<b>1,162.1</b>	<b>82.6</b>	<b>10,233.7</b>	<b>8,499.1</b>	<b>-1,734.6</b>
<b>Total Net Assets</b>	<b>3,632.4</b>	<b>14,060.8</b>	<b>6,100.5</b>	<b>3,124.3</b>	<b>8,613.2</b>	<b>183.9</b>	<b>35,715.1</b>	<b>31,018.1</b>	<b>4,697.0</b>

In reviewing the Assembly and its agencies Balance Sheet as of 30 June 2021, it is important to note the following items:

- **Balance sheet Improvement** – Overall increase in Balance sheet from \$31M to \$35.7M
- **Current Ratio** is Satisfactory – being the ratio of Current Assets to Current Liabilities, respectively being \$19.0M to \$7.9M (a ratio of 2.4 which is well in excess of a minimum desired ratio of 1). Note also that while each entity similarly has a satisfactory current ratio, the ratio for ASM – or the Assembly “Head Office” or Secretariat - is the weakest of all entities. This is discussed further below when attention is turned to the financial sustainability of the Assembly.
- **Cash holdings** of \$17M slightly increased on cash reserves of \$16M in the prior year. Management, in conjunction with AFARC and the Assembly Advisory Investment Committee (AIAC), is working with the Assembly and its Agencies to ensure that whilst sufficient cash reserves are retained, investment returns are optimised.
- **Investments** - Whilst the Church historically has held significant wealth in physical assets like property (manse etc) Assembly (consolidated) fixed assets at \$3.7M are now significantly below other investments held. Of the \$20.7M in investments held by the Assembly and its Agencies, approximately \$17M of this is held within the UFS Ethical Diversified Fund (as noted earlier).
- **Provision for Claims** – As of 30 June 2021, the Net Provision for Claims for matters of Civil Claims/Redress is \$3.9M. This is comprised of \$5.4M in Gross Provision since the commencement of the Federal Government Redress Scheme, less payments of \$1.5M made to date. It is important to note that whilst the \$5.4M Gross Provision has been increasing progressively over the last 3 years, the Net Assets of the Assembly and its agencies over this time has also been increasing (after allowing for this provisioning). AFARC works closely with Assembly’s external auditors, legal advisors and UCA Redress Ltd to ensure an appropriate, yet prudent, level of provisions is maintained. This is reviewed, and adjusted as appropriate, on a regular basis. Matters of redress are further discuss below.

- **Assembly Balance Sheet** – The Assembly's – "ASM" (or "Head Office / Secretariat) - limited net asset position of \$3.6M continues to be a concern, especially as to ability for the Assembly to sustain one or multiple financial shocks such as a significant reduction in its income sources. Financial sustainability is further discussed below.

### 3. **Budgets 2021/22 – Assembly and its Agencies**

AFARC presents, for ASC consideration and endorsement, the 2021/22 draft budgets for the Assembly and its Agencies. A summarized table with commentary is included below. Included at Appendix C are the more detailed 2021/22 budgets for further consideration.

UCA & Agencies Budget 2021/22		General Funds			All Funds		
		Bud 21/22 \$000's	Act 20/21 \$000's	Var %	Bud 21/22 \$000's	Act 20/21 \$000's	Var %
ASM	Revenue	3,118.5	3,316.5	(6.0%)	3,687.9	3,899.3	(5.4%)
	Expenses	3,222.4	3,062.5	5.2%	4,053.5	3,630.7	11.6%
	Net	(103.9)	254.0		(365.6)	268.6	
NSCU	Revenue	543.1	569.2	(4.6%)	543.1	569.2	(4.6%)
	Expenses	562.4	509.2	10.5%	562.4	509.2	10.5%
	Net	(19.3)	60.0		(19.3)	59.9	
FS&JFF	Revenue	4,591.8	7,163.1	(35.9%)	4,591.8	7,163.1	(35.9%)
	Expenses	4,583.3	4,628.9	(1.0%)	4,583.3	4,628.9	(1.0%)
	Net	8.5	2,534.3		8.5	2,534.3	
UCARE	Revenue	2,365.6	2,410.9	(1.9%)	2,865.6	2,897.4	(1.1%)
	Expenses	2,422.4	1,544.9	56.8%	3,147.6	2,166.2	45.3%
	Net	(56.9)	866.1		(282.1)	731.2	
UAICC	Revenue	430.0	835.7	(48.5%)	509.4	851.0	(40.1%)
	Expenses	508.5	252.9	101.1%	737.5	220.9	233.9%
	Net	(78.5)	582.8		(228.1)	630.1	
UW	Revenue	2,751.0	2,483.5	10.8%	7,841.2	7,829.2	0.2%
	Expenses	1,874.0	2,921.1	(35.8%)	6,248.0	7,356.4	(15.1%)
	Net	877.0	(437.6)		1,593.2	472.8	
ALL	Revenue	13,799.9	16,779.0	(17.8%)	20,038.9	23,209.2	(13.7%)
	Expenses	13,173.0	12,919.5	2.0%	19,332.3	18,512.2	4.4%
	Net	626.9	3,859.5		706.7	4,697.0	

#### **Budget Commentary**

AFARC is keen for the Assembly and its Agencies to submit surplus budgets. Some of budgets submitted this year reflect deficits, and AFARC engages with each respective agency to ensure there is a clear plan for the Agency to return to a more sustainable recurring budget position, as well as a way in which to fund, in the short term, any deficit – generally through the availability of reserves. As part of AFARC's annual workplan, all draft budgets are carefully scrutinised, and challenged as appropriate, prior to being brought forward to ASC.

In reviewing the 2021/22 budgets, the following comments are noted:

#### **Assembly**

- Allowance has been made for a reduction in Vic.Tas Synod grant funding from \$700K to \$500K. (Vic.Tas has indicated that they hope to be able to make some top up contributions during the year.) This reduction arose late in the budget process, was unexpected, and will likely impact significantly on the work of the Assembly Office.
- To partially offset the reduced level of Synod funding, the decision has been taken to not fill two current vacant roles (natural attrition) which whilst workable, will place some pressures on existing resources. Management will keep an eye on this.
- Allowance has been made for indexation in costs generally at 2.5%; with existing salaries indexed at 2% (noting no indexation for salaries was made in last year).

- The costs of the 16<sup>th</sup> Assembly are included within the 2021 budget (occurs each triennium).

#### **NSCU**

- Allows for the recruitment of QA officer during the budget year.
- NSCU budget subject to approval from the NSCU governance committee/members (but is unlikely to change).

#### **Frontier Services/JFF**

- Reflects income at a normalised level (Frontier Services received a significant bequest at the end of 2021).
- Noting that Frontier Services has taken a Provision for Redress Claims of \$1.065M in 2021, there has been an increase of \$1.0M in costs, reflecting the planned increase of 6 Bush Chaplains (from 19 to 25 Chaplains including an increased presence of indigenous Chaplains) and an investment in staff with a planned increase to 13 FTE staff.

#### **UnitingCare Australia**

- Revenue is marginally lower with Target exiting the Target Christmas appeal (\$200K).
- UCare will continue implementing strategic and project initiatives.

#### **UAICC**

- Have budgeted investment income at 2.5% - representing expected distribution from investments (we do not budget for capital growth). 2020/21 impacted by strong capital growth on the main investment for Congress (EDF).
- Costs have been impacted by resourcing both the President and the administrator at fulltime equivalent plus 0.4 FTE for admin assistant.

#### **UnitingWorld**

- Provision for Redress of \$1.425M raised in 2020/21 financial year to reflect UnitingWorld's 50% contribution to the cost of the Federal Government Redress Scheme (as discussed above, and elsewhere).
- Allowance for increased investment in staffing with recruitment of COO to support the National Director, as well as investment in Fundraising activity
- Inclusion of sale of Croydon manse, with expected net profit of \$1.1M included in Revenue for 2021/22 (transaction anticipated to be completed late in calendar 2021).

#### **Budget Conclusion**

As noted above, more details for the 2021/22 Budgets are included in Appendix C.

At a high level, it is useful to note:

- Any reduction in Synod funding of Assembly activities has a significant effect – as incorporated in the 2021/22 Budgets.
- Assembly contribution to funding of UnitingWorld (\$200k) and UAICC (\$300k) has been maintained for the coming Budget. This reflects ASC's historical support of UnitingWorld's "Church Connection" work, and the Church's broader covenant with First People's, respectively. The levels of these contributions are discretionary to ASC and in the past have been the subject of considerable attention and debate. As noted, no reduction has been built in the 2021/22 Budgets.



- Comparison with last year is distorted by a number of factors, but especially COVID (and related JobKeeper support), provisioning for redress and related matters and the sale of the Croydon Manse expected late in calendar 2021.
- All Budgets have been submitted and endorsed by the relevant Agency governing body.

AFARC has considered these budgets in detail, and overall is satisfied as to their composition, sustainability, and ability to be funded (if proposed to be in deficit). We closely monitor deficit budget positions (indeed, we closely monitor all performance against budget) with each relevant Agency and as noted above, look to develop confidence in an Agency's ability and plan to return their operating budget to a more sustainable position. We therefore recommend to ASC the endorsement of the draft 2021/22 budgets as submitted in this report.

Discussion later in this paper will explore the broader question of Assembly's long term financial sustainability and the related matter of Assembly's "head office" financials.

## **Proposal 1**

That the Assembly Standing Committee:

- Approve the 2021/22 Budgets for the Assembly and its Agencies as submitted.

## **4. Matters of Redress**

Matters of Redress have been touched upon above in the context of 2020/21 Financial results. This is a significant matter for the Assembly and warrants further discussion and explanation. The Assembly and its Agencies continue to receive claims under the Federal Government National Redress Scheme, as well as receiving civil claims. Under the accounting standard, AASB 137 – Provisions, Contingent Liabilities and Contingent Assets, we are required, once an event has occurred (such as the Redress Scheme), and we have received claims under the event, to bring to account a Provision to reflect the likely cost over the full extent of the scheme<sup>1</sup>. The table below looks to set out the current assessment.

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<sup>1</sup> As advised to ASC in November 2020 - A provision is essentially an amount set aside in financial accounts to cover a future liability. They are balance sheet items representing funds allocated as assets to pay for anticipated future losses or expenses. A provision represents an amount set aside for an uncertain (as to timing or quantum) yet probable obligation or liability that can, or is confidently expected to, arise in the future. Provisions are recognised or created when there is a liability (or reasonable likelihood thereof), or a present obligation has arisen due to past activity, but has not yet been extinguished.

Provision for Claims As at June 2021	No of claims			Claim Value			Total Value		
	Gross	Paid	Net	Gross	Paid	Net	Gross	Paid	Net
	#'s	#'s	#'s	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Mogumber Redress	51.0	23.0	28.0	55.9	59.9	52.6	2,850.0	1,378.4	1,471.6
Mogumber Civil	6.0	-	6.0	250.0	-	250.0	1,500.0	-	1,500.0
<b>Total Mogumber</b>	<b>57.0</b>	<b>23.0</b>	<b>34.0</b>				<b>4,350.0</b>	<b>1,378.4</b>	<b>2,971.6</b>
Frontier Redress	10.0	2.0	8.0	56.5	56.5	56.5	565.0	113.0	452.0
Frontier Civil	2.0	-	2.0	250.0	-	250.0	500.0	-	500.0
<b>Total Frontier</b>	<b>12.0</b>	<b>2.0</b>	<b>10.0</b>				<b>1,065.0</b>	<b>113.0</b>	<b>952.0</b>
<b>Total All</b>	<b>69.0</b>	<b>25.0</b>	<b>44.0</b>				<b>5,415.0</b>	<b>1,491.4</b>	<b>3,923.6</b>

Whilst we have not paid any Civil matters, we have chosen to, prudently, allow a provision to cover for such matters. The Assembly and Frontier Services have both received Civil claims, which as is the normal process, have been handed over to our insurers to manage. Insurance normally covers Civil claims, but the level of excess has been increasing significantly in recent years (it was approximately \$20K a claim back in 2010 and is now \$450K). Legal advice indicates that \$250K would be a realistic estimate of the cost to Assembly of Civil matters that may arise from Mogumber/Frontier Services' regional and remote locations.

As noted earlier, UnitingWorld has included within its Revenue budget, the expected Net Profit on Sale of its Croydon manse in Sydney. The UW Board decided to sell the manse to fund the Agency's 50% agreement to contribute to the Redress costs of Mogumber.

AFARC will continue reviewing management's assessments as to the level of provision. The level of provision will continue to be reviewed at both a Gross and Net position over the 10-year life of the National Redress Scheme. As of 30 June 2021, we are now 3 years into the Scheme's life. Whilst KPMG (Assembly's external auditors) has yet to conclude its 2021 audit, discussions have been held with them to gauge their consideration as to the adequacy and basis of rationale in determining the provision required as year-end. To date, no alternative view has been expressed.

We will continue to work closely with Assembly's external auditors, legal advisors and UCA Redress Ltd to ensure an appropriate, yet prudent, level of provisions is maintained and reviewed / adjusted as appropriate.

## 5. Financial Sustainability

As has been noted at numerous points above, financial sustainability is a vitally important matter for consideration and something which AFARC expects to be addressing with ASC during the life of this triennium. To set some context, and by way of introduction and background, Assembly's Financial Sustainability was discussed at some length at the November 2019 ASC meeting, and was a constant topic for discussion for the remainder of the 15<sup>th</sup> triennium. This aspect is intertwined with re-forecast analyses, budget preparation, consideration of matters such as Redress and almost all other financial elements of Assembly's operations. Accordingly, this continues to be a critical area of focus for AFARC.

The November 2019 discussion, and underlying paper, assessed the ability of the Assembly to cope with external "shocks", considering the potential nature of such shocks and their likely implications. A central conclusion from the discussion and underlying analysis was that whilst the Assembly's financial position has improved over recent years, our ability to withstand future shocks is by no means guaranteed and in the event of a shock, difficult calls will be required.

It was clear at the time that the funds available to ASC, if the need were to arise to address an unexpected shock, were well short of aspirations, and AFARC suggested that a prudent approach to this would be to seek to bolster reserves and shore up our ability to absorb shocks.

When considering the Assembly's financial sustainability, it is important to consider the Assembly in its own right as distinct and separate from the Agencies within the Assembly. Both UnitingWorld and Frontier Services are PBI endorsed entities, which bring with it limitations on use of funds, essentially quarantining them away from the Assembly (as the Assembly is not endorsed as a PBI). UnitingCare Australia receives specific funding from the wider Uniting network and UAICC funding is critical to the ongoing commitment with Congress. The key point here is that Agency funds are largely unavailable to the broader Assembly in the event of need.

The "bottom line" in any analysis like this is that the funds immediately available to the Assembly "head office" in the event of a crisis, are limited. Putting aside the buffer now available in relation to Redress, the overall position for Assembly likely remains sobering and challenging (as it was when first shared with ASC in late 2019).

As was noted, verbally, to the 16<sup>th</sup> Assembly meeting in May, *"more work remains to address the long term financial sustainability of the Assembly. The nature of the sustainability challenge has changed over recent years – individual agencies are, by and large, better positioned than in the past, but the national Assembly itself remains vulnerable. During the past Triennium, AFARC kicked off a series of discussions at ASC in relation to long term financial sustainability and it is anticipated that such focus will continue with the upcoming ASC"*.

Further assessment in relation to sustainability is continuing; further discussion at future ASC meetings is anticipated.

## **6. National Assembly – Detailed Financials and Reserve Review**

As reflected in comments above, AFARC appreciates the need for a closer focus on the Assembly's position given its limited reserves and limited ability to absorb financial shocks. As noted, this is central to any discussion in relation to sustainability.

By way of further background, and as a necessary complement to the discussion around sustainability, a closer look at the Assembly "head office" financials is provided below - to inform ASC as to the structure of Assembly finances.

Full Year Actual 2020/21 and Budget 2021/22:

Assembly	General Funds				All Funds			
	Bud 21/22	Act 20/21	Var	Var	Bud 21/22	Act 20/21	Var	Var
	\$000's	\$000's	\$000's	%	\$000's	\$000's	\$000's	%
<b>Income</b>								
Synod Contributions	2,758.3	2,888.5	(130.2)	(4.5%)	2,936.6	3,082.7	(146.1)	(4.7%)
DFAT Grants	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Grants	0.0	0.0	0.0	0.0%	23.3	23.3	(0.0)	(0.0%)
Donations - Tax ded	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Donations - Non-Ta	0.0	0.1	(0.1)	(100.0%)	(27.9)	10.1	(37.9)	(377.1%)
Legacies	0.0	6.3	(6.3)	(100.0%)	1.0	61.2	(60.2)	(98.4%)
Investment Income	49.8	106.7	(56.9)	(53.3%)	81.5	118.9	(37.3)	(31.4%)
Fees And Charges	176.4	189.9	(13.5)	(7.1%)	166.4	189.9	(23.5)	(12.4%)
Other Income	134.0	625.1	(491.1)	(78.6%)	506.9	920.5	(413.6)	(44.9%)
<b>Total Income</b>	<b>3,118.5</b>	<b>3,816.5</b>	<b>(698.0)</b>	<b>(18.3%)</b>	<b>3,687.9</b>	<b>4,406.5</b>	<b>(718.7)</b>	<b>(16.3%)</b>
<b>Expenses</b>								
Salaries	1,338.3	1,431.3	92.9	6.5%	1,338.3	1,499.7	161.4	10.8%
Payroll Oncosts	533.9	496.0	(37.9)	(7.6%)	535.7	561.2	25.5	4.5%
Occupancy	137.5	142.6	5.1	3.6%	150.1	144.3	(5.8)	(4.0%)
Communications	44.6	41.3	(3.3)	(8.0%)	56.6	47.0	(9.6)	(20.5%)
Finance	207.5	165.5	(42.1)	(25.4%)	214.5	171.0	(43.5)	(25.5%)
Information Technol	47.0	51.4	4.5	8.7%	128.6	64.8	(63.8)	(98.5%)
Professional & Cons	29.1	29.8	0.7	2.2%	40.1	62.8	22.7	36.1%
Advertising and Pro	46.8	20.8	(25.9)	(124.3%)	47.8	20.8	(26.9)	(129.1%)
Board/Governance	78.4	7.4	(71.0)	(956.0%)	80.4	7.4	(73.0)	(982.9%)
Travel	88.5	24.1	(64.4)	(267.3%)	357.0	25.3	(331.7)	(1,308.9%)
Subscriptions	10.4	15.5	5.1	33.0%	10.4	20.1	9.7	48.4%
Grants	634.4	644.4	10.0	1.6%	924.7	822.2	(102.6)	(12.5%)
Other Expenses	55.2	632.5	577.3	91.3%	169.2	691.3	522.1	75.5%
<b>Total Expenses</b>	<b>3,251.6</b>	<b>3,702.5</b>	<b>451.0</b>	<b>12.2%</b>	<b>4,053.4</b>	<b>4,137.9</b>	<b>84.5</b>	<b>2.0%</b>
Transfers	(29.2)	(140.0)	110.8	(79.2%)	0.0	0.0	0.0	0.0%
<b>Profit (Loss)</b>	<b>(103.9)</b>	<b>254.0</b>	<b>(357.9)</b>	<b>(140.9%)</b>	<b>(365.6)</b>	<b>268.6</b>	<b>(803.1)</b>	<b>(299.0%)</b>

Footnote: included within the table above is a line for transfers, being transfers between General and Other Funds. The transfers function is generally used, if and when needed, to top up or return unused designated and other funds back to General Funds. Note that in the summarized table as presented on Page 5 the transfers line has been aggregated in the Expenses line for ease of reporting.

Focusing on the General Funds results as opposed to the All Funds (which for 2021 includes the costs associated with the holding of the 16<sup>th</sup> Assembly), Assembly has few financial levers to pull in order to change its financial shape. At a high level:

- The vast bulk of the Assembly income comes from the Synod Grants (87% in budget). This economic dependency on this source of funds is an ongoing concern, and risk, and warrants further attention.
- The Assembly does have some investment income with \$560k in funds held in the EDF, while also generating rental income from the Penshurst manse.
- Labour and associated costs are the Assembly's largest cost category – accounting for around 60% of all expenses. To help reduce the budget deficit for the 2021/22 year, Management is looking to not backfill two current vacant roles within the Assembly.
- In terms of Grants expense, as noted earlier, the Assembly does provide Congress (\$300K) and UW (\$200K) with annual grants.
- Covid has impacted the way we work, and this has limited the amount of travel and accommodation costs as the office has moved, as required due to restrictions, its ways of working to predominately an online environment. The Assembly has budgeted for some return to travel (noting the budgets were prepared in April/May this year -

prior to the current lockdowns, but we still do expect domestic travel to reopen and occur in the 2021/22 financial year).

Whilst the Assembly policy is to maintain a minimum of 6 months' operational reserves (\$1.6M) for "working capital" purposes, this needs to be compared with total net assets of the Assembly of \$3.6M above (which is reduced to \$2.2M when the restrictive nature of specific and designated funds is taken into consideration). This does not leave much room to absorb any significant financial shock that might arise.

Appendix B to this report (presented in the context of results to 30 June 2021) includes a schedule of Net Available Funds of the Assembly and its Agencies. This schedule reflects that the Assembly only holds approximately 10% of the total net assets of the (consolidated) Assembly and its Agencies and reflects a negative available funds position. This is important to note, especially in the event that (like with Frontier Services in 2014) the Assembly may also need to act as the lender of last resort should one of the Agencies find themselves in difficulty. While this is not currently anticipated, such risk remains.

The key point here, which this discussion again reiterates, is the importance of continuing to focus on "sustainability" and its implications for the Assembly and the need for lateral thinking in terms of aspects such as diversification of funding and prudent expense management. As noted above, this work is continuing and is anticipated to be further discussed at future ASC meetings.

## **7. AFARC Membership**

Included within the papers for the August 2021 ASC meeting, and as is normal with the first ASC meeting following an Assembly, is the requirement to re-elect the membership of the Committee.

As part of this process, and after an exhaustive selection process, we are delighted to present for membership, two new members to the Committee, being Julie Ross (an ordained minister in placement within Vic.Tas who has a strong financial background as a former chartered accountant in practice) and Ian Thompson (who likewise is based in Victoria, is a current member of the Vic.Tas Synod Audit committee and has a strong financial background as well). These nominees are proposed as replacements for two (former) Committee members who have now stepped down. AFARC endorses these two nominations.

## **8. Assembly Investment Advisory Committee "AIAC"**

The AIAC, in line with its Charter, continues to meet on a quarterly basis. The Chair of the AIAC has reported an update to AFARC July 2021 meeting, with a few highlights being:

- As included separately within the ASC papers, the ASC is looking to appoint Ben Cohen (who has recently come off AFARC) to the Committee. Ben brings an extensive knowledge of financial matters including investments as well as a significant understanding of the Church to the Committee.
- It was pleasing to see, as noted above, the strong financial returns (11.6%) of the EDF for the 2020/21 year. The AIAC has put in a significant amount of work in working with the Agencies in understanding their Investment Risk appetite whilst ensuring the key investment disciplines of asset allocation, diversification and ESG alignment (Environmental, Social and Governance) whilst ensuring the safekeeping and proper custodianship of these funds.

Further to the first dot point above, all nominations for membership of the AIAC are being presented to this meeting of the ASC. Over coming months, AFARC will be working closely with AIAC in relation to member rotation.

Also – a separate paper to this ASC meeting proposes an updated Investment Policy – which comes to ASC with AFARC’s endorsement.

AFARC gives thanks for the diligence and enthusiasm exhibited by the re-invigorated AIAC.

## **9. Risk Management**

AFARC continues to oversee the Assembly Risk management processes - including the Risk Registers of the National Assembly and the Agencies. We continue to work with Management in reviewing the Risk Registers, in conjunction with the ASC approved Risk Appetite Statement, with a focus on the risks rated as both High and Significant, the controls in place to mitigate these risks, and continually focusing on perceived gaps “where residual risk is still perceived to sit outside our risk appetite/tolerance”. “Risk” is regularly discussed at ASC.

It is important to note that COVID related risks are still very front of mind, and to this end the Committee will continue to meet online for foreseeable time while also paying attention to COVID related risks that continue to confront Assembly (for example in relation to travel). This includes the need to maintain increased vigilance over office facilities which are now being left vacant for significant amounts of time as staff are locked in their various Local Government Areas, as well as ongoing attention to team member wellbeing.

A separate paper, updating ASC on the Assembly’s work re risk Management, is included under separate cover as a paper to the August ASC.

## **10. Internal Audit**

The Assembly, NSW.ACT Synod and UFS collectively tendered for Internal Audit Services to commence from 1 July 2021. AFARC met with Grant Thornton, who were the successful tenderer, at AFARC’s July 2021 meeting, to commence planning the work of Internal Audit over the triennium.

It was agreed that we would work in conjunction with the Synod in directing the effort of Grant Thornton with the Committee keen for Grant Thornton to conduct as its first review, an assessment of IT and IT related matters (focusing on Cyber risk).

The work, and the outcomes of internal audits, will become a regular inclusion in AFARC reports to future ASC meetings.

## **11. Shared Services**

AFARC is supporting Management’s initiatives around exploring the concept of “Shared Services” (or the opportunity to work collaboratively and co-operatively across the Church in relation to common activities). We consider it is important for us, collectively and across the breadth and depth of the Church, to look at innovation and this includes looking at ways of doing things better.

Shared Services is one consideration that has been used successfully across many complex and large institutions (similar to the UCA) to deliver increased efficiency and effectiveness around the provisioning of services, especially those deemed back of house (eg Finance, IT, HR, Payroll, Property, Insurance). In saying this, we are also mindful that there are likely to be a number of potential challenges as we explore this concept – and that this will likely take considerable time (to be balanced with other priorities) and broad, and deep, engagement with relevant parties. Whilst we appreciate there is no one size fits all model here, we will continue to work with Management to explore these possibilities.

Our thinking remains in its infancy. Initial high-level guidance has been received (at no cost) from several of the Big 4 accounting firms and we will continue to work through these.

We will also watch with interest, and be ready to assist, as the Assembly's ACT 2 project comes to light and how this Shared Services concept might be relevant to any consideration of the Church's "sustainability and structure" as part of the future strategic direction of the Church.

ASC will be kept informed as appropriate.

## **12. Beneficiary Fund**

As has been reported to previous ASC meetings, AFARC continues to engage with the Policy and Employer Committees of the Beneficiary Fund / Mercers Super Trust in further understanding, and reviewing, the position of the Beneficiary Fund.

The Actuary, Towers Watson, recently completed, on behalf of the Trustee, the required recertification process (required every 5 years) re compliance of the fund with the minimum requirements of the Superannuation Guarantee legislation. Whilst the fund complies, the Government legislated intention to increase the SGC levy from the 9.5% to 12% over 5 years will erode the headspace built into the structure of the pension payments made by the Benefund. Where a group of Ministers may be found to require top ups (i.e., those potentially currently receiving an uplift on their base stipend) we (and the Synods) may need to top up these amounts. This is an exercise that will need to be conducted in the near future, led by Fund committees.

AFARC will shortly engage with the Benefund committees in reviewing the 2021 financials. Given what we understand is a year of strong financial returns, we would keen to see how the Fund proposes to balance pension increases (largely non existent over recent years) with requirements around the ongoing prudential stability of the Fund -ie, the anticipated ability of the Fund to pay out member benefits over coming years – with such "soundness" reflected in the so called Vested Benefits Index (VBI). Prior year assessments in relation to the VBI have demonstrated a level of comfort, largely as a result of the judicious application of the Pension Increase Policy which grants the Fund considerable flexibility under which to manage its activities. This is an ongoing area of focus and AFARC will continue to work closely with the Fund's committees in this regard.

In the longer term, AFARC is also mindful of how we can reduce the market risk of the fund to the Church - that is as a significant fall in investment values might lead to the employer (the Church) being required to make top ups. We would consider that the strong market returns over the last 12 months have helped dissipate this risk somewhat, but we also consider that it is at these times that it is favorable to consider formulating a potential exit strategy, or other mitigants, to reduce such risk.

AFARC will continue the dialogue with the relevant Benefund Committees.

### **13. AFARC Operations**

AFARC meets either in face-to-face meetings or by teleconference throughout the year and has developed a work schedule that corresponds to the requirements as provided for within the Regulations. A report is provided to each ASC meeting. The Committee last met on 26<sup>th</sup> July 2021 and is next scheduled to meet on the 27<sup>th</sup> September 2021.

### **14. Meetings with National Directors and Governance Boards**

The Committee also has long standing practice of meeting with leadership of each Agency as well as with the other relevant governance bodies. At our recent July 2021 Meeting we met with both UnitingCare Australia and Frontier Services.

### **15. Other Matters**

AFARC continues to manage, or monitor, several other topics not addressed above and will continue to keep ASC up to date on relevant matters. The diverse nature of matters on the AFARC radar reflects the diverse nature of the Assembly's operations and helps to keep us motivated, challenged and rewarded. We are grateful for the support provided by ASC, Assembly leaders and the broader Management team.

### **Proposal 2**

That the Assembly Standing Committee:

- Receive the report.

**Submitted to:** Assembly Standing Committee,  
27 – 28 August 2021

**Submitted By:** Stuart Woodward,  
Chair, Assembly Finance, Audit and  
Risk Committee

[stuartwoodward202@gmail.com](mailto:stuartwoodward202@gmail.com)  
0414 886 346

and Leo Iosifidis  
National Director, Strategic Finance and  
Administration  
Assembly Support Unit

[Leoi@nat.uca.org.au](mailto:Leoi@nat.uca.org.au)  
0427 546 100

9 August 2021





## Financial Status Report – General Funds Reporting

UCANA & Entities		Jun-2021			
		Full Year			
		A	B	Var	Var
		\$000	\$000	\$000	%
<b>Income</b>					
Synod Contrib/Levies		5,403.8	4,873.2	530.5	10.9%
DFAT Grants		322.7	341.9	(19.2)	(5.6%)
Grants		90.8	100.0	(9.2)	(9.2%)
Donations - Tax deductible		2,767.1	3,054.7	(287.6)	(9.4%)
Donations - Non-Tax Deductible		0.7	0.0	0.7	
Legacies		4,328.5	1,062.5	3,266.0	307.4%
Investment Income		2,051.0	516.0	1,535.1	297.5%
Fees And Charges		235.9	185.9	50.0	26.9%
Other Income		1,578.5	784.0	794.5	101.3%
<b>Total Income</b>		<b>16,779.0</b>	<b>10,918.2</b>	<b>5,860.8</b>	<b>53.7%</b>
<b>Expenses</b>					
Salaries		3,812.6	4,196.6	384.0	9.2%
Payroll Oncosts		1,179.0	1,456.4	277.4	19.0%
Occupancy		592.1	503.2	(89.0)	(17.7%)
Communications		261.1	300.8	39.7	13.2%
Finance		573.1	714.9	141.8	19.8%
Information Technology		211.3	218.4	7.1	3.2%
Professional & Consultancy Fees		741.1	563.2	(177.9)	(31.6%)
Advertising and Promotions		606.1	586.7	(19.4)	(3.3%)
Board/Governance		36.2	280.4	244.2	87.1%
Travel		83.9	365.2	281.3	77.0%
Subscriptions		94.6	96.7	2.1	2.2%
Grants		1,584.1	1,558.4	(25.7)	(1.6%)
Other Expenses		3,252.5	265.2	(2,987.3)	(1,126.6%)
<b>Total Expenses</b>		<b>13,027.5</b>	<b>11,105.9</b>	<b>(1,921.6)</b>	<b>(17.3%)</b>
Transfers		(108.0)	(108.0)	0.0	0.0%
<b>Profit (Loss)</b>		<b>3,859.5</b>	<b>(79.8)</b>	<b>3,939.2</b>	<b>4937.8%</b>

**Commentary (Variances over 10% and \$100K)**

Levies overbudget as Ucare had factored in 25% discount across all funds but only NSW and Qld elected to take up the discount

Donations impacted as Frontier Services limited in conducting activities like Great Outdoor BBQ

Significant Bequest \$3.1M received by JFF

Investment income - EDF returned at 11.6% (budgeted at 2.5%)

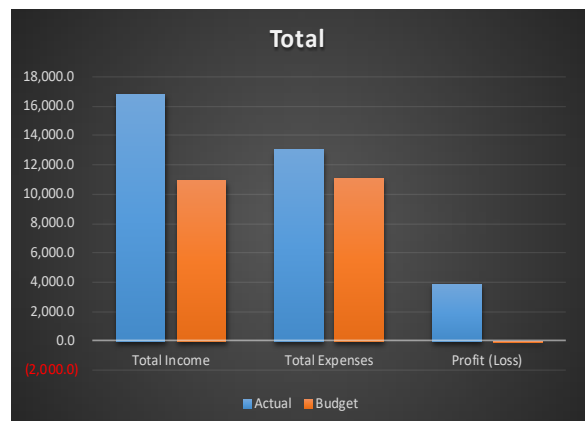
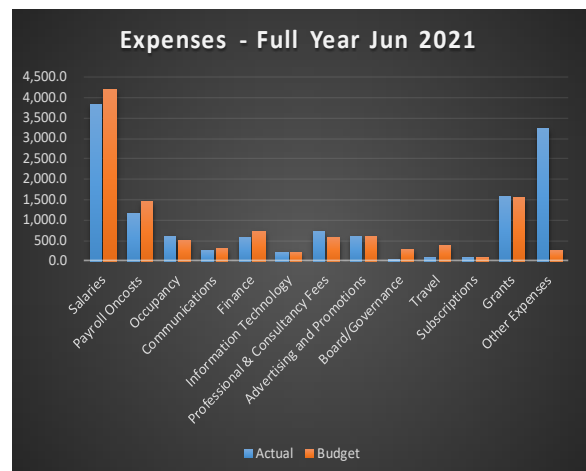
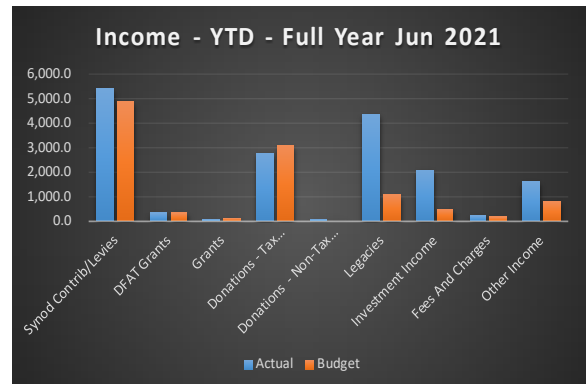
Other Income - Cashboost and Jobkeeper - refer Appendix D

Salaries and Wages - timing to backfill vacancies

Professional Fees - Investment in Fundraising support

Travel and Governance - very limited travel due to restrictions

Other Expenses - Provisioning for Redress taken up

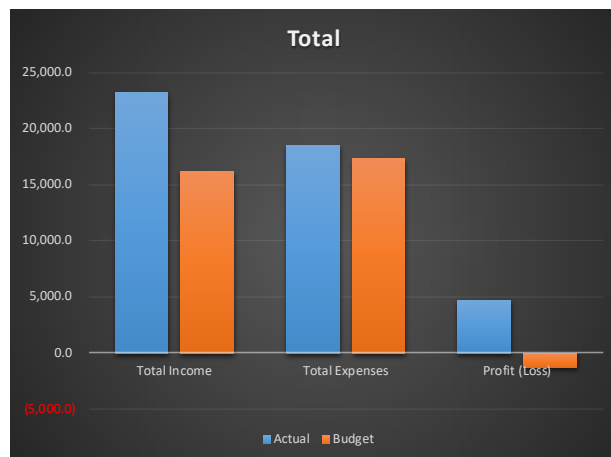
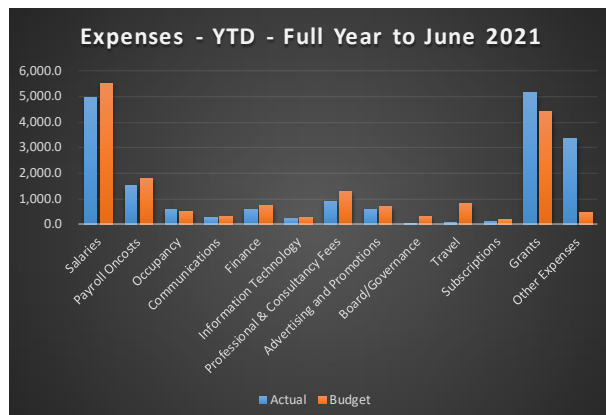
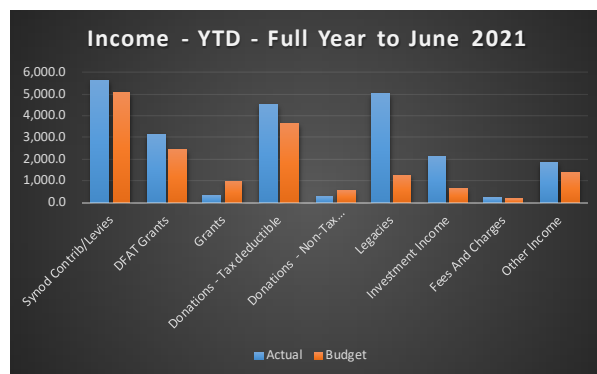


## UCANA & Entities All Funds - Profit & Loss 30-Jun-2021

	Year to Date			
	A \$000	B \$000	Var \$000	Var %
<b>Income</b>				
Synod Contrib/Levies	5,607.9	5,077.4	530.5	10.4%
DFAT Grants	3,185.3	2,430.4	754.9	31.1%
Grants	353.6	986.4	(632.8)	(64.2%)
Donations - Tax deductible	4,514.9	3,664.2	850.8	23.2%
Donations - Non-Tax Deductible	307.8	538.8	(231.0)	(42.9%)
Legacies	5,013.7	1,245.0	3,768.7	302.7%
Investment Income	2,110.6	637.3	1,473.3	231.2%
Fees And Charges	235.9	185.9	50.0	26.9%
Other Income	1,879.4	1,358.9	520.5	38.3%
<b>Total Income</b>	<b>23,209.3</b>	<b>16,124.4</b>	<b>7,084.9</b>	<b>43.9%</b>
<b>Expenses</b>				
Salaries	4,990.5	5,526.4	535.9	9.7%
Payroll Oncosts	1,511.4	1,810.9	299.5	16.5%
Occupancy	604.2	524.2	(80.0)	(15.3%)
Communications	278.7	341.0	62.3	18.3%
Finance	602.8	746.6	143.8	19.3%
Information Technology	236.0	265.9	29.9	11.2%
Professional & Consultancy Fees	932.6	1,270.2	337.7	26.6%
Advertising and Promotions	607.0	691.7	84.6	12.2%
Board/Governance	36.2	305.4	269.2	88.2%
Travel	91.3	834.8	743.5	89.1%
Subscriptions	125.6	164.5	38.8	23.6%
Grants	5,146.9	4,422.3	(724.7)	(16.4%)
Other Expenses	3,349.2	459.5	(2,889.7)	(628.9%)
<b>Total Expenses</b>	<b>18,512.3</b>	<b>17,363.4</b>	<b>(1,148.9)</b>	<b>(6.6%)</b>
<b>Profit (Loss)</b>	<b>4,697.0</b>	<b>(1,239.0)</b>	<b>5,936.0</b>	<b>479.1%</b>

### Commentary (Variances over 10% and \$100K)

Levies overbudget as Ucare had factored in 25% discount across all funds but only NSW/QLD took up  
DFAT Grants - UW received \$650K of DFAT Covid Grants (overseas aid)  
Donations - Strong UW recovery vs budget for donations  
Significant Bequest \$3.1M received by JFF  
Investment income - EDF returned at 11.6% (budgeted at 2.5%)  
Other Income - Cashboost and Jobkeeper - refer Appendix D  
Salaries and Wages - timing to backfill vacancies  
Professional Fees - Reduced activity due to restrictions  
Travel and Governance - very limited travel due to restrictions  
Grants - DFAT Covid Grants provided to partners  
Other Expenses - Provisioning for Redress taken up

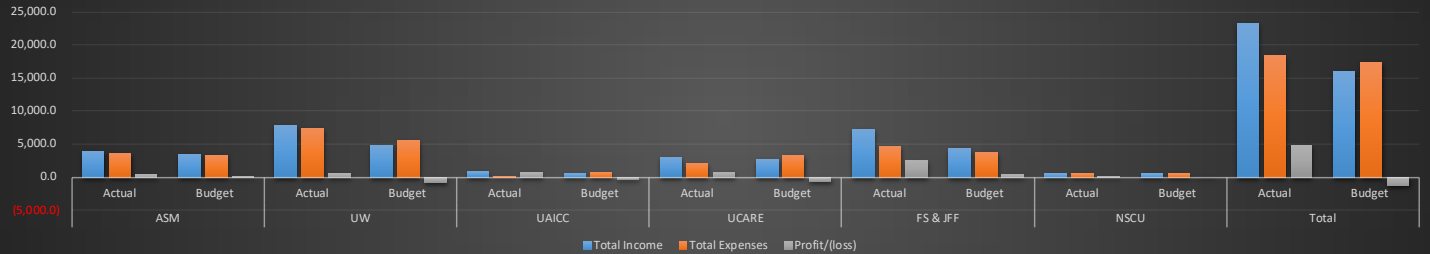


### All Funds - Profit & Loss 30-Jun-2021

Total Income  
Total Expenses  
Profit (Loss)

ASM		UW		UAICC		UCARE		FS & JFF		NSCU		Total	
Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
3,899.3	3,422.5	7,829.2	4,781.3	851.0	489.1	2,897.4	2,685.7	7,163.1	4,216.0	569.2	529.9	23,209.3	16,124.4
3,630.7	3,332.7	7,356.4	5,638.5	220.9	719.8	2,166.2	3,281.7	4,628.9	3,860.8	509.2	529.9	18,512.3	17,363.4
268.7	89.8	472.8	(857.3)	630.2	(230.6)	731.2	(596.1)	2,534.2	355.2	60.0	0.0	4,697.0	(1,239.0)

### YTD June 2021 - Profit and Loss by entity

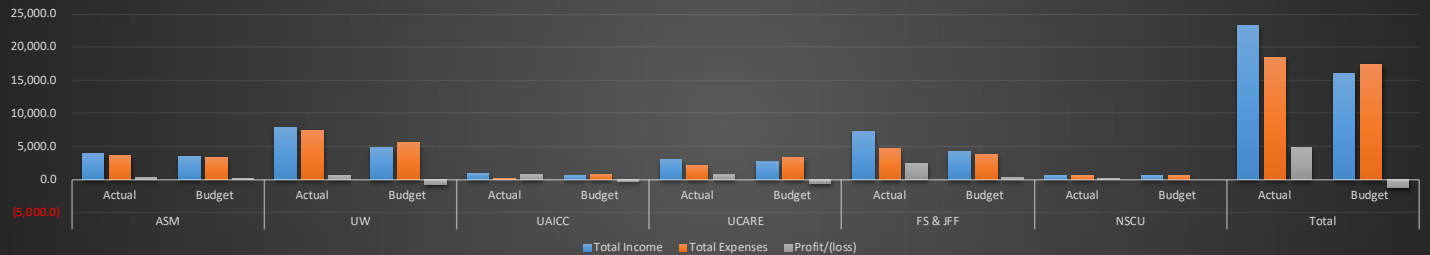


### General Funds - Profit & Loss 30-Jun-2021

Total Income  
Total Expenses  
Profit (Loss)

ASM		UW		UAICC		UCARE		FS & JFF		NSCU		Total	
Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
3,316.5	2,698.7	2,483.5	1,450.6	835.7	400.5	2,410.9	1,622.6	7,163.1	4,216.0	569.2	529.9	16,779.0	10,918.2
3,062.5	2,761.5	2,921.1	1,532.3	252.9	492.9	1,544.9	1,820.6	4,628.9	3,860.8	509.2	529.9	12,919.5	10,997.9
254.0	(62.8)	(437.6)	(81.8)	582.9	(92.4)	866.0	(198.1)	2,534.2	355.2	60.0	0.0	3,859.5	(79.8)

### Full Year June 2021 - Profit and Loss by entity



Statement of Available Funds**Net Available Fund 30-Jun-2021**

<i>Code Description</i>	June								
	ASM \$000	UW \$000	UAICC \$000	Ucare \$000	FS & JFF \$000	NSCU \$000	Total \$000	Last year \$000	Var. \$000
<b>Net Assets</b>	3,632.4	14,060.8	6,100.5	3,124.3	8,613.2	183.9	35,715.0	31,018.1	4,697.0
Less, Property	1,163.0	1,982.9	0.0	0.0	151.1	0.0	3,297.0	3,344.3	-47.3
Less, FFE and other	202.8	194.9	0.0	16.3	7.5	8.5	430.0	536.6	-106.6
<b>Sub-total monetary funds</b>	<b>2,266.6</b>	<b>11,883.0</b>	<b>6,100.5</b>	<b>3,108.0</b>	<b>8,454.6</b>	<b>175.4</b>	<b>31,988.0</b>	<b>27,137.1</b>	<b>4,850.9</b>
<b>Less, Trust Funds</b>									
Specific DFAT	0.0	248.2	0.0	0.0	0.0	0.0	248.2	0.0	248.2
Specific DGR	306.0	2,846.3	82.0	0.0	0.0	0.0	3,234.3	2,906.2	328.1
Specific Other	268.1	3,497.9	1,797.0	90.2	0.0	0.0	5,653.2	5,173.2	480.0
Endowment	434.9	2,368.0	89.1	0.0	636.1	0.0	3,528.1	3,201.7	326.4
Designated	1,468.4	458.6	514.4	181.6	0.0	0.0	2,623.0	2,631.5	-8.5
<b>Total Trust Funds</b>	<b>2,477.4</b>	<b>9,419.0</b>	<b>2,482.5</b>	<b>271.9</b>	<b>636.1</b>	<b>0.0</b>	<b>15,286.8</b>	<b>13,912.6</b>	<b>1,374.2</b>
<b>Net Available Fund ( "free cash")</b>	<b>-210.8</b>	<b>2,464.0</b>	<b>3,618.0</b>	<b>2,836.1</b>	<b>7,818.5</b>	<b>175.4</b>	<b>16,701.2</b>	<b>13,224.5</b>	<b>3,476.7</b>

## 2021 - 22 Budget - General Funds

	Full Year						
	ASM	UW	UAICC	UCARE	NSCU	FS&JFF	Total
	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000
<b>Income</b>							
Synod Contrib/Levies	2,758.3	0.0	0.0	0.0	520.1	0.0	3,278.4
Assembly Allocations	0.0	190.0	300.0	0.0	23.0	0.0	513.0
UCare Levies	0.0	0.0	0.0	2,169.6	0.0	0.0	2,169.6
DFAT Grants	0.0	223.0	0.0	0.0	0.0	0.0	223.0
Grants	0.0	1.0	0.0	0.0	0.0	100.0	101.0
Donations - Tax deductible	0.0	859.0	0.0	0.0	0.0	2,850.0	3,709.0
Donations - Non-Tax Deductible	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Legacies	0.0	60.0	0.0	0.0	0.0	1,000.0	1,060.0
Investment Income	49.8	308.0	130.0	20.9	0.0	238.8	747.5
Fees And Charges	176.4	0.0	0.0	0.0	0.0	51.0	227.4
Other Income	134.0	1,110.0	0.0	175.0	0.0	352.0	1,771.0
<b>Total Income</b>	3,118.5	2,751.0	430.0	2,365.6	543.1	4,591.8	13,799.9
<b>Expenses</b>							
Salaries	1,338.3	523.2	133.6	1,269.7	310.0	976.6	4,551.5
Payroll Oncosts	533.9	130.8	77.5	321.5	108.1	262.1	1,433.8
Occupancy	137.5	120.0	4.7	176.6	12.6	78.7	530.0
Communications	44.6	152.1	1.8	26.1	9.0	74.3	308.0
Finance	207.5	210.1	14.3	106.7	18.6	140.2	697.4
Information Technology	47.0	57.3	0.0	41.0	5.4	52.7	203.3
Professional & Consultancy Fees	29.1	360.0	23.9	106.3	10.0	400.0	929.4
Advertising and Promotions	46.8	180.0	7.5	35.0	13.0	348.4	630.6
Board/Governance	78.4	10.0	197.5	25.0	6.0	3.3	320.2
Travel	88.5	100.0	25.0	90.3	40.0	85.9	429.7
Subscriptions	10.4	30.5	0.0	47.6	12.4	8.3	109.3
Grants	634.4	0.0	0.0	0.0	0.0	2,054.7	2,689.1
Other Expenses	55.2	0.0	10.6	96.6	17.2	98.1	277.8
<b>Total Expenses</b>	3,251.6	1,874.0	496.5	2,342.4	562.4	4,583.3	13,110.2
Transfers	(29.2)	0.0	12.0	80.0	0.0	0.0	62.8
<b>Profit (Loss)</b>	(103.9)	877.0	(78.5)	(56.9)	(19.3)	8.5	626.9

## 2021 - 22 Budget - All Funds

	Full Year						
	ASM	UW	UAICC	UCARE	NSCU	FS&JFF	Total
	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000	Next Budget \$000
<b>Income</b>							
Synod Contrib	2,936.6	0.0	0.0	0.0	520.1	0.0	3,456.7
Assembly Allocations	0.0	200.0	300.0	0.0	23.0	0.0	523.0
UCare Levies	0.0	0.0	0.0	2,169.6	0.0	0.0	2,169.6
DFAT Grants	0.0	2,436.0	0.0	0.0	0.0	0.0	2,436.0
Grants	23.3	21.0	0.0	500.0	0.0	100.0	644.3
Donations - Tax deductible	0.0	3,481.2	0.0	0.0	0.0	2,850.0	6,331.2
Donations - Non-Tax Deductible	(27.9)	0.0	0.0	0.0	0.0	0.0	(27.9)
Legacies	1.0	240.0	0.0	0.0	0.0	1,000.0	1,241.0
Investment Income	71.5	353.0	149.4	20.9	0.0	238.8	833.6
Fees And Charges	176.4	0.0	0.0	0.0	0.0	51.0	227.4
Other Income	506.9	1,110.0	60.0	175.0	0.0	352.0	2,203.9
<b>Total Income</b>	3,687.9	7,841.2	509.4	2,865.6	543.1	4,591.8	20,038.9
<b>Expenses</b>							
Salaries	1,338.3	1,566.4	211.2	1,504.6	310.0	976.6	5,907.2
Payroll Oncosts	535.7	391.6	95.4	380.2	108.1	262.1	1,773.0
Occupancy	150.1	120.0	4.7	186.6	12.6	78.7	552.7
Communications	56.6	152.1	14.2	37.1	9.0	74.3	343.4
Finance	214.5	210.1	14.3	111.7	18.6	140.2	709.4
Information Technology	128.6	57.3	0.0	51.0	5.4	52.7	294.9
Professional & Consultancy Fees	40.1	360.0	33.9	341.3	10.0	400.0	1,185.4
Advertising and Promotions	47.8	180.0	7.5	122.0	13.0	348.4	718.6
Board/Governance	80.4	10.0	197.5	45.0	6.0	3.3	342.2
Travel	357.0	100.0	55.0	214.3	40.0	85.9	852.2
Subscriptions	10.4	30.5	0.0	47.6	12.4	8.3	109.3
Grants	924.7	3,040.0	0.0	0.0	0.0	2,054.7	6,019.5
Other Expenses	169.2	30.0	103.8	106.3	17.2	98.1	524.6
<b>Total Expenses</b>	4,053.4	6,248.0	737.5	3,147.6	562.4	4,583.3	19,332.3
Transfers	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0
<b>Profit (Loss)</b>	(365.6)	1,593.2	(228.1)	(282.1)	(19.3)	8.5	706.7

## APPENDIX D

The Uniting Church in Australia - National Assembly											Prepared 2 June 2021	
Cashboost and Jobkeeper - Summary Workings											Appendix A	
		National Assembly ABN					Total	Frontier	UCA	UW	Total	
Initiative	Period	ASM	NSCU	UAICC	Ucare	UW		Services	Redress	PBI	All	
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	
Cashboost												
Cashboost - initial	Apr-Jun 20	18.8		1.0	14.2	16.0	50.0	50.0	34.2		134.2	
Cashboost - extension	Jul-Sep 20	22.6		1.0	14.4	12.0	50.0	50.0	29.6		129.6	
		41.4	-	2.0	28.6	28.0	100.0	100.0	63.8	-	263.8	
Cashboost - note each initiative capped at \$50k per active ABN up to the limit of PAYG withheld												
		National Assembly ABN					Total	Frontier	UCA	UW	Total	
Initiative	Period	ASM	NSCU	UAICC	Ucare	UW		Services	Redress	PBI	All	
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	
Jobkeeper												
	Apr-20	60.0	6.0	3.0	24.0	60.0	153.0	24.0			177.0	
	May-20	57.0	6.0	3.0	24.0	60.0	150.0	24.0			174.0	
	Jun-20	57.0	6.0	3.0	24.0	60.0	150.0	24.0			174.0	
	Jul-20	57.0	6.0	3.0	24.0	57.0	147.0	21.0			168.0	
	Aug-20	91.5	9.0	4.5	39.0	88.5	232.5	34.5			267.0	
	Sep-20	63.0	6.0	3.0	27.0	60.0	159.0	24.0			183.0	
Jobkeeper - Initial		385.5	39.0	19.5	162.0	385.5	991.5	151.5	-	-	1,143.0	
	Oct-20	48.6	4.8		21.6		75.0	19.2			94.2	
	Nov-20	48.6	4.8		19.2		72.6	19.2			91.8	
	Dec-20	72.1	7.2		28.8		108.1	28.8			136.9	
Jobkeeper - extension 1		169.3	16.8	-	69.6	-	255.7	67.2	-	-	322.9	
	Jan-21	39.3	4.0		16.0		59.3	16.0			75.3	
	Feb-21	39.3	4.0		16.0		59.3	16.0			75.3	
	Mar-21	37.3	4.0		16.0		57.3	16.0			73.3	
Jobkeeper - extension 2		115.9	12.0	-	48.0	-	175.9	48.0	-	-	223.9	
Total Gross Jobkeeper received		670.7	67.8	19.5	279.6	385.5	1,423.1	266.7	-	-	1,689.8	
Less Refunded to the ATO		(169.3)	(16.8)		(69.6)		(255.7)				(255.7)	
Net Jobkeeper Received		501.4	51.0	19.5	210.0	385.5	1,167.4	266.7	0.0	0.0	1,434.1	
		National Assembly ABN					Total	Frontier	UCA	UW	Total	
Initiative	Period	ASM	NSCU	UAICC	Ucare	UW		Services	Redress	PBI	All	
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	
Total Cashboost and Jobkeeper received		542.80	51.00	21.50	238.60	413.50	1,267.40	366.70	63.80	-	1,697.90	