



Uniting Church in Australia
ASSEMBLY
Assembly Standing Committee

12 – 14 November 2021

DOCUMENT 6

Title	Assembly Finance Audit and Risk Committee (AFARC) Report to Assembly Standing Committee
Type of Paper	For noting
Assembly or ASC Minute	Regulation 3.7.5.2
Consultation	AFARC Assembly General Secretary Assembly Associate General Secretary 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	The Committee continues to follow an annual work plan that ensures all matters within its mandate are reviewed on a regular and rolling basis. The attached report (and appendices) reviews Assembly's current financial position as well as discussing several other relevant matters.
Attachments	Financial Overview and Review of AFARC Operations. With Appendices: <ul style="list-style-type: none">• A: Financial Status Report• B: Statement of Available Funds
Proposals	That the Assembly Standing Committee: <ol style="list-style-type: none">1. Receive the Report2. Note the satisfactory finalisation of the June 2021 Audit of Annual Financial Statements.
Submitted by	Stuart Woodward, Chair, Assembly Finance, Audit and Risk Committee stuartwoodward202@gmail.com 0414 886 346 26 October 2021

ASSEMBLY FINANCE, AUDIT AND RISK COMMITTEE (AFARC) REPORT - FINANCIAL OVERVIEW AND REVIEW OF AFARC OPERATIONS

1. June 2021 Annual Audited Financial Statements – Outcome of Audit Work

At the date of this report, KPMG have now completed their Audit of the June 2021 Financial Statements and are in the process of finalising (signing off) the various Audit Reports to be attached to the Financial Statements prepared by the National Assembly, it's Agencies, and UCA Assembly Limited.

At the recently held AFARC meeting (25 October 2021), KPMG attended and presented to AFARC its closing report which included the findings/outcomes of its Audit field work. KPMG noted that there were no material unadjusted Audit differences identified, there are no qualifications or modifications of Audit opinions, and no other material findings. KPMG was also satisfied as to the ability of the Assembly and its Agencies to continue to meet the going concern principle, an important consideration for all when signing the accounts.

Importantly, KPMG was also satisfied as to the decisions taken by management in terms of “areas of judgement”. One of the key areas of the accounts is the judgement as to the level of provisioning required to be maintained for claims, both Redress and Civil, which are expected to be received in relation to historic cases of institutional child sexual abuse. Management needs to determine the level of provisioning required in compliance with Australian Accounting Standards and needs to reflect that the provision has been adequately and (preferably) conservatively estimated. KPMG has accepted Management’s determination in this regard, acknowledging the mix of past experience, quantitative modelling and external assistance in the provisioning process. Inherent subjectivity was also conceded. (Further in this report is a brief discussion, noting that at balance sheet date, the Assembly and its Agencies have recognised a Gross Provision of \$5.4M with respect to both Redress and Civil claims as at 30 June 2021.)

Management will review all findings and observations noted in the final KPMG Audit Report and will take appropriate actions to implement any recommendations under AFARC’s monitoring. KPMG noted that the completion of the Audit and related field work, whilst conducted remotely due to COVID-19 restrictions, was still carried out thoroughly and to a high level of quality - ensuring appropriate and sufficient Audit evidence was obtained in conducting their Audit.

In late September, AFARC met with UnitingWorld National Director, Chair and KPMG to review UnitingWorld Financial Statements and endorse their finalisation (which was provided). This followed endorsement by UnitingWorld Finance and Audit Committee and was required in order to meet Department of Foreign Affairs and Trade (DFAT) timing requirements. This is normal practice given the DFAT stipulations, but AFARC’s early endorsement of UnitingWorld accounts is important to note.

Favourable Audit outcomes across the Assembly, its Agencies and related entities, is again an excellent result. AFARC greatly appreciates the work completed within the Agencies and the Assembly Office to achieve this. “Clean” Audits do not happen by magic – amongst other things, they reflect diligence, professionalism, leadership, and prudent and accurate financial management across a number of teams and for the duration of the year. Given the continued impact of COVID-19, this has been effectively the second audit now conducted under the difficulty and restrictions of Public Health Orders, and the staff and all others involved should be commended for their efforts.

It is important to note that one of the key enablers to allow these Audits to be conducted remotely is the adoption of technology which allows, amongst other things, the automated workflows and electronic storage of items like accounts payable invoices, credit cards acquittals and donor management systems. The Assembly office will continue to adopt this innovation and will work closely with the NSW.ACT Synod and its other IT providers to continue to facilitate these activities. This is all being done with the presence of mind of the increasing Cyber risk we are seeing more generally in the community. AFARC is acutely aware of this growing Risk and the need to remain vigilant. This is discussed further in the Internal Audit Section of this report.

It is also noteworthy that whilst UCA Redress Limited is a separately incorporated entity, and reports to its national membership (Synods and Assembly), the Assembly provides finance and back-office support. Given this, and that the Audit is conducted by KPMG as part of the Assembly's scope of works, AFARC also reviews the financial statements and considers Audit findings of the entity (essentially as an additional level of assurance for the UCA Redress Limited Board). A "clean" Audit Report was received.

This year, the Assembly office has also prepared accounts (which were audited by Stewart Brown and Partners) for The Australian Aged Care Collaboration Limited (AACC) formed collectively by six members (Anglicare, Catholic Health, Baptist Care, UnitingCare and the two peak aged care bodies of ACSA and LASA) with the aim of improving the lives of elderly Australians in Aged Care. Again, a "clean" Audit Report was received. We look forward to the continuing work of this collaborative.

2. 30 June 2021 Financial Statements

The 30 June 2021 Financial Statements have now been finalised for the National Assembly and its Agencies.

We included the 30 June 2021 management accounts within our most recent report to ASC (August 2021 ASC meeting) which detailed an anticipated collective net profit position of **\$4,697.0K** for the 2021 Financial Year.

On finalising the statutory accounts, including any year-end adjustments (accruals etc.) for 2021, the collective net profit position has increased slightly to **\$5,118.3K**, from what was previously reported to ASC. The main reasons for this increase are the process of finalising all year-end adjustments, included finalising the receipt of investment income, finalising all accruals, and UnitingWorld's review of the DFAT contracts and their status as at 30 June 2021. This, as mentioned in the prior report to ASC, is a pleasing collective result, noting that this result includes an additional provisioning of approx. \$2.9M taken to account in the 2021 year for Redress and related claims.

Consistent with prior years, and the respective registrations as Charities with the Australian Charities and Not-for-Profit Commission (ACNC), the annual Financial Statements, once signed, will be submitted to ACNC in line with regulatory reporting requirements.

Please note that although UnitingWorld was aggregated into the National Assembly set of accounts, it commenced trading under its own PBI (Public Benevolent Institution) endorsed ABN (Australian Business Number) from 1st October 2021. This meant only three months of trading was included in the Assembly accounts. A separate set of accounts for UnitingWorld was then prepared in its own right as a separate entity (and to ensure we meet our DFAT reporting obligations). These UnitingWorld accounts, after clearance was obtained from the ACNC, DFAT and KPMG, were prepared on a normal 12-month trading basis to allow for completeness of information presented.

We have also continued to consolidate the Financial Statements of the John Flynn Foundation (JFF) into the Frontier Services Report, reflecting Frontier Services' "effective control" over JFF. Both entities are endorsed as PBIs.

It is important to also note that the National Assembly and its Agencies, in their qualification for JobKeeper and the automatic receipt of the Cashflow Boost initiatives of the Federal Government, assisted the organisation to work through, and continues to work through, a very difficult time arising from the impact of COVID-19. Appropriate disclosure of support received has been included in the signed financial statements, which is consistent with the prior year's disclosures. The National Assembly is extremely grateful for this support.

3. 2021/22 Financial Year – 1st Quarter to Sept 2021

Attached to this report (Appendix A) are the first quarter detailed Financial Statements (three months to end September), including commentary on variances, for the National Assembly and its Agencies.

At a high level, for the 3 months to 30 September 2021, consolidated (All Funds) financial results are as follows:

Consolidated - All Funds \$000			
	3 Months to 30 Sept 2021 Actual \$'000	3 months to 30 Sept 2021 Budget \$'000	Actual to Budget Variance \$'000
Revenue	5,754.2	6,361.7	(607.5)
Less Expenses	3,713.8	5,171.2	1,457.4
Surplus/(Deficiency)	2,040.4	1,190.5	849.9

Again, at a high level, for the 3 months to 30 Sept 2021, General Fund financial results are as follows:

Consolidated - General Fund \$000			
	3 Months to 30 Sept 2021 Actual \$'000	3 months to 30 Sept 2021 Budget \$'000	Actual to Budget Variance \$'000
Revenue	4,709.0	4,070.0	639.0
Less Expenses	2,944.4	3,577.0	632.6
Surplus/(Deficiency)	1,764.6	493.0	1,271.6

As noted previously, a focus on "General Funds" as opposed to "All Funds" is more relevant and appropriate given that "All Funds" includes a range of designated or specific funds that are essentially tied to a specific purpose and effectively represent both inflows and offsetting outflows. A focus on "General Funds" enables a truer financial position to be ascertained of the Assembly and its Agencies' financial position.

It is pleasing to see that at the consolidated level, both the All Funds and General Funds "actuals" are significantly above budget and in a year-to-date (YTD) surplus position. However, three months' results are insufficient from which to extrapolate a full year outcome. Suffice to say, this is a pleasing foundation from which to work.

There are several factors which have impacted on the current YTD financial results including:

- ASM - Synods have continued to remit their Assembly grants as budgeted (noting the reduced level of funding from at least one Synod)
- UnitingWorld – DFAT continued to provide its regular DFAT grants (however some timing difference as to receipt vs budget)
- UnitingWorld and Frontier Services – we have seen Donations and Bequests hold up reasonably well (Frontier received an unbudgeted Bequest of \$1.2M in July 2021)
- Cost control – especially in a COVID–19 shut down world. (It is important to note that at the time of budget, the Agencies had made several assumptions of when items like travel may recommence but with the continued limitation this has mainly had the effect of a positive variance to budget.)

4. Financial Provisioning for Claims – Redress and Civil

Further to discussion above, the table below reflects both the collective Gross and Net Provisioning for Claims (both Redress and Civil) in relation to institutional sexual abuse of children included with the 2021 Financial Statements. (Note the \$2.850M noted below for Mogumber Redress is being reflected \$1.425M in Assembly’s books and \$1.425M in UnitingWorld’s books).

Gross Provisioning of \$5.4M represents approx. 13% of the net assets value of the collective Assembly. It is important we continue to assess this number as the Assembly moves through the 10-year Redress Scheme (noting that we have completed three years of the nine years notification period as set out in the Scheme).

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
Total Mogumber	57.0	23.0	34.0				4,350.0	1,378.4	2,971.6
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
Total Frontier	12.0	2.0	10.0				1,065.0	113.0	952.0
Total All	69.0	25.0	44.0				5,415.0	1,491.4	3,923.6

Management, with both AFARCs and KPMG’s oversight, will model, review and amend as required, the level of provisioning at six monthly intervals for the remainder of the Scheme (and, if necessary, beyond). Any movements in the level of provisioning required will be brought to the attention of ASC via AFARC’s normal reporting process.

5. Financial Sustainability

Assembly’s Financial Sustainability has been discussed at some length at previous ASC meetings.

As discussed at August ASC, the “bottom line” in any discussion of financial sustainability is that the funds immediately available to the Assembly Secretariat in the event of a crisis, are limited. Putting aside the buffer now available in relation to Redress, the overall position for Assembly remains sobering and challenging (as it was when first shared with ASC in late 2019).

AFARC, in conjunction with management is undertaking further work in looking deeply at Assembly’s financial sustainability. AFARC is conducting an “out of session” workshop in late November 2021, where this is to be considered

more thoroughly. We expect that outcomes from the workshop will form part of the continuing dialogue on this topic and we anticipate a more detailed discussion with ASC in the new year.

Attached in [Appendix B](#) is the Schedule of Net Available Funds. AFARC will be continuing to discuss this at future meetings with a view to identifying ways to improve Assembly's Net Available Funds.

6. Internal Audit

AFARC, at its meeting earlier this week, signed off the Internal Audit plan (essentially the first year's scope of work) under the three year contract with Grant Thornton, Internal Auditors.

The scope of work to be conducted in the first year is:

- Payroll Audit (in conjunction with NSW.ACT Synod as our service provider);
- Credit Card and Procurement (again in conjunction with the NSW.ACT Synod as we use the same system of management and recording); and
- Dedicated Cyber Security review. This will be the main focus of the Grant Thornton work over the coming six months, seeking to ensure the Assembly and its Agencies are adequately managing this risk across multiple IT suppliers and multiple IT functionalities. Cyber Risk is an ever-increasing risk; there have been incidents of recent note within the Church and its wider bodies, as well as throughout the broader economy and devotion of internal audit resources to this area is both urgent and important.

This work, and the outcomes of Internal Audits, will become a regular inclusion in AFARC reports to future ASC meetings.

7. 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 reviewing the position of the Beneficiary Fund.

We understand that at the date of writing this report, the BeneFund Committees (with Mercers' input) are still finalising their reports to members. AFARC has invited Bruce Binnie, Chair of the Employer Committee to attend its scheduled meeting in December 2021.

AFARC expects that with strong financial returns experienced over the 2020-21 financial year, where balanced funds generated returns in the range of between 10%-12%, we will see similar returns from the BeneFund – helping to provide assurance as to the Fund's prudential stability, through the application of the Fund's pension increase policy. This expectation is, however, yet to be confirmed.

8. Assembly Investment Advisory Committee (AIAC)

The AIAC continues to carry out its works with relevant stakeholders (including the Assembly Agencies and investment managers). This has included:

- Ongoing work with UnitingWorld – agreement with UnitingWorld as to their Investment Risk profile – and AIAC is now moving to more closely align its investments with this risk profile.
- Ongoing work with Frontier Services – including potential consideration of some external investment houses. However, AIAC notes the policy position that investments be managed with UCA in-house investment managers unless there is a compelling reason not to do so, and so is engaged with Frontier Services in this regard.

- Continual liaison with UFS as they move to develop their new EGF 75/25 product (“Ethical Growth Fund” - a higher return product based on a higher level of overseas investments), with an expectation of having this product up and running early in the new year.
- Recent meeting with U-Ethical as we look to potentially increase their investment allocation.
- Continual work on the membership renewal of the Committee.

The AIAC is also looking more closely at ensuring we maximise investment returns from the assets of the Assembly and its Agencies, and is closely looking at the level of cash reserves we maintain to ensure sufficient reserves and liquidity for the Assembly and its Agencies.

Further to discussion at August ASC, AIAC will be bringing an updated Investment Policy to the ASC for consideration at its July 2022 meeting. Work on this is underway. AIAC is also earmarked to present an information session to the March 2022 ASC on the topic of “Investments”, including significant consideration of the ESG principles and ethical investments – further to discussion at August ASC.

AFARC looks forward to continuing to work closely with the AIAC in assisting the Assembly and its Agencies address their investment needs. The activities of the AIAC are especially important under current market and investment conditions and AIAC has been working closely with Agencies in this regard. We give thanks for the wisdom, diligence, and commitment of AIAC – especially in the current environment.

9. Insurance Renewals

The Assembly, in conjunction with the National Insurance Programme (NIP) participants, as well as its relevant brokers, is moving to finalise the annual insurance renewal (being due 31 October). A verbal update will be further provided at ASC once all insurance placements have been made, but some comments from the process to date include:

- Some evidence of the large premium increases in the prior years starting to slow.
- Continued difficulty in placing SMC (“Sexual Misconduct Cover”) with our current insurer exiting the market. NSW recently placed the 2021/22 SMC cover so there is a period of no coverage; and the retro cover only goes back to 2011; meaning that should the Assembly and its Agencies receive new notifications that go prior to 2011, there is no insurance coverage.
- VIC.TAS and QLD agreeing to share policies and generate savings (along financial lines policies) which is an outcome the NIP is striving for.

A broader, prior, initiative looking to adopt a “National Aggregate” model (with a sharing of risk, deductibles and administration) in relation to insurance placement has faltered for the current round of renewals. Such a model is inherently collaborative and whilst not straight forward, AFARC feels that this does not auger well for potentially more grand collaborative ideas that might emerge under a potential ACT2 scenario. In the meantime, the NIP will continue to pursue the aggregated model for next year’s placements.

10. Risk Management Reporting

AFARC notes the separate reporting provided in the ASC papers updating the Risk Reporting previously presented at the August 2021 ASC and incorporating the feedback provided at that meeting.

11. AFARC Operations

AFARC meets either in face to face meetings or by video-conference 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. As noted above, the Committee last met on 25th October and is next scheduled to meet on the 24th November 2021 to focus on the Assembly's long term financial sustainability challenge.

12. Meetings with National Directors and Governance Boards

As previously advised, the Committee also has long standing practice of meeting with leadership of each Agency as well as with the other relevant governance bodies. During the course of 2021 AFARC has met with the National Directors and Chairs of each of the Agencies of Frontier Services, UnitingWorld and UnitingCare Australia as well as the President and Committee members of National Congress.

13. National Safe Church Unit (NSCU)

AFARC is assisting the NSCU in its three year review, focusing on the NSCU risk management framework, the review scope, and providing an overall Quality Assurance service later in the review process.

14. Other Matters

AFARC continues to manage, or monitor, a number of other topics not addressed above and will continue to keep ASC up to date on relevant matters.

Proposals

That the Assembly Standing Committee:

1. Receive the report;
2. Note the satisfactory finalisation of the June 2021 Audit of Annual Financial Statements.

Submitted to: Assembly Standing Committee
12 – 14 November 2021

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

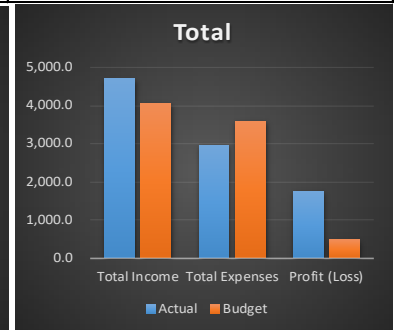
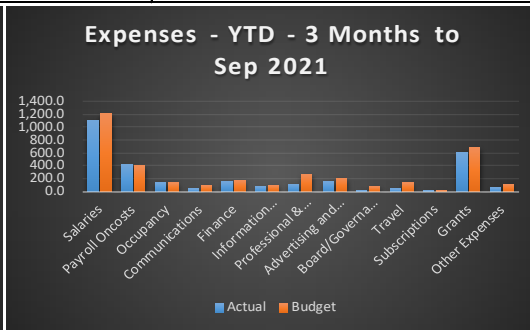
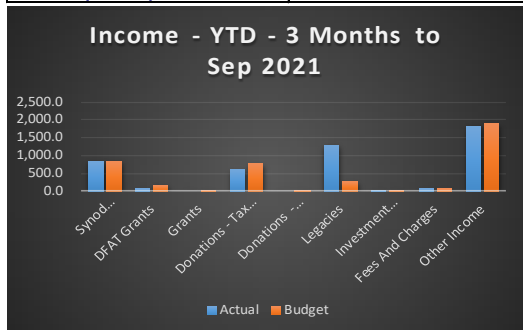
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26 October 2021

UCANA & Entities	General Funds - Profit & Loss 30-Sep-2021											
	Month				Year to Date				FY Forecast	FY Budget		
	A	B	Var	Var	A	B	Var	Var	F	B	Var	Var
	\$000	\$000	\$000	%	\$000	\$000	\$000	%	\$000	\$000	\$000	%
Income												
Synod Contrib/Levies	275.6	281.3	(5.7)	(2.0%)	831.8	841.0	(9.2)	(1.1%)	5,961.0	5,961.0	0.0	0.0%
DFAT Grants	78.4	0.0	78.4		78.4	156.8	(78.3)	(50.0%)	223.0	223.0	0.0	0.0%
Grants	0.0	8.3	(8.3)	(100.0%)	0.0	25.0	(25.0)	(100.0%)	101.0	101.0	0.0	0.0%
Donations - Tax deductible	232.2	378.4	(146.2)	(38.6%)	605.1	780.5	(175.5)	(22.5%)	3,709.0	3,709.0	0.0	0.0%
Donations - Non-Tax Deductible	0.0	0.1	(0.1)	(100.0%)	0.0	0.2	(0.2)	(100.0%)	0.0	0.0	0.0	0.0%
Legacies	1.8	88.3	(86.6)	(98.0%)	1,274.8	265.0	1,009.8	381.1%	1,060.0	1,060.0	0.0	0.0%
Investment Income	17.3	10.5	6.7	64.1%	35.0	36.9	(1.9)	(5.1%)	747.5	747.5	0.0	0.0%
Fees And Charges	18.2	18.9	(0.8)	(4.2%)	54.5	56.8	(2.4)	(4.2%)	217.4	217.4	0.0	0.0%
Other Income	1,661.3	1,668.4	(7.1)	(0.4%)	1,829.5	1,907.8	(78.3)	(4.1%)	1,771.0	1,771.0	0.0	0.0%
Total Income	2,284.7	2,454.3	(169.7)	(6.9%)	4,709.0	4,070.0	638.9	15.7%	13,789.9	13,789.9	0.0	0.0%
Expenses												
Salaries	391.5	394.3	2.8	0.7%	1,108.3	1,196.6	88.3	7.4%	4,551.5	4,551.5	0.0	0.0%
Payroll Oncosts	165.6	130.4	(35.2)	(27.0%)	423.4	391.7	(31.7)	(8.1%)	1,525.8	1,525.8	0.0	0.0%
Occupancy	43.2	45.5	2.3	5.1%	136.4	136.6	0.2	0.1%	530.0	530.0	0.0	0.0%
Communications	17.1	34.8	17.6	50.7%	39.6	92.5	52.8	57.1%	308.0	308.0	0.0	0.0%
Finance	48.3	58.5	10.2	17.4%	154.6	175.6	21.0	12.0%	720.4	720.4	0.0	0.0%
Information Technology	21.5	19.9	(1.6)	(8.3%)	86.8	93.2	6.4	6.9%	203.3	203.3	0.0	0.0%
Professional & Consultancy Fees	67.2	86.7	19.5	22.5%	120.7	260.1	139.4	53.6%	929.4	929.4	0.0	0.0%
Advertising and Promotions	57.5	62.4	4.9	7.8%	148.9	205.9	57.0	27.7%	630.6	630.6	0.0	0.0%
Board/Governance	2.7	26.5	23.8	89.7%	9.3	80.8	71.5	88.5%	320.2	320.2	0.0	0.0%
Travel	11.6	35.2	23.6	67.1%	35.7	131.1	95.4	72.8%	429.7	429.7	0.0	0.0%
Subscriptions	11.8	7.9	(3.9)	(49.3%)	28.7	24.5	(4.2)	(17.4%)	109.3	109.3	0.0	0.0%
Grants	202.3	215.3	13.0	6.0%	601.9	678.4	76.5	11.3%	2,689.1	2,689.1	0.0	0.0%
Other Expenses	27.8	39.2	11.4	29.0%	57.6	117.7	60.1	51.1%	277.8	277.8	0.0	0.0%
Total Expenses	1,068.2	1,156.5	88.4	7.6%	2,951.9	3,584.5	632.6	17.6%	13,225.2	13,225.2	0.0	0.0%
Transfers	(2.5)	(2.5)	0.0	(0.0%)	(7.5)	(7.5)	0.0	(0.0%)	62.8	62.8	0.0	0.0%
Profit (Loss)	1,219.0	1,300.3	(81.3)	(6.3%)	1,764.6	493.1	1,271.6	257.9%	502.0	501.9	0.0	0.0%



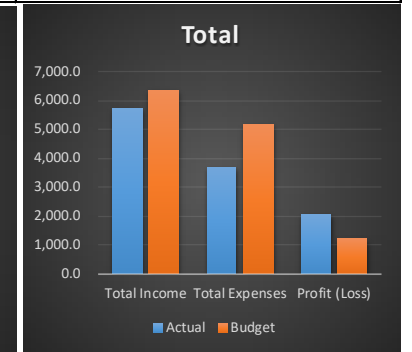
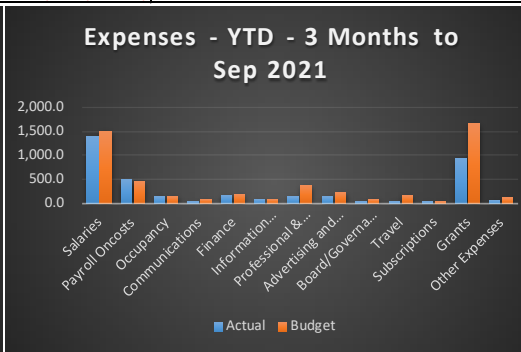
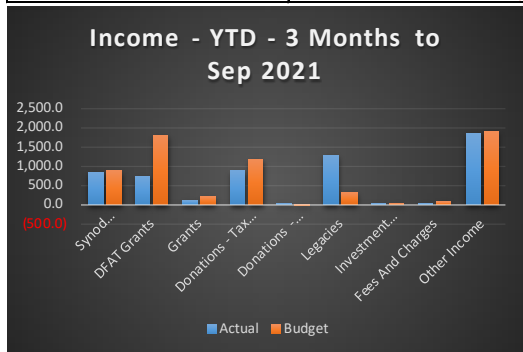
Commentary:

Income
 Pleasing result for the first 3 months for 2021/22 year - income 15.7% above budget and expenses 17.6% below budget leading to net profit of \$1.8 m vs a bud loss of \$0.493M.
 Synod Contributions are in line with budget
 Legacy income relates to unbudgeted receipt of \$1.2M bequest for Frontier Services received July 2021
 Other Income is the sale of Croydon Manse (UW) for UW for \$2.353M overbook value.

Expenses
 Salaries and Wages essentially in line with budget
 Expenses generally under budget as Covid restrictions limited travel and other activities

Note: we have left Forecasts for the full year the same as budget at this stage given how early it is in the year. We will do a six monthly reforecast early in the new year.

UCANA & Entities	All Funds - Profit & Loss 30-Sep-2021											
	Month				Year to Date				FY Forecast	FY Budget		
	A	B	Var	Var	A	B	Var	Var	F	B	Var	Var
	\$000	\$000	\$000	%	\$000	\$000	\$000	%	\$000	\$000	\$000	%
Income												
Synod Contrib/Levies	282.4	288.2	449.3	155.9%	852.3	861.5	(9.2)	(1.1%)	6,149.3	6,149.3	0.0	0.0%
DFAT Grants	0.0	0.0	42.5		741.8	1,801.7	(1,059.9)	(58.8%)	2,436.0	2,436.0	0.0	0.0%
Grants	28.4	50.0	43.8	87.6%	94.2	195.0	(100.8)	(51.7%)	644.3	644.3	0.0	0.0%
Donations - Tax deductible	327.7	552.2	264.3	47.9%	854.1	1,181.4	(327.3)	(27.7%)	6,331.2	6,331.2	0.0	0.0%
Donations - Non-Tax Deductible	0.1	(2.3)	26.3	#####	0.1	(7.0)	7.1	(101.4%)	(27.9)	(27.9)	0.0	0.0%
Legacies	7.0	103.4	0.0	0.0%	1,283.0	310.3	972.8	313.5%	1,241.0	1,241.0	0.0	0.0%
Investment Income	17.3	24.5	13.5	55.2%	35.0	53.2	(18.2)	(34.1%)	833.6	833.6	0.0	0.0%
Fees And Charges	18.2	18.9	15.5	81.7%	54.5	56.8	(2.4)	(4.2%)	217.4	217.4	0.0	0.0%
Other Income	1,661.3	1,668.7	243.1	14.6%	1,839.2	1,908.8	(69.7)	(3.6%)	2,203.9	2,203.9	0.0	0.0%
Total Income	2,342.5	2,703.7	1,098.3	40.6%	5,754.2	6,361.7	(607.6)	(9.6%)	20,028.9	20,028.9	0.0	0.0%
Expenses												
Salaries	502.2	496.7	409.1	82.4%	1,406.1	1,505.3	99.2	6.6%	5,907.2	5,907.2	0.0	0.0%
Payroll Oncosts	195.6	154.4	151.4	98.1%	493.7	463.9	(29.7)	(6.4%)	1,865.0	1,865.0	0.0	0.0%
Occupancy	43.2	47.4	46.0	97.1%	136.5	142.2	5.7	4.0%	552.7	552.7	0.0	0.0%
Communications	17.9	35.2	11.4	32.5%	40.7	93.8	53.1	56.6%	343.4	343.4	0.0	0.0%
Finance	50.5	59.3	54.8	92.4%	158.4	194.2	35.8	18.4%	732.4	732.4	0.0	0.0%
Information Technology	22.6	21.0	14.0	66.7%	90.2	96.6	6.4	6.6%	294.9	294.9	0.0	0.0%
Professional & Consultancy Fees	71.0	149.6	53.5	35.8%	146.7	390.2	243.5	62.4%	1,185.4	1,185.4	0.0	0.0%
Advertising and Promotions	57.5	64.0	23.3	36.4%	149.1	210.6	61.5	29.2%	718.6	718.6	0.0	0.0%
Board/Governance	2.7	28.2	0.3	0.9%	9.3	85.8	76.5	89.2%	342.2	342.2	0.0	0.0%
Travel	11.6	48.0	1.3	2.8%	36.1	165.0	128.9	78.1%	852.2	852.2	0.0	0.0%
Subscriptions	29.5	25.1	5.0	19.9%	46.9	43.0	(3.8)	(8.9%)	109.3	109.3	0.0	0.0%
Grants	307.3	247.4	381.8	154.3%	941.3	1,659.1	717.8	43.3%	6,019.5	6,019.5	0.0	0.0%
Other Expenses	28.2	40.4	3.4	8.5%	58.8	121.3	62.5	51.5%	524.6	524.6	0.0	0.0%
Total Expenses	1,340.0	1,416.7	1,155.4	81.6%	3,713.8	5,171.2	1,457.4	28.2%	19,447.3	19,447.3	0.0	0.0%
Profit (Loss)	1,002.5	1,287.0	(284.6)	(22.1%)	2,040.4	1,190.5	849.9	71.4%	581.7	581.7	0.0	0.0%



Commentary:

Income
Pleasing result for the first 7 months for 2020/21 year - net income of \$2.1M to \$1.2M with a positive variance of \$0.85M
Synod Contributions are in line with budget
DFAT funding income subject to timing of receiving of annual grants
Legacy income relates to unbudgeted receipt of \$1.2M bequest for Frontier Services received July 2021
Other Income is mainly in relation to Jobkeeper receipts received

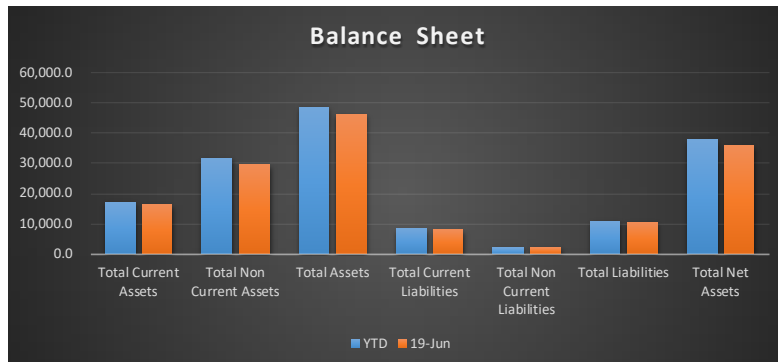
Expenses
Salaries and Wages essentially in line with budget
Expenses generally under budget as Covid restrictions limited travel and other activities
Timing of Grants payment especially for DFAT

Note: we have left Forecasts for the full year the same as budget at this stage given how early it is in the year. We will do a six monthly reforecast early in the new year.

UCANA & Entities

Balance Sheet 30-Sep-2021

Description	YTD Sep 2021 \$000	Jun 21 \$000	Var \$000
Assets			
Current Assets			
Other Assets	503.0	499.7	3.3
Cash At Call	11,856.8	11,384.9	471.9
Bank	3,429.0	3,432.1	-3.1
Trade Receivables	1,344.9	1,119.6	225.3
Total Current Assets	17,133.7	16,436.3	697.5
Non Current Assets			
Fixed Assets	3,028.2	3,724.9	-696.7
Investments	23,391.8	20,841.8	2,550.0
Leased Assets	2,384.9	2,486.8	-102.0
Term Deposits	2,712.2	2,712.2	0.0
Total Non Current Assets	31,517.1	29,765.8	1,751.3
Total Assets	48,650.8	46,202.0	2,448.8
Current Liabilities			
Creditors	797.5	787.8	-9.7
Current Other Liabilities	964.9	936.8	-28.1
Lease Liabilities	214.5	306.0	91.5
Other Creditors	1,898.3	1,359.1	-539.1
Provision	4,612.9	4,687.4	74.5
Total Current Liabilities	8,488.1	8,077.2	-410.9
Non Current Liabilities			
Lease Liabilities	2,244.1	2,244.1	0.0
Non-Current Other Liabilities	81.1	83.6	2.5
Total Non Current Liabilities	2,325.2	2,327.7	2.5
Total Liabilities	10,813.3	10,404.8	-408.4
Total Net Assets	37,837.5	35,797.2	2,040.4



Commentary

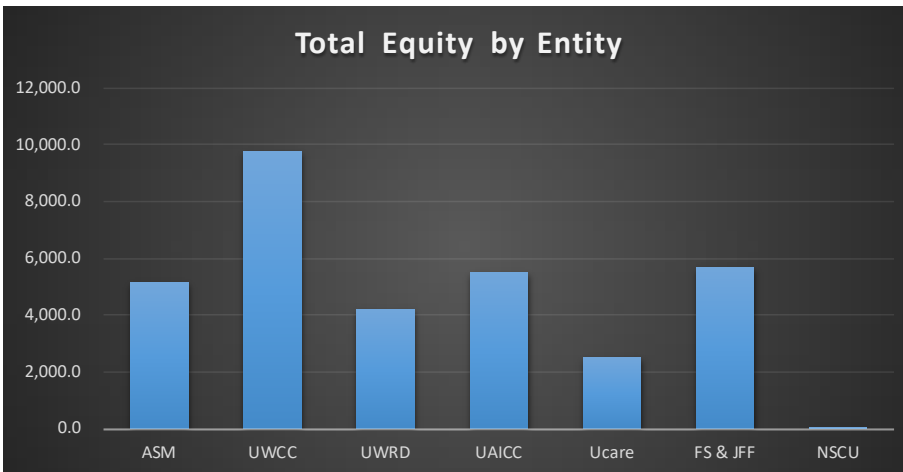
Current Assets - slight increase in cash reserves

Investments - Additional investment by JFF in the UFS EDF fund

Other Creditors realises to Income in Advance for contracts (DFAT)

UCANA & Entities Equity Analysis 30-Sep-2021

	YTD \$000	Jun 21 \$000	Var \$000
Unrestricted Equity			
General Fund			
Opening Balance	23,859.5	23,859.5	0.0
Equity movement	0.0	0.0	0.0
Current Year Profit/(Loss)	1,764.6	0.0	1,764.6
Closing Balance	25,624.1	23,859.5	1,764.6
Total Unrestricted Equity	25,624.1	23,859.5	1,764.6
Restricted Equity			
Specific Fund			
Opening Balance	8,404.4	8,404.4	0.0
Equity movement	0.0	0.0	0.0
Current Year Profit/(Loss)	280.4	0.0	280.4
Closing Balance	8,684.8	8,404.4	280.4
Endowment Fund			
Opening Balance	3,533.3	3,533.3	0.0
Equity movement	0.0	0.0	0.0
Current Year Profit/(Loss)	-4.6	0.0	-4.6
Closing Balance	3,528.7	3,533.3	-4.6
Total Restricted Equity	12,213.5	11,937.7	275.8
Total Equity	37,837.6	35,797.2	2,040.4



Commentary

Increase of \$1.8M in unrestricted equity is pleasing

DFAT funds are generally expended fully annually

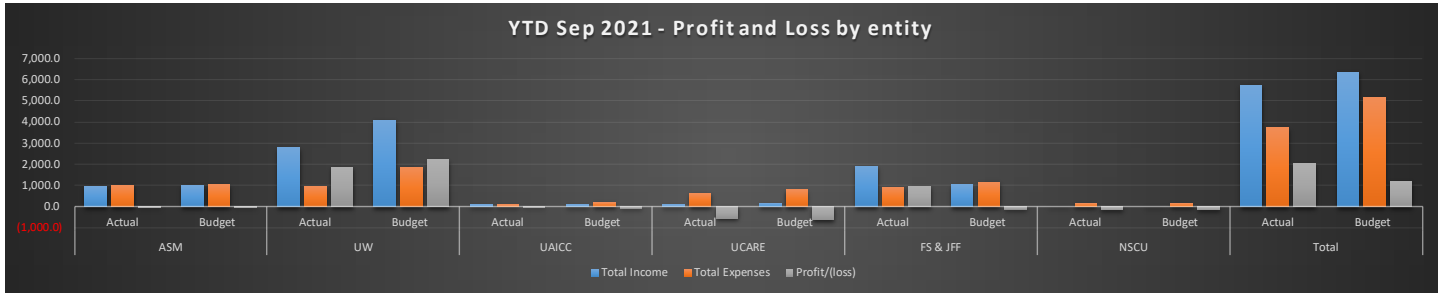
Emergency Relief Funds raised are expended generally in a short term to maximise relief impact

General Donor funds are expended in line with the entities policy but also within acceptable ACNC guidelines.

All Funds - Profit & Loss 30-Sep-2021

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
933.0	984.8	2,794.8	4,086.3	75.1	91.6	66.5	169.3	1,884.8	1,029.9	0.0	0.0	5,754.2	6,361.7
986.0	1,037.8	942.5	1,860.2	82.5	184.6	627.4	797.3	926.0	1,149.7	149.4	141.6	3,713.8	5,171.2
(53.0)	(53.0)	1,852.2	2,226.0	(7.3)	(93.0)	(560.9)	(628.1)	958.8	(119.8)	(149.4)	(141.6)	2,040.4	1,190.5

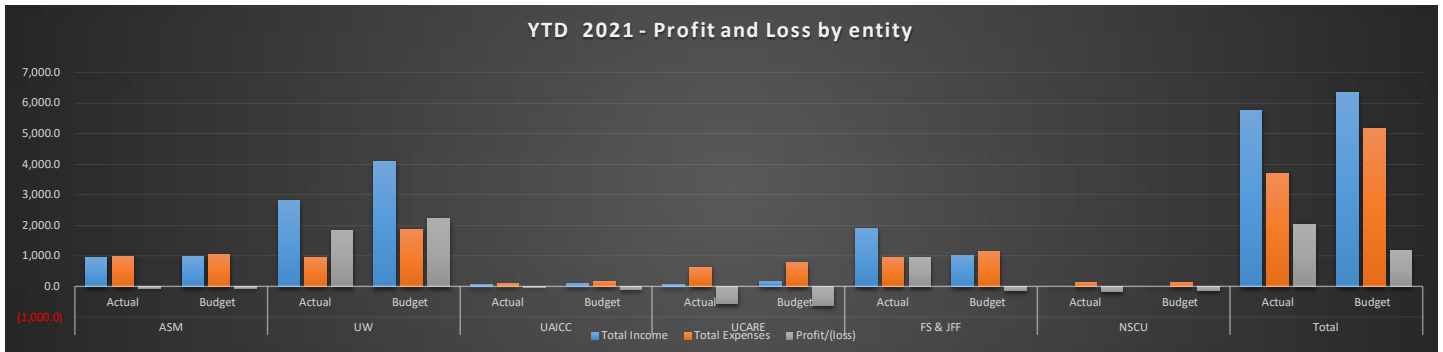
Total Income
Total Expenses
Profit (Loss)



General Funds - Profit & Loss 30-Sep-2021

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
867.2	936.2	1,864.4	1,973.4	75.1	86.3	17.6	44.3	1,884.8	1,029.9	0.0	0.0	4,709.0	4,070.0
883.4	954.4	348.4	496.2	75.0	177.1	562.3	658.1	926.0	1,149.7	149.4	141.6	2,944.4	3,577.0
(16.2)	(18.1)	1,516.0	1,477.3	0.1	(90.8)	(544.7)	(613.8)	958.8	(119.8)	(149.4)	(141.6)	1,764.6	493.1

Total Income
Total Expenses
Profit (Loss)



APPENDIX B

Net Available Fund 30-Sep-2021

Code Description	June							Last year	Var.
	ASM	UW	UAICC	Ucare	FS & JFF	NSCU	Total		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Net Assets	3,583.8	15,927.6	6,105.4	2,554.8	9,641.4	24.5	37,837.5	35,797.2	2,040.4
Less, Property	1,157.3	1,294.2	0.0	0.0	149.4	0.0	2,600.9	3,298.4	-697.5
Less, FFE and other	205.6	181.2	0.0	12.4	21.1	6.9	427.3	426.6	0.8
Sub-total monetary funds	2,220.9	14,452.2	6,105.4	2,542.4	9,470.8	17.6	34,809.3	32,072.2	2,737.1
Less, Trust Funds									
Specific DFAT	0.0	-250.7	0.0	0.0	0.0	0.0	-250.7	0.0	-250.7
Specific DGR	232.7	2,936.6	82.0	0.0	0.0	0.0	3,251.2	3,396.9	-145.7
Specific Other	167.2	2,869.1	1,801.5	69.2	0.0	0.0	4,907.0	5,007.6	-100.6
Endowment	327.2	2,369.8	81.9	0.0	636.1	0.0	3,414.9	3,419.5	-4.6
Designated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Trust Funds	727.1	7,924.7	1,965.4	69.2	636.1	0.0	11,322.5	11,824.0	-501.6
Net Available Fund ("free cash")	1,493.8	6,527.5	4,140.1	2,473.1	8,834.7	17.6	23,486.8	20,248.2	3,238.6

Net Available Fund 30-Sep-2021

Code Description	ASM	Agencies	Total
	\$000	\$000	\$000
Net Assets	3,583.8	34,253.8	37,837.5
Less, Property	1,157.3	1,443.6	2,600.9
Less, FFE and other	205.6	221.7	427.3
Sub-total monetary funds	2,220.9	32,588.4	34,809.3
Less, Trust Funds			
Specific DFAT	0.0	-250.7	-250.7
Specific DGR	232.7	3,018.6	3,251.2
Specific Other	167.2	4,739.8	4,907.0
Endowment	327.2	3,087.8	3,414.9
Designated	0.0	0.0	0.0
Total Trust Funds	727.1	10,595.4	11,322.5
Net Available Fund ("free cash")	1,493.8	21,993.0	23,486.8

