Uniting Church in Australia
ASSEMBLY
Assembly Standing Committee

10 – 12 November 2023 **DOCUMENT 7**

Title	**Assembly Finance Audit and Risk Committee (AFARC) Report to Assembly Standing Committee**
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	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. The attached Report (and Appendices) reviews, in some depth, a range of matters including: • the National Assembly and its Agencies' full year results for the June 2022/23 financial year (finalised); • 1st quarter results to end September 2023 vs budget (for the 2023/24 financial year); • Budgets for 2023/24 (previously endorsed but included for information); • Provisioning for claims; and • several other relevant matters specific to the National Assembly's financial position and related matters relevant to the Committee's mandate. In terms of high-level commentary: • as previously foreshadowed, the (final) full year 2022/23 results are essentially a breakeven result on a consolidated basis, with strong fundraising and investment returns for the June 2023 quarter offsetting the increase of $2.5M to the Gross Provision for claims. • Provisioning for claims remains the largest single expense item warranting ongoing focus; and • results for the first quarter of the 2023/24 financial year indicate a solid start to the year, however it is "early days" and we continue to keep a watching brief as the 2023/24 financial year progresses.

	This Report also brings commentary on the recently completed external Audit of Financial Accounts for the Year Ended 30 June 2023 – an important activity for which a pleasing conclusion is reported. Other important matters are also discussed.
Attachments	Financial Overview and Review of AFARC Operations. With Appendices: • A: Commonly Used Acronyms • B: Financial Status Reports YTD to September 2023 (3 months) • C: Statement of Available Funds as of September 2023
Proposals	That the Assembly Standing Committee: 1. Receive the report. 2. Note the satisfactory finalisation of the June 2023 Audit of Annual Financial Statements.
Submitted by	Stuart Woodward, Chair, Assembly Finance, Audit and Risk Committee stuartwoodward202@gmail.com 0414 886 346 and Leo Iosifidis National Director, Strategic Finance and Administration Assembly Support Unit Leoi@nat.uca.org.au 0427 546 100 16 October 2023

ATTACHMENT

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

1. June 2023 Annual Audited Financial Statements – Outcome of Audit Work

At the date of this report, KPMG (Assembly's External Auditors) have now completed their Audit of the 2022/23 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, its Agencies, and UCA Assembly Limited.

At the time of writing this report, KPMG are scheduled to attend the upcoming 30 October 2023 AFARC meeting and will present their closing report, which will include the findings/outcomes of its Audit field work. In closing off their field work, KPMG have foreshadowed that there were no material unadjusted Audit differences identified, there are no qualifications or modifications of Audit opinions, and no other material findings. A "clean" Audit Report is anticipated. A further verbal update will be provided at the ASC meeting as required.

Favorable 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. This is a most pleasing outcome.

Going Concern Principle – the assessment of "meeting debts as and when they fall due"

Consistent with prior years, the need to book an incremental movement in the Provision (for potential Redress and Civil claims) to the June 2023 accounts, has resulted in a negative Net Assets position as at 30 June 2023 for the National Assembly (in its own right).

KPMG has considered this negative net asset position of the Assembly and, as in past years, has concurred with Management's assessment that it was 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. The main test that an Auditor considers as to this going concern principle is whether an organisation can meet its debts as and when they fall due, for the 12-month period following the signing of the Accounts.

In making this assessment, we note two key aspects:

- that whilst the Provision for Claims are all reflected as current liabilities in the Balance Sheet as of 30 June 2023 (i.e., anticipated to eventuate in the next 12 months), the actual timing of any claim is essentially outside our control and they are unlikely to all eventuate in this or any given year of the Scheme. This approach is consistent with Accounting Standards; and
- consideration at the signing of the June 2023 accounts is also somewhat alleviated as the National Assembly is aggregated for statutory reporting purposes with UAICC, UnitingCare Australia and the NSCU which collectively reflects a surplus balance sheet.

UnitingWorld continues to provide support to the Assembly in meeting claims.

As noted at the recent July 2023 ASC meeting, UnitingWorld has now committed to meet 50% of Croker Island claims to an amount of $1.5M to be funded from the sale of their Carlingford Manse, which is now on the market (https://www.realestate.com.au/property/2b-wilshire-ave-carlingford-nsw-2118/). A late October Auction is anticipated; a verbal update will be provided at the ASC meeting.

This is in addition to UnitingWorld' s prior commitment to contribute $1.725M to matters of Mogumber, which at the time of provisioning taken represented 50% of the overall provision made for matters arising from Mogumber.

ASC is familiar with the background to this matter, including consideration of the Agency's autonomy and its DFAT accreditation.

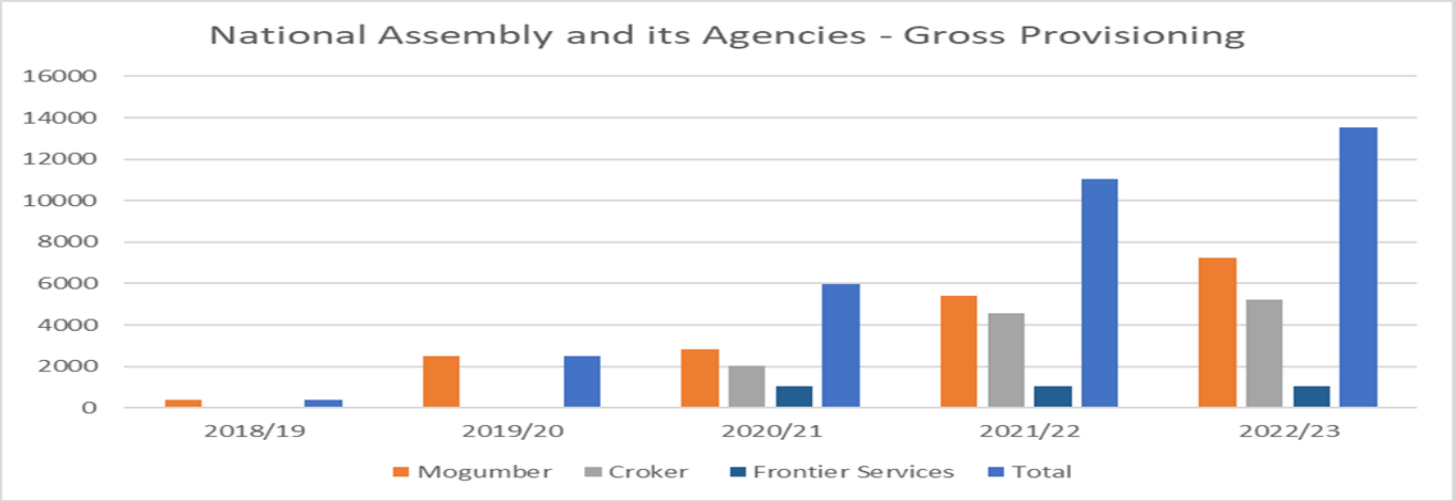
Provision for Claims

As updated verbally to the July 2023 ASC, whilst considering the adequacy of the Provision for Claims, it was determined that an increase in the Gross Provisioning from $11M to $13.5M as of June 2023 across the Assembly and its Agencies was required as of June 2023.

This additional $2.5M of provisioning has been reflected in the books as $1.5M taken to account by UnitingWorld (as noted above) and $1.0M to the National Assembly. The existing Provision held for Frontier Services has remained unchanged. KPMG noted it was satisfied as to the decisions taken by Management in terms of this "area of judgement".

Offsetting the 30 June 2023 Gross Provision of $13.5M, are payments made up to June 2023 of $3.32M, leaving a Net Provision of $10.18M as at 30 June 2023. We expect to shortly contribute $1.3M to the recently settled May 2023 group claim matters (mediation) from Croker Island, which will increase total payments, out of Provisions, to $4.62M.

Management needs to determine the level of any provisioning required in compliance with Australian Accounting Standards and needs to reflect that the Provision has been adequately and (preferably) conservatively estimated. KPMG has, consistent with the prior year, accepted Management's determination in this regard, acknowledging the mix of experience, quantitative modelling, and external assistance in the provisioning process. Inherent subjectivity was also conceded.



It is important to note that Management reviews the level of provisioning every six months and will do so shortly as part of the half yearly reforecast exercise to commence in late calendar 2023.

UnitingWorld Accounts

As scheduled, AFARC also met with the Auditors in late September 2023 to review the UnitingWorld Financial Statements in preparation for their signing of the Financial Statements by the UnitingWorld Board at the Board meeting on the 29th September 2023.

It is pleasing to note that the Accounts were signed with a clean Audit opinion, with the Auditors noting that there were no unadjusted Audit differences identified. Early review of UnitingWorld Accounts is normal practice, given DFAT stipulations; AFARC's early endorsement of the Accounts is important to note.

It is also important to note that the signing of the 2023 Financial Statements by UnitingWorld is an important step in the reaccreditation review currently in progress for UnitingWorld. DFAT conducts reaccreditation reviews every five years and we give our support as UnitingWorld carries out this very important process.

UCA Redress Limited Accounts

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 in is the process of being received.

Audit Conclusions

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. For this, we give thanks.

2. 30 June 2023 Financial Statements

Along with the year end Audit, the 30 June 2023 Financial Statements have now been finalised for the National Assembly and its Agencies and are summarized below. Final results are largely unchanged from that reported previously to ASC.

All Funds - Profit & Loss 30 Jun 2023

	Year to Date - 30 June 2023															
	ASM		UW		UAICC		Ucare		FS & JFF		NSCU		Total			
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Var	%Var
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	%
Income																
Grants	23.3	0.0	2,289.3	2,263.6	0.0	0.0	635.5	550.0	119.6	200.0	0.0	0.0	3,067.7	3,013.6	54.0	1.79%
Contributions	2,941.1	2,962.0	0.0	0.0	300.0	300.0	1,745.8	2,245.0	0.0	0.0	454.9	543.1	5,441.8	6,050.1	(608.2)	(10.05)%
Donations & Bequests	96.0	1.0	3,094.7	2,849.5	1.6	0.0	18.6	0.0	4,429.9	4,210.0	2.0	0.0	7,642.8	7,060.5	582.3	8.25%
Fees for Services	153.3	152.9	0.0	0.0	0.0	0.0	0.5	0.0	54.6	46.0	0.0	0.0	208.5	198.9	9.6	4.81%
Investment Income	155.2	100.1	670.8	331.4	185.6	147.8	118.2	30.8	271.2	313.3	4.9	0.0	1,405.9	923.3	482.5	52.26%
Other Income	999.9	1,399.0	11.0	334.0	0.0	0.0	106.6	0.0	298.1	352.0	0.0	0.0	1,415.6	2,085.0	(669.4)	(32.10)%
Total Income	**4,368.9**	**4,615.0**	**6,065.8**	**5,778.6**	**487.2**	**447.8**	**2,625.2**	**2,825.7**	**5,173.5**	**5,121.3**	**461.8**	**543.1**	**19,182.3**	**19,331.5**	**(149.2)**	**(0.77)%**
Expenses																
Staff Expenses	1,733.9	1,787.4	1,922.4	2,383.7	150.6	266.8	1,831.1	1,945.2	1,435.5	1,898.0	296.2	430.5	7,369.7	8,711.5	1,341.8	15.40%
Office Occupancy	138.4	132.0	152.9	133.1	4.4	4.3	199.9	183.5	90.7	81.5	11.8	11.7	598.1	546.2	(51.9)	(9.50)%
Professional & Consultancy Fees	50.5	43.5	156.0	248.2	11.3	33.9	245.3	231.3	304.8	493.3	46.0	13.0	813.9	1,063.2	249.3	23.45%
IT, Finance and HR Support	213.3	173.1	240.4	175.6	15.8	15.8	113.6	108.2	119.5	124.9	23.8	24.9	726.2	622.5	(103.7)	(16.66)%
Advertising & Promotions	11.4	14.7	149.5	170.5	9.1	5.0	20.4	47.0	300.0	418.4	0.0	10.0	490.4	665.5	175.2	26.32%
Grants Expenses	759.7	725.0	2,700.5	2,697.8	0.0	10.0	0.0	0.0	2,175.1	2,409.9	0.0	0.0	5,635.3	5,842.8	207.5	3.55%
Communications	40.0	41.2	174.1	142.7	1.4	14.2	21.3	31.6	109.2	72.1	1.4	9.0	347.3	310.8	(36.6)	(11.76)%
Travel Domestic	185.5	80.0	49.1	50.6	225.2	55.0	182.0	220.3	82.6	85.9	16.5	40.0	740.9	531.8	(209.1)	(39.32)%
Travel Overseas	12.1	23.0	82.9	117.3	1.9	0.0	0.9	8.0	0.8	0.0	0.0	0.0	98.6	148.3	49.7	33.52%
Claim Expenses	1,024.5	0.0	1,500.1	0.0	0.0	0.0	0.0	0.0	15.1	0.0	0.0	0.0	2,539.7	0.0	(2,539.7)	
Other Expenses	118.5	158.4	132.7	190.5	110.8	243.8	199.7	207.5	150.2	127.9	26.0	39.9	738.0	968.0	230.0	23.76%
Depreciation	56.7	86.0	49.5	80.6	0.6	1.0	9.9	46.1	17.7	41.2	2.2	4.6	136.7	259.4	122.8	47.32%
Insurance	9.7	43.5	50.0	50.0	4.4	4.4	22.1	22.1	(3.2)	39.5	6.6	6.6	89.7	166.2	76.5	46.04%
Total Expenses	**4,354.2**	**3,307.8**	**7,360.1**	**6,440.7**	**535.5**	**654.2**	**2,846.2**	**3,050.9**	**4,797.9**	**5,792.5**	**430.5**	**590.2**	**20,324.5**	**19,836.3**	**(488.2)**	**(2.46)%**
Transfers	0.0	0.0	(21.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(21.1)	0.0	21.1	
Profit (Loss) before Investment Capital	**14.7**	**1,307.2**	**(1,273.2)**	**(662.1)**	**(48.3)**	**(206.4)**	**(221.1)**	**(225.1)**	**375.5**	**(671.2)**	**31.3**	**(47.1)**	**(1,121.1)**	**(504.8)**	**(616.3)**	**122.09%**
Investment Capital Growth	24.6	0.0	382.5	0.0	215.1	0.0	79.2	0.0	378.0	0.0	0.0	0.0	1,079.4	0.0	1,079.4	
Profit (Loss)	**39.3**	**1,307.2**	**(890.7)**	**(662.1)**	**166.8**	**(206.4)**	**(141.9)**	**(225.1)**	**753.5**	**(671.2)**	**31.3**	**(47.1)**	**(41.7)**	**(504.8)**	**463.1**	**(91.74)%**

Balance Sheet 30 Jun 2023

Description	ASM	UW	UAICC	Ucare	FS & JFF	NSCU	Total	June Last year	Var.
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Assets									
Current Assets									
Cash	2,202.1	3,358.4	828.1	2,637.1	3,677.6	248.2	12,951.4	15,913.6	(2,962.1)
Short Term Deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade Receivables	172.0	6.9	0.0	60.4	8.5	0.0	247.8	284.5	(36.7)
Other Assets	96.4	529.0	22.7	26.4	59.6	0.2	734.3	1,576.6	(842.3)
Total Current Assets	2,470.5	3,894.3	850.8	2,723.8	3,745.7	248.4	13,983.5	17,774.8	(3,841.2)
Non Current Assets									
Term Deposits	2,500.0	2,730.8	0.0	0.0	700.0	0.0	5,930.8	1,212.2	4,718.5
Investments	1,124.6	9,656.4	5,359.3	1,362.9	6,190.8	0.0	23,694.0	22,223.6	1,470.4
Fixed Assets	766.7	1,435.2	0.9	19.2	84.7	0.5	2,307.2	2,901.8	(594.6)
Lease Assets	694.8	676.2	0.0	450.7	1.3	0.0	1,822.9	2,139.1	(316.2)
Total Non Current Assets	5,086.1	14,498.5	5,360.2	1,832.7	6,976.8	0.5	33,754.9	28,476.8	5,278.2
Total Assets	7,556.6	18,392.8	6,211.1	4,556.6	10,722.5	248.9	47,688.5	46,251.5	1,437.0
Liabilities									
Current Liabilities									
Trade Creditors	105.0	1.2	0.0	32.1	5.0	0.0	143.3	28.1	115.2
Taxes Payable	(10.9)	33.9	(10.3)	(45.3)	(17.4)	(2.6)	(52.6)	8.2	(60.8)
Payroll Liabilities	(16.9)	17.8	0.3	(12.0)	26.8	1.1	17.0	37.2	(20.1)
Lease Liabilities	114.8	99.0	0.0	137.9	1.4	0.0	353.1	358.6	(5.5)
Other Liabilities	307.8	264.6	44.5	56.9	60.3	6.9	741.0	1,003.2	(262.2)
Provisions	7,718.7	2,006.9	3.7	103.0	1,037.4	64.9	10,934.6	9,467.6	1,467.0
Contract Liabilities	100.0	807.4	0.0	1,516.1	27.7	0.0	2,451.2	1,946.3	504.9
Total Current Liabilities	8,318.4	3,230.8	38.3	1,788.6	1,141.2	70.3	14,587.7	12,849.3	1,738.4
Non Current Liabilities									
Non Current - Other Liabilities	20.2	54.5	0.0	32.8	0.0	0.0	107.6	108.3	(0.8)
Lease Liabilities - Non Current	643.7	640.1	0.0	371.8	0.0	0.0	1,655.6	1,914.4	(258.9)
Total Current Assets	663.8	694.7	0.0	404.6	0.0	0.0	1,763.1	2,022.8	(259.7)
Total Liabilities	8,982.3	3,925.5	38.3	2,193.2	1,141.2	70.3	16,350.8	14,872.1	1,478.7
Total Net Assets	(1,425.7)	14,467.3	6,172.8	2,363.4	9,581.4	178.6	31,337.7	31,379.4	(41.7)

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.

3. YTD Sept 2023 Results (1st quarter) for the 2023/24 Financial Year – Management Accounts

This financial summary is split up into two sections being:

- National Assembly or Assembly Secretariat – "ASM" (on its own); and
- National Assembly and its Agencies (consolidated financials).

This report is split into these two sections to allow the ASC to firstly focus on the National Assembly itself and in some depth, with a focus on General Funds performance, before looking at the wider consolidated National Assembly and its Agencies position, noting that the Agencies are under the purview of their own Boards operating under their respective mandates as provided by the ASC. A focus on the former (National Assembly only) is valuable, as it is this entity that is really under the "control" of the ASC.

National Assembly – General Funds

ASM General Funds - Profit & Loss 30 Sep 2023

	Month to Date				Year to Date				Comments
	ASM				ASM				
	Actual	Budget	Var	%Var	Actual	Budget	Var	%Var	
	$000	$000	$000	%	$000	$000	$000	%	
Income									
Grants	0.0	0.0	0.0		0.0	0.0	0.0		
Contributions	241.8	242.6	(0.8)	(0.3)%	727.9	727.7	0.2	0.0%	Synod Grants have been received in line with Budget
Donations & Bequests	0.0	0.0	0.0		0.7	0.0	0.7		
Fees for Services	12.9	12.9	0.0	0.0%	38.8	38.8	0.0	0.0%	In line with Budget
Investment Income	11.6	7.9	3.7	46.3%	35.3	23.8	11.5	48.6%	Timing of receipts of Interest Income
Other Income	1.8	4.2	(2.5)	(58.3)%	(0.2)	12.7	(12.9)	(101.9)%	
Total Income	**268.1**	**267.6**	**0.4**	**0%**	**802.5**	**802.9**	**(0.5)**	**0%**	
Expenses									
Staff Expenses	144.4	189.8	45.4	23.9%	449.9	569.3	119.4	21.0%	Savings due to staggered start of 2 new national consultants
Office Occupancy	11.1	12.9	1.8	14.3%	35.2	38.7	3.5	9.1%	
Professional & Consultancy Fees	9.8	5.0	(4.7)	(94.5)%	15.6	15.1	(0.5)	(3.3)%	
IT, Finance and HR Support	15.5	19.9	4.4	22.3%	46.9	59.8	12.9	21.6%	
Advertising & Promotions	0.0	0.4	0.4	100.0%	0.0	1.3	1.3	100.0%	
Grants Expenses	62.2	43.1	(19.2)	(44.5)%	149.0	129.2	(19.8)	(15.3)%	Timing of quarterly ecumenical grants paid
Communications	4.0	3.0	(1.0)	(32.7)%	7.9	9.0	1.1	12.7%	
Travel Domestic	4.5	12.4	7.8	63.3%	16.5	37.1	20.5	55.4%	
Travel Overseas	1.9	1.0	(0.9)	(85.1)%	13.4	3.0	(10.3)	(341.1)%	
Claim Expenses	0.0	0.0	0.0		25.0	0.0	(25.0)		
Other Expenses	4.7	12.5	7.8	62.4%	47.4	37.5	(9.8)	(26.2)%	
Depreciation	5.2	4.6	(0.6)	(13.5)%	15.7	13.8	(1.8)	(13.4)%	
Insurance	3.3	3.3	0.0	0.0%	9.8	9.8	0.0	0.0%	
Total Expenses	**266.5**	**307.9**	**41.4**	**13.4%**	**832.1**	**923.6**	**91.5**	**9.9%**	
Transfers	0.0	0.0	0.0		0.0	0.0	0.0		
Profit/(Loss) before Investment Capital Growth	**1.6**	**(40.2)**	**41.8**	**(103.9)%**	**(29.6)**	**(120.7)**	**91.1**	**(75.5)%**	
Investment Capital Growth	12.2	0.0	12.2		12.2	0.0	12.2		
Profit/(Loss)	**13.8**	**(40.2)**	**54.0**	**(134.3)%**	**(17.4)**	**(120.7)**	**103.3**	**(85.6)%**	

As of end September 2023, the National Assembly's General Funds underlying performance (YTD September 2023, being the first quarter 2022/23), is tracking ahead of budget, reflecting expense management, savings against budgeted wages due to the staggered start of staff recruitment, and unbudgeted investment growth.

Analysis of the Assembly's General Funds Reserves is also included below in the Balance Sheet Analysis section as well as the Net Available Funds Calculation in the Appendix.

National Assembly and its Agencies

At the consolidated level (i.e., ASM and Agencies), included below are two summary tables:

- the General Funds Table; and
- the All Funds Table.

The important distinction here is 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 is the more useful focus area. (As noted in previous reports to ASC, 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.)

General Funds

For the Year-to-Date 30 September 2023, consolidated **General Funds** financial results are as follows:

Consolidated - General Fund $000			
	Full Year 30 Sept 2023 Actual $'000	**Full Year 30 Sept 2023 Budget $'000**	**Actual to Budget Variance $'000**
Revenue	2,559.5	2,191.3	368.2
Less Expenses	3,103.9	3,671.8	567.9
Net Surplus/(Deficiency)	(544.4)	(1,480.5)	936.1

All Funds

For the Year-to-Date 30 September 2023, consolidated **All Funds** financial results are as follows:

Consolidated - All Fund $000			
	Full Year 30 Sept 2023 Actual $'000	**Full Year 30 Sept 2023 Budget $'000**	**Actual to Budget Variance $'000**
Revenue	4,795.0	4,699.7	95.3
Less Expenses	5,124.4	6,185.4	1,061.0
Net Surplus/(Deficiency)	(329.4)	(1,485.7)	1,156.3

As noted above, given it is only the first quarter of the financial year, it is too early to look to determine / observe key (forecast) outcomes for the 2023/24 financial year, but this is a pleasing start to the year.

AFARC is committed to a detailed half year reforecast process which will commence in November 2023 and will look to bring a more detailed assessment of the 2023/24 Financial Year performance to the March 2024 ASC meeting.

Some other key items to note when reviewing the first quarter results for the 2023/24 year include:

- Fundraising Income (Actual for September quarter $847k vs budget of $979K) – the first quarter of the new financial year is generally lower than other quarters in terms of seasonality as it follows straight after the completion and peak of the end of year tax appeals.

- Investment Income – We are now bringing investment income (including unrealised gains) to account monthly (one month in arrears) as opposed to the end of each quarter. The YTD September 2023 result includes unrealised investment gains of $323.1K. (It is worth noting that while we don't budget for unrealised gains or losses, we do expect our investments to generate capital growth over the longer term. We do however budget for interest and dividend income. Capital gains, or losses, are frequently volatile and until realised upon sale or maturity can distort analysis of financial outcomes.) Bringing the unrealised gains/(losses) to account on a monthly basis (as opposed to previously on a quarterly basis) allows us to have more up to date information on the movements in investment values, notwithstanding the volatility in reporting that can be introduced.

4. Budgets 2023/24 – Assembly and its Agencies

The 2023/24 Budgets for the Assembly and its Agencies have been included for ASC's continued reference (noting that the Budgets were approved at the July 2023 ASC).

Budget 2023/24

		General Funds			All Funds		
		Bud 23/24	Act 22/23	Var	Bud 23/24	Act 22/23	Var
		$000's	$000's	%	$000's	$000's	%
ASM	Revenue	3,172.7	4,229.8	(25.0%)	3,345.4	4,393.5	(23.9%)
	Expenses	3,529.7	4,096.6	(13.8%)	3,593.2	4,354.2	(17.5%)
	Net	(357.0)	133.2	(368.0%)	(247.8)	39.3	(730.3%)
NSCU	Revenue	567.5	461.8	22.9%	567.5	461.8	22.9%
	Expenses	567.5	430.5	31.8%	567.5	430.5	31.8%
	Net	0.0	31.2	(100.0%)	0.0	31.3	(100.0%)
FS&JFF	Revenue	5,693.4	5,551.4	2.6%	5,693.4	5,551.4	2.6%
	Expenses	6,053.9	4,797.9	26.2%	6,053.9	4,797.9	26.2%
	Net	(360.5)	753.5	(147.8%)	(360.5)	753.5	(147.8%)
UCARE	Revenue	1,950.2	2,024.8	(3.7%)	3,285.1	2,704.4	21.5%
	Expenses	1,957.8	2,116.2	(7.5%)	3,292.7	2,846.2	15.7%
	Net	(7.6)	(91.3)	(91.7%)	(7.6)	(141.9)	(94.6%)
UAICC	Revenue	452.3	722.3	(37.4%)	512.5	702.3	(27.0%)
	Expenses	469.4	535.4	(12.3%)	502.2	535.5	(6.2%)
	Net	(17.1)	186.9	(109.1%)	10.3	166.8	(93.8%)
UW	Revenue	3,239.7	2,060.7	57.2%	7,055.9	6,469.4	9.1%
	Expenses	1,905.8	3,136.5	(39.2%)	6,355.8	7,360.1	(13.6%)
	Net	1,333.9	(1,075.8)	(224.0%)	700.1	(890.7)	(178.6%)
ALL	Revenue	15,075.8	15,050.8	0.2%	20,459.8	20,282.8	0.9%
	Expenses	14,484.1	15,113.1	(4.2%)	20,365.3	20,324.5	0.2%
	Net	591.7	(62.2)	(1,050.7%)	94.5	(41.7)	(326.8%)

As noted in the July 2023 report to ASC, AFARC is keen for the Assembly and its Agencies to work to balanced, if not surplus, budgets. As discussed in July, a number of Budgets for 2023/24 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.

AFARC also takes into account an Agency's decisions and reasoning to seek to use specific surplus funds generated from a particular activity in prior years to fund the activities in the current year (generally in terms of its strategic plan).

As noted above, and as carried out in prior years, a detailed six monthly reforecast exercise will be commenced in November 2023, the results of which will be brought to ASC's attention in the March 2024 AFARC report.

5. Matters of Redress

Matters of Redress – especially in relation to financial provisions for likely claims - have been discussed above and at previous ASC meetings. This is clearly a significant matter for the Assembly and warrants continued discussion and focus. The Assembly and its Agencies continue to receive claims under the Federal Government National Redress Scheme, as well as receiving some Civil Claims. Under the relevant Accounting Standard, 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[1]. The table below (which provides more detail than Paragraph 1 above) sets out the assessment completed as at 30 June 2023.

UPDATED PER CBP REVIEW AT June 2023

Provision for Claims - Current position

Provision for Claims	Number of Claims			Claim Value			Total Value		
	Gross	Paid	Net	Gross	Paid	Net	Gross	Paid	Net
June 2023	#'s	#'s	#'s	$000's	$000's	$000's	$000's	$000's	$000's
Mogumber Redress	102.5	(53.0)	49.5	53.0	53.5	52.4	5,432.5	(2,837.9)	2,594.6
Mogumber Civil	10.0	0.0	10.0	180.0			1,800.0	0.0	1,800.0
Total Mogumber	112.5	(53.0)	59.5				7,232.5	(2,837.9)	4,394.6
Croker Redress	33.0	(4.0)	29.0	52.0	69.5	48.2	1,716.0	(318.8)	1,397.2
Croker Civil	41.0	(1.0)	40.0	86.0	60.0	86.7	3,526.0	(60.0)	3,466.0
Total Croker	74.0	(5.0)	69.0				5,242.0	(378.8)	4,863.2
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
	12.0	(2.0)	10.0				1,065.0	(113.0)	952.0
Total All	198.5	(60.0)	138.5	68.2	55.5	73.7	13,539.5	(3,329.7)	10,209.8
					Movement from Dec22		2,499.5	(516.2)	

Heading Descriptions

Number of Claims		
	Gross	Is the total number of expected claims expected to be received by the Assembly&Agencies over the Redress Scheme
	Paid	Is the number of claims that have been paid to date
	Net	Is Gross minus Paid (2 rows above) which is the expected no of claims not yet paid but expected from the Scheme
Claim Value		
	Gross	Is the average $ value per claim for the total of all expected claims
	Paid	Is the average $ value per claim for all paid claims to date
	Net	Is the average $ value of the claims to come
Total Value		
	Gross	Is the total value of all expected claims to be paid
	Paid	is the total value of claims paid to date
	Net	is the total value of the claims still expected to be paid (Also calculated as Gross minus Paid - being the 2 lines above)

[1] *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.*

In reviewing the above table, it is noted, consistent with discussion at July ASC:

- Gross Total Provisioning for Claims recognised as 30 June 2023 has increased to $13.5M.
- This assessment is again based on a consistent quantitative model as used in previous years, updated for more recent information and the inclusion of Croker Island (including the receipt of updated assessments from legal advisors Colin Biggers Paisley).
- A rebalancing of the provision towards Redress Claims from Civil Claims continues.

Of course, as is the nature of provisions such as this, this is a highly subjective matter, but the above analysis represents, in our view, the best estimate based on available information and expectations.

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 on an ongoing basis, with the next detailed review scheduled as at end December 2023, with an update to be provided to March 2024 ASC.

6. Financial Sustainability

Assembly's Financial sustainability has been discussed at length at various ASC meetings; this continues to be a critical area of focus for AFARC.

Core to this topic is the ability of the Assembly to cope with external "shocks", considering the potential nature of such shocks and their likely implications (we have seen this come through increasing claims provision required to be taken up). As is well known, our ability to withstand future shocks is by no means guaranteed, and in the event of a shock, difficult calls will be required. This was clear at the time of the original, detailed, analysis and remains apposite.

ASC will recall establishing, at the March 2023 ASC meeting, an Assembly Secretariat Financial Sustainability Working Group. That Working Group is now meeting regularly under the Chairmanship of the Associate General Secretary, Lindsay Cullen. The Working Group is scheduled to bring a report to the March 2024 ASC meeting covering the work undertaken – including actions implemented by Management and recommendations for further action. We look forward to the work of the Working Group and the benefits that will be delivered.

As was noted, verbally, to the 16th Assembly meeting "*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.*

Addressing Assembly's Financial Sustainability is an ongoing imperative; AFARC (with ASC's support) will continue its work in this space and continue to bring updates and reports to ASC.

7. AFARC Membership

The Committee is now in a period of renewal as the four new members, whose membership was endorsed at the July 2023 ASC meeting, settle in.

As part of providing relevant historical context to the new members, especially as the Committee deliberates on the quantum of the level of Provisioning for Claims for the June 2023 Financial Statements, a special 90-minute information

session was held with the Committee with Colleen Geyer, Sarah Lim and Leo Iosifidis presenting an information session on Redress and Other Related matters. This presentation was made whilst emphasizing the Church's ongoing commitment to survivors of abuse and as part of the Church's broader engagement in this area.

This session was well received, and the supporting PowerPoint document provides excellent reference material (potentially including for induction of future ASC members) setting out a range of relevant considerations of aspects such as general background, financial provisioning, claims management and insurance considerations.

8. Assembly Investment Advisory Committee "AIAC"

The AIAC continues to meet on a quarterly basis, having most recently met in August 2023. The AIAC continues to engage and work with the Agencies in refining their investment risk appetites, with a view to assisting the Agencies to generate the optimum risk/return balance within the framework set by the Assembly's Investment Advisory Policy. The AIAC is currently undertaking a self-evaluation exercise and will bring the findings of this exercise to the upcoming October 2023 AFARC meeting.

AFARC gives thanks for the diligence and enthusiasm exhibited by 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, and Agency Risk Appetite Statements, with a focus on the risks rated as both High and Significant, the controls in place to mitigate these risks, and continually focusing on gaps "where residual risk is still perceived to sit outside our risk appetite / tolerance". "Risk" is regularly discussed at ASC; a separate paper is again being prepared for this ASC meeting.

10. Internal Audit

Grant Thornton, as Internal Auditors for the Assembly, NSW.ACT Synod and UFS collectively, have now completed several reviews for the National Assembly. Grant Thornton also attended AFARC's meeting in July 2023 to provide a verbal update to the Committee.

Grant Thornton, in its Three Year Audit Plan, has now completed Internal Audit Reviews of the following:

- Cyber Risk Review (and a subsequent follow up review)
- Credit Card Review
- Procure to Pay Review
- Payroll Review
- Investment Management
- Insurance Review (remaining review to be conducted over the triennium).

We continue to work with Grant Thornton as to the Internal Audit Programme for 2023/24, which we are aiming to finalise in the near future.

11. Cyber Security Committee "CSC"

The work of the Cyber Sub Committee "CSC" (a Sub Committee of AFARC) continues, with the current focus of the Sub Committee being on:-

- Completion of the Grant Thornton ("GT") update review finalised in late June 2023 (checking on the completion of their recommendations arising from GT's earlier 2022 review);
- Final completion by staff of all required Cyber training modules; and
- Implementation and application of key policies and documents developed, including:-
    - Cyber Security Framework;
    - Clearer formalised reporting requirements / interactions from the Assembly's main IT provider – NSW.ACT Synod;
    - Ransomware Policy;
    - Cyber Incident Response Plan;
    - BYOD and Acceptable Use policies (in addition to those already in place in the Employee Handbook); and
    - Updating existing Business Continuity and Crisis Management Policies to incorporate the work of the CSC.

The work of the Sub Committee is now turning towards ensuring the policies and processes developed are embedded in the normal operating environment, and that the maturity process continues as the Cyber Security environment itself continues to evolve and the risk of a Cyber incident remains real. It is expected that the Sub Committee's work will be materially completed by the end of the 2023 calendar year, where reviewing and managing matters of Cyber Security will move towards the more "Business as Usual" under Management's responsibility. The detailed and diligent work of this Sub Committee is greatly appreciated.

12. SLA with NSW.ACT Synod

It is pleasing to report that the Service Level Agreement for 2023/24 with the NSW.ACT Synod has now been signed by both parties.

We give thanks to the NSW.ACT Synod for the provision of key back-of-office support in areas of Financial Accounting, Payroll, IT, HR and other keys areas of support provided as needed (insurance, risk etc).

13. 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.

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. Concurrently, it is pleasing that this concept has also been identified in the ACT2 Report – "ACT2: In Response to God's Call".

We will watch with interest, and be ready to assist, as ACT2 comes to light and as how this Shared Services concept might be relevant to any consideration of the Church's "sustainability and structure" as part of any future strategic direction of the Church.

ASC will be kept informed as appropriate.

14. 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.

AFARC last engaged with the BeneFund Committee at its February 2023 meeting to obtain an updated assessment and understanding of the 2022 Financials for the BeneFund, including the Vested Benefit Index ("VBI" [2]) levels of the Fund as of 30 June 2022, and to also note the recent 5.5% annual pension indexation that had been granted by the Fund's trustees reflective of the increased cost of living.

In the longer term, AFARC is also mindful of how we can reduce the market risk of the Fund to the Church - that is the risk that a significant fall in investment values might lead to the employer (the Church) being required to make financial "top ups". In terms of the indexing of pensions, we are mindful that investment markets are volatile as inflation has increased markedly across many economies, and Governments are now looking to rein in demand and inflation. The impact of both of these on the ability to manage the indexation of pensions, and the impact on the investment values of the Fund at the same time, will be important considerations for the BeneFund. We are conscious of the importance of continuing to work with the Fund Committees to explore a potential long term exit strategy for the Defined Benefit nature of the Fund, to reduce the risk to the Fund when (if) such events occur.

AFARC will continue the dialogue with the relevant BeneFund Committees.

[2] VBI – a defined benefit fund is in a "satisfactory financial position" under superannuation law if the ratio of the fund assets to the vested benefits is 100% or more. The value of vested benefits represents the total amount the fund would be required to pay if all members were to voluntarily leave service on the valuation date. This is a short-term solvency measure and is the focus of the superannuation regulator, APRA. BeneFund's VBI is typically comfortably in excess of 100%, largely due to the "pension increase policy" providing considerable leeway in the governance of the fund.

15. AFARC Operations

AFARC meets either in face-to-face meetings or by Zoom throughout the year and has developed a work schedule that corresponds to the requirements as provided for within the Regulations. The next regular quarterly AFARC meeting is scheduled for 30 October 2023.

16. 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. We met recently with Frontier Services and UnitingWorld, and the Associate General Secretary is scheduled to join our October meeting.

17. Other Matters

The John Flynn Foundation (JFF)

The Board of Frontier Services, in conjunction with the Trustees of the John Flynn Foundation, has been meeting to consider the future of the standalone JFF fund.

Advice has now been sought from both Legal and Accounting consultants as to the options available for the Board to consider, with the most likely option that the John Flynn Foundation be brought under Frontier Services, as opposed to continue to remain a standalone entity.

Without trying to pre-empt the work of the Agency, we expect that Frontier Services will look to bring papers to the March 2024 ASC meeting, to seek approval for any changes, including governing documents, to be enacted as at June 2024.

The Australian Aged Care Collaboration Limited "AACC"

With the recent incorporation of the Aged and Community Care Providers Association (ACCPA) (arising from the merger of the two prior aged care peak industry bodies ACSA and LASA), the entity "AACC", which was formed to work closely with two former peak bodies, the Catholic, Baptist, and Anglican Churches, has now been wound up in an orderly manner. Insurance run off cover for seven years has been put in place for the entity.

Annual AACC Audited Financial Statements to 30 April 2023, being the date of ceasing of activity, have been lodged with the ACNC, surplus funds have been remitted to ACCPA, and the ACNC has approved the request to revoke the entity's Charity endorsement. The requisite form to enact a voluntary deregistration has also been lodged with ASIC.

Assembly Secretariat provided financial and administrative support to AACC and we note our appreciation for the excellent service provided.

Frontier Services – Relocation to Pitt Street Offices

Management is currently in the process of finalizing the plans and lease documents for Frontier Services' relocation from Parramatta back into the Assembly's CBD (262 Pitt Street, Sydney) office (expected to occur January 2024).

As part of this relocation, the National Assembly will extend its footprint by leasing the front portion of Level 3, meaning that the Assembly will now fully lease both Levels 3 and 4.

The NSW.ACT Synod, as landlord has agreed to contribute $50K of the total Fit Out costs of approximately $220K. The lease terms for the additional space will be in line with the existing lease, with the option periods for the extension aligned.

The Fit Out costs will be amortized over the remaining term of the lease (including the option period). From a business case point of view, Frontier Services will no longer pay rent at its (former) Parramatta premises, and the collective Assembly itself will now have use of improved facilities (including a much a larger Boardroom on Level 3) bringing savings from the cost of hire of other facilities.

UnitingCare Australia – Exercise of Option to extend current tenancy at Barton ACT

UnitingCare Australia is in the process of extending its existing lease at its Canberra office which is due to expire in December 2023. UnitingCare Australia was able to negotiate a significant rent incentive over the term of the renewal period (being a reduction of 20% on the existing rent). The 20% reduction in rent is well received as the Agency continues to work to ensuring it maintain a sustainable budget position.

UnitingCare Australia has also able been able to generate some rental offset through providing some space to ACCPA, the peak body of the Aged Care Industry, to use as its Canberra office for a small team of remote staff.

Insurance Matters

Management continues to work with the NSW.ACT Synod in finalizing the placement of insurance cover to take effect from 1 November 2023 after the expiry of the existing insurance period.

As part of the current year's renewals, the Synod, in line with the insurance brokers Aon, is working to fill the gaps in capacity due to decision by the Catholic Church Insurance "CCI" to move their operations into run off cover.

CCI has also been looking to actively engage major policyholders including the Uniting Church as it grapples with its financial challenges as it works to meet its commitments on existing, and future, claims that will arise under its insurance programs. We continue to watch this space carefully and are keen to ensure any claims held by wider Church are honored as appropriate.

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

That the Assembly Standing Committee:

1. Receive the report.
2. Note the satisfactory finalisation of the June 2023 Audit of Annual Financial Statements

Submitted to: Assembly Standing Committee
10 – 12 November 2023

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

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and

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16 October 2023

LIST OF APPENDICES

Appendix A	Assembly Finance Audit and Risk Committee Commonly Used Acronyms
Appendix B	Financial Status Report YTD to September 2023
Appendix C	Statement of Available Funds as at September 2023

APPENDIX A

ASSEMBLY FINANCE AUDIT AND RISK COMMITTEE – COMMONLY USED ACRONYMS

The following list will be expanded as additional acronyms come to mind.

"INTERNAL"	
AFARC	Assembly Finance Audit and Risk Committee
AIAC	Assembly Investment Advisory Committee
ARU	Assembly Resourcing Unit
ASC	Assembly Standing Committee
ASM	Assembly Secretariat
ASU	Assembly Support Unit
FS	Frontier Services
JFF	John Flynn Foundation
NSCU	National Safe Church Unit
UAICC	Uniting Aboriginal and Islander Christian Congress
UCA	Uniting Church in Australia
UCANA	Uniting Church in Australia National Assembly
UCARE	UnitingCare Australia
UW	Uniting World

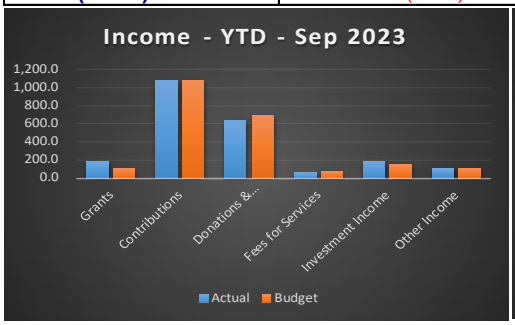
"EXTERNAL"	
AASB	Australian Accounting Standards Board
ABN	Australian Business Number
ABR	Australian Business Register
ACFID	Australian Council for International Development
ACNC	Australian Charities and Not For Profits Commission
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
BAS	Business Activity Statement
DFAT	Department of Foreign Affairs and Trade
DGR	Deductible Gift Recipient
ESG	Environmental, Social and Governance
FBT	Fringe Benefits Tax
GST	Goods and Services Tax
PAYG	Pay As You Go (Taxation)
PBI	Public Benevolent Institution
SLA	Service Level Agreement
YTD	Year To Date

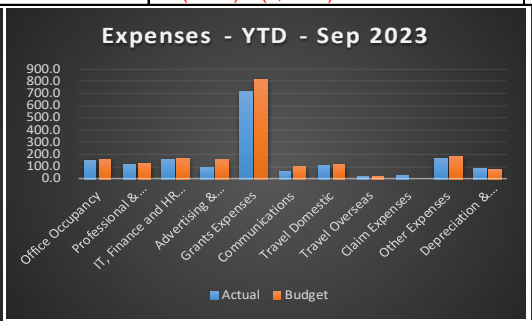
16 October 2023

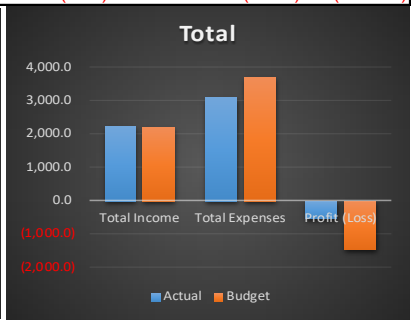
APPENDIX B

Financial Status Report – General Funds Reporting

UCANA & Entities	General Funds - Profit & Loss 30-Sep-2023											
	Month				Year to Date				FY 2022-23 Prior Year	FY 2023-24 Budget		
	A	B	Var	Var	A	B	Var	Var	A	B	Var	Var
	$000	$000	$000	%	$000	$000	$000	%	$000	$000	$000	%
Income												
Grants	60.6	35.0	25.6	73.2%	177.1	96.4	80.7	83.6%	324.6	469.9	(145.3)	(30.9%)
Contributions	550.5	267.6	283.0	105.8%	1,086.6	1,086.4	0.2	0.0%	5,401.8	5,382.3	19.6	0.4%
Donations & Bequests	272.5	331.4	(58.9)	(17.8%)	636.7	687.5	(50.8)	(7.4%)	5,480.3	5,631.9	(151.6)	(2.7%)
Fees for Services	19.6	23.8	(4.2)	(17.5%)	58.8	71.3	(12.5)	(17.5%)	208.5	285.1	(76.6)	(26.9%)
Investment Income	65.6	50.3	15.3	30.4%	174.3	151.0	23.3	15.4%	1,229.3	1,222.8	6.5	0.5%
Other Income	52.1	34.6	17.6	50.8%	102.9	98.7	4.3	4.3%	1,401.9	2,016.7	(614.7)	(30.5%)
Total Income	1,021.0	742.6	278.4	37.5%	2,236.4	2,191.3	45.1	2.1%	14,046.5	15,008.7	(962.2)	(6.4%)
Expenses												
Staff Expenses	460.3	531.8	71.5	13.4%	1,397.9	1,736.0	338.0	19.5%	5,533.2	6,569.5	1,036.4	15.8%
Office Occupancy	51.3	52.3	1.0	1.9%	146.4	157.9	11.4	7.2%	596.9	633.1	36.2	5.7%
Professional & Consultancy Fees	71.3	44.7	(26.6)	(59.6%)	122.1	134.1	12.0	9.0%	698.7	623.0	(75.7)	(12.2%)
IT, Finance and HR Support	56.6	53.4	(3.2)	(6.0%)	160.6	165.1	4.4	2.7%	710.4	689.3	(21.1)	(3.1%)
Advertising & Promotions	36.2	57.5	21.3	37.1%	94.8	162.5	67.7	41.7%	488.0	670.9	182.9	27.3%
Grants Expenses	261.4	273.0	11.6	4.2%	716.2	815.0	98.8	12.1%	2,682.7	3,220.8	538.1	16.7%
Communications	35.6	39.1	3.5	8.9%	61.0	101.5	40.5	39.9%	345.0	391.4	46.4	11.9%
Travel Domestic	33.2	38.1	4.9	12.9%	113.4	124.0	10.6	8.6%	624.1	494.5	(129.6)	(26.2%)
Travel Overseas	5.6	12.7	7.1	56.0%	17.1	18.2	1.1	6.1%	19.4	56.2	36.8	65.5%
Claim Expenses	0.0	0.0	0.0		25.0	0.0	(25.0)		2,539.7	10.0	(2,529.7)	(25,297%)
Other Expenses	52.1	60.8	8.7	14.3%	170.0	182.8	12.8	7.0%	653.6	766.6	113.0	14.7%
Depreciation & Insurance	25.5	24.3	(1.2)	(4.8%)	79.4	74.7	(4.7)	(6.3%)	221.4	291.6	70.3	24.1%
Total Expenses	1,089.0	1,187.7	98.6	8.3%	3,103.9	3,671.7	567.8	15.5%	15,113.1	14,416.9	(696.1)	(4.8%)
Transfers	0.0	0.0	0.0		0.0	0.0	0.0		(20.0)		(20.0)	
Investment Capital Growth	396.1	0.0	396.1		323.1	0.0	323.1		984.4		984.4	
Profit (Loss)	328.0	(445.0)	773.0	173.7%	(544.4)	(1,480.5)	936.1	63.2%	(62.2)	591.7	(654.0)	(110.5%)







Commentary:

Income - YTD To Sep 23

Synod Grants/Contributions are materially in line with Budget

Donations variance to budget impacted by timing; legacies are received periodically and the budget reflects historical average

Expenses - YTD to Sep 23

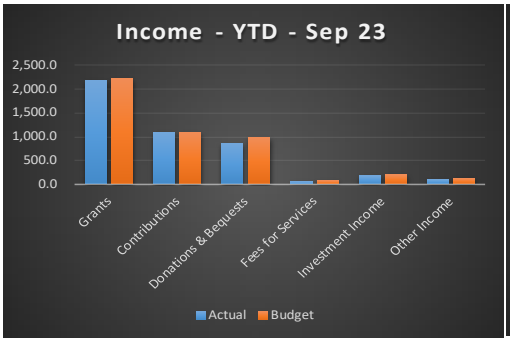
Salaries and Wages are somewhat underbudget due to time taken to backfill vacancies

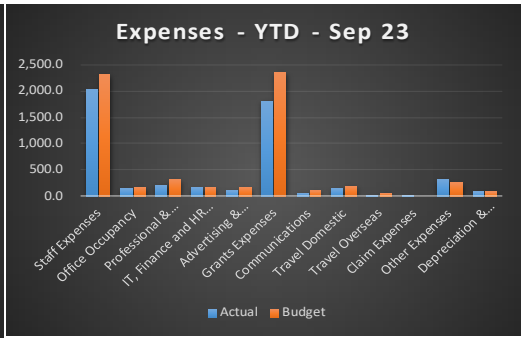
Expenses generally under budget

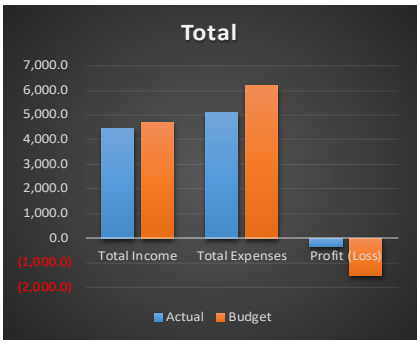
Note: the 2023 results includes the additional provisioning taken with respect to claims

Financial Status Report – All Funds Reporting

UCANA & Entities	All Funds - Profit & Loss 30 Sep 2023											
	Month				Year to Date				FY 2022-23 Prior Year	FY 2023-24 Budget		
	A	B	Var	Var	A	B	Var	Var	A	B	Var	Var
	$000	$000	$000	%	$000	$000	$000	%	$000	$000	$000	%
Income												
Grants	189.2	147.5	41.7	28.2%	2,181.3	2,222.7	(41.4)	(1.9%)	3,067.7	4,418.9	(1,351.2)	(30.6%)
Contributions	555.5	551.3	4.2	0.8%	1,091.6	1,086.4	5.2	0.5%	5,441.8	5,949.7	(507.9)	(8.5%)
Donations & Bequests	354.7	444.6	(89.9)	(20.2%)	847.5	979.2	(131.6)	(13.4%)	7,642.8	7,354.1	288.7	3.9%
Fees for Services	19.6	23.8	(4.2)	(17.5%)	58.8	71.3	(12.5)	(17.5%)	208.5	285.1	(76.6)	(26.9%)
Investment Income	71.5	68.0	3.6	5%	180.5	203.9	(23.4)	(11.5%)	1,405.9	1,434.5	(28.6)	(2.0%)
Other Income	55.2	37.1	18.2	49.0%	112.0	136.2	(24.1)	(17.7%)	1,415.6	2,076.7	(661.0)	(31.8%)
Total Income	1,245.7	1,272.2	(26.4)	(2.1%)	4,471.8	4,699.7	(227.8)	(4.8%)	19,182.3	21,519.0	(2,336.7)	(10.9%)
Expenses												
Staff Expenses	653.3	756.3	102.9	13.6%	2,019.8	2,310.1	290.3	12.6%	7,369.7	9,377.2	2,007.5	21.4%
Office Occupancy	52.2	54.3	2.1	3.9%	149.3	161.1	11.8	7.3%	598.1	657.5	59.4	9.0%
Professional & Consultancy Fees	136.5	101.1	(35.4)	(35.1%)	219.3	319.0	99.7	31.3%	813.9	1,006.7	192.8	19.2%
IT, Finance and HR Support	59.7	58.0	(1.7)	(2.9%)	170.2	175.0	4.9	2.8%	726.2	744.6	18.4	2.5%
Advertising & Promotions	36.2	59.8	23.6	39.5%	96.6	168.7	72.2	42.8%	490.4	697.8	207.5	29.7%
Grants Expenses	1,061.8	285.4	(776.4)	(272.1%)	1,807.7	2,361.7	554.0	23.5%	5,635.3	6,332.1	696.8	11.0%
Communications	35.6	39.4	3.7	9.5%	61.7	101.6	39.9	39.3%	347.3	394.9	47.6	12.1%
Travel Domestic	33.9	61.6	27.7	44.9%	153.4	187.2	33.9	18.1%	740.9	776.3	35.4	4.6%
Travel Overseas	6.5	38.4	31.9	83.0%	20.2	68.9	48.6	70.6%	98.6	196.6	98.1	49.9%
Claim Expenses	0.0	0.0	0.0		25.0	0.0	(25.0)		2,539.7	10.0	(2,529.7)	(25,297%)
Other Expenses	180.9	69.1	(111.8)	(161.8%)	318.7	254.1	(64.6)	(25.4%)	738.0	918.9	181.0	19.7%
Depreciation & Insurance	26.5	26.0	(0.6)	(2.2%)	82.6	77.9	(4.7)	(6.0%)	226.4	311.6	85.2	27.4%
Total Expenses	2,283.3	1,549.2	(734.0)	(47.4%)	5,124.4	6,185.4	1,061.0	17.2%	20,324.5	21,424.5	1,100.0	5.1%
Transfers	0.0	0.0	0.0		0.0	0.0	0.0		(21.1)		(21.1)	
Investment Capital Growth	396.1	0.0	396.1		323.1	0.0	323.1		1,079.4		(1,079.4)	
Profit (Loss)	(641.5)	(277.1)	(364.4)	(131.5%)	(329.4)	(1,485.7)	1,156.3	77.8%	(41.7)	94.5	(136.2)	(144.1%)







Commentary:

Income - YTD Sep 23

Synod Grants/Contributions are materially in line with Budget

Donations variance to budget impacted by timing; legacies are received periodically and the budget reflects historical average

Expenses - YTD Sep 23

Salaries and Wages are under budget due to some time taken to fill vacant roles

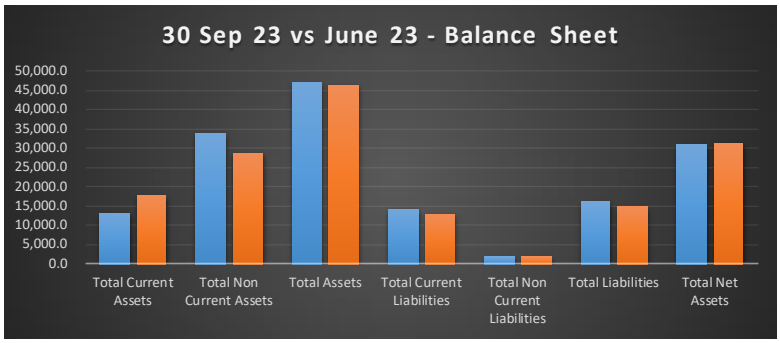
Timing on Grants Expenses

Expenses generally under budget

Note: the 2023 results includes the additional provisioning taken with respect to claims

UCANA & Entities Balance Sheet 30-Sep-2023

Description	YTD Sep 23 $000	Jun 23 $000	Var $000
Assets			
Current Assets			
Other Assets	466.7	1,535.3	-1,068.6
Cash At Call	11,783.3	15,913.6	-4,130.3
Trade Receivables	912.3	284.5	627.7
Total Current Assets	13,162.3	17,733.5	-4,571.2
Non Current Assets			
Fixed Assets	2,307.3	2,901.8	-594.5
Investments	25,766.9	22,223.6	3,543.3
Leased Assets	1,732.9	2,139.1	-406.2
Term Deposits	3,984.7	1,212.2	2,772.4
Total Non Current Assets	33,791.9	28,476.8	5,315.1
Total Assets	46,954.1	46,210.2	743.9
Current Liabilities			
Creditors	31.2	28.1	3.1
Current Other Liabilities	733.4	1,048.6	-315.2
Lease Liabilities	285.2	358.6	-73.5
Other Creditors	2,183.4	1,946.3	237.1
Contract Liabilities	10,949.2	9,467.6	1,481.6
Total Current Liabilities	14,182.3	12,849.3	1,333.1
Non Current Liabilities			
Lease Liabilities	1,655.6	1,914.4	-258.9
Non-Current Other Liabilities	107.6	108.3	-0.8
Total Non Current Liabilities	1,763.1	2,022.8	-259.7
Total Liabilities	15,945.4	14,872.1	1,073.4
Total Net Assets	31,008.7	31,338.1	-329.4



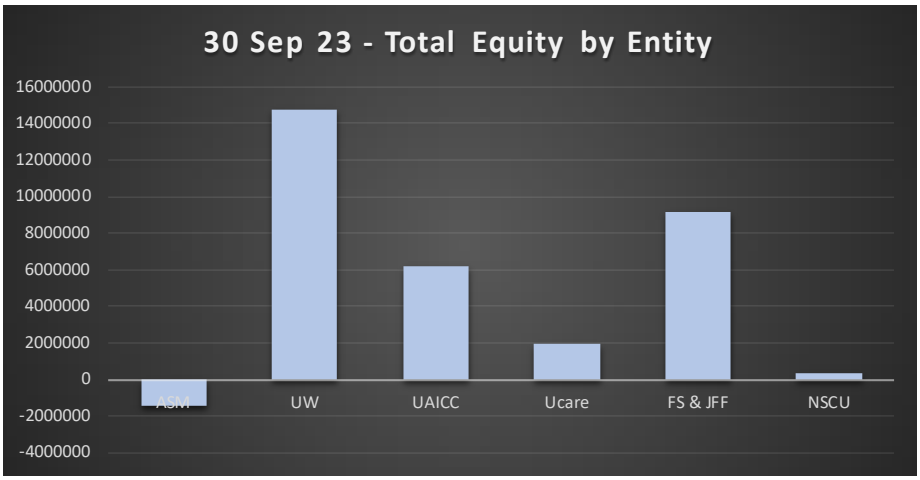
Commentary

P&L movement for the quarter reflected in the Balance Sheet

Some movement between Cash and investments as Investments are being made

UCANA & Entities
Equity Analysis 30-Sep-2023

	YTD Sep 23 $000	Jun 23 $000	Var $000
Unrestricted Equity			
General Fund			
Opening Balance	18,869.3	18,931.6	-62.2
Equity movement	0.0	0.0	0.0
Current Year Profit/(Loss)	-544.4	-62.2	-482.1
Closing Balance	18,325.0	18,869.3	-544.4
Total Unrestricted Equity	18,325.0	18,869.3	-544.4
Restricted Equity			
Specific Fund			
Opening Balance	6,670.8	7,428.2	-757.4
Equity movement	0.0	0.0	0.0
Current Year Profit/(Loss)	204.9	-757.4	962.2
Closing Balance	6,875.7	6,670.8	204.9
Endowment Fund			
Opening Balance	5,797.6	5,019.6	777.9
Equity movement	0.0	0.0	0.0
Current Year Profit/(Loss)	10.1	777.9	-767.9
Closing Balance	5,807.6	5,797.6	10.1
Total Restricted Equity	12,683.3	12,468.4	214.9
Total Equity	31,008.3	31,337.7	-329.4



Commentary

The National Assembly currently has a balance sheet with a negative equity position

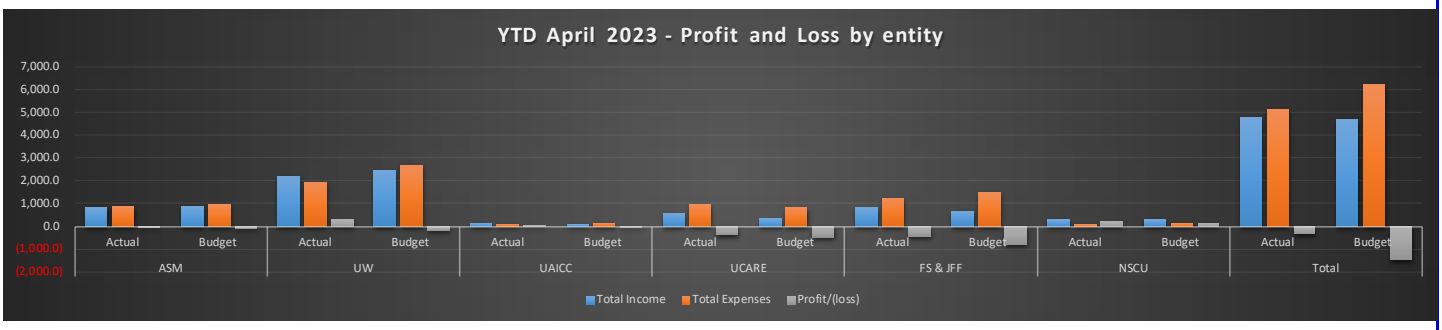
DFAT funds are generally expended fully annually

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.

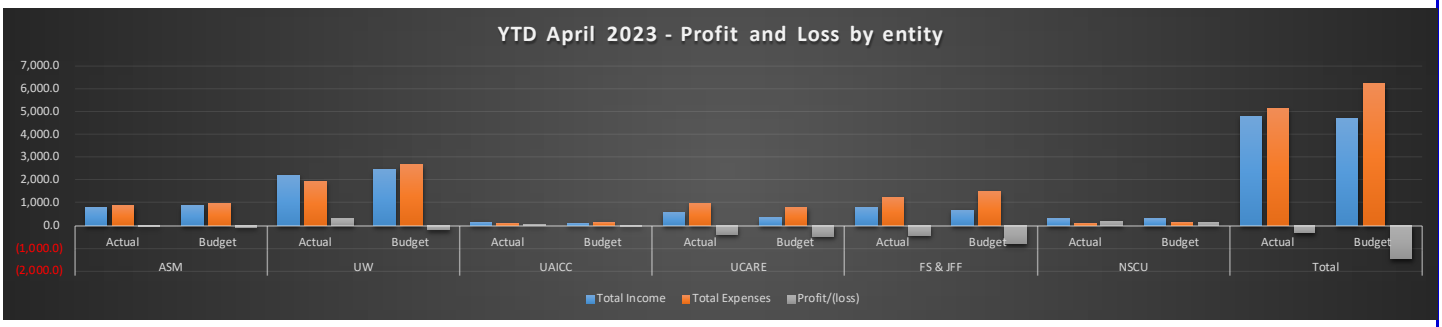
All Funds - Profit & Loss 30-Sep-2023

	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
Total Income	820.4	833.6	2,190.7	2,464.1	145.8	81.8	555.3	350.1	796.6	686.4	286.1	283.7	4,795.0	4,699.7
Total Expenses	832.5	947.0	1,925.2	2,658.5	92.6	130.5	940.7	824.5	1,238.9	1,482.9	94.5	141.9	5,124.4	6,185.4
Profit (Loss)	(12.1)	(113.4)	265.5	(194.5)	53.3	(48.8)	(385.4)	(474.4)	(442.3)	(796.6)	191.6	141.9	(329.4)	(1,485.7)

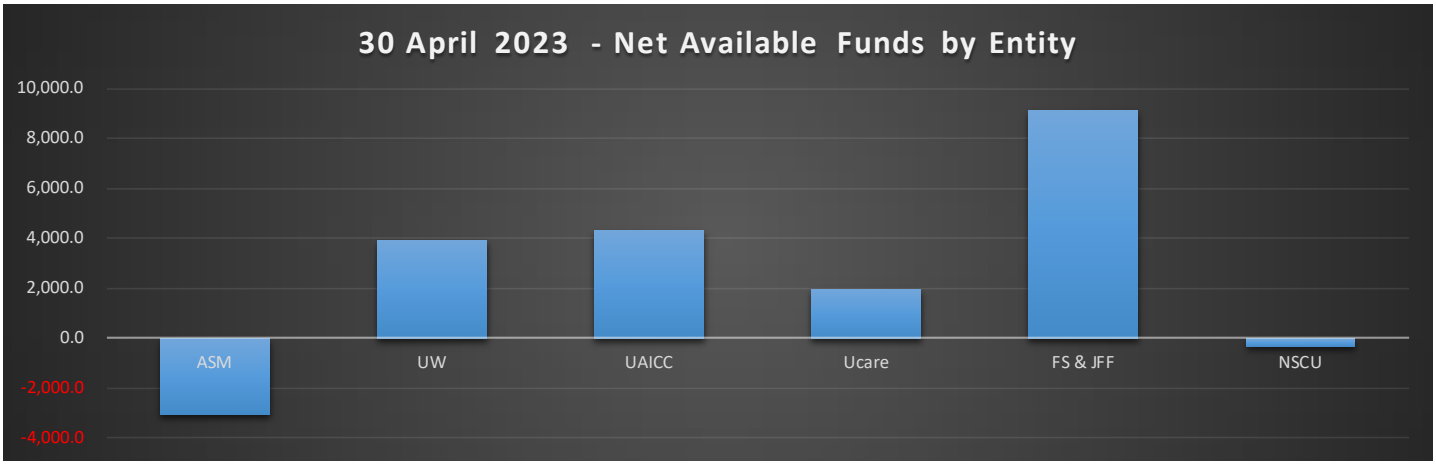


General Funds - Profit & Loss 30-Sep-2023

	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
Total Income	814.7	802.9	432.5	336.1	145.8	69.5	83.8	12.6	796.6	686.4	286.1	283.7	2,559.5	2,191.3
Total Expenses	832.1	923.6	376.7	505.8	92.6	130.5	469.1	486.9	1,238.9	1,482.9	94.5	141.9	3,103.9	3,671.7
Profit (Loss)	(17.4)	(120.7)	55.8	(169.7)	53.3	(61.0)	(385.3)	(474.4)	(442.3)	(796.6)	191.6	141.9	(544.4)	(1,480.5)



Statement of Available Funds

Net Available Fund 30 Sep 2023

Code Description	ASM $000	UW $000	UAICC $000	Ucare $000	FS & JFF $000	NSCU $000	Total $000	June Last year $000	Var. $000
Net Assets	-1,437.7	14,733.2	6,226.0	1,978.0	9,139.0	370.2	31,008.6	31,338.1	-329.5
Less, Property	597.4	1,274.1	0.0	0.0	0.0	48.7	1,920.2	2,491.4	-571.2
Less, FFE and other	170.2	153.4	0.8	23.7	0.0	38.9	386.9	400.9	-14.0
Sub-total monetary funds	-2,205.4	13,305.7	6,225.3	1,954.3	9,139.0	282.6	28,701.5	28,445.8	255.7
Less, Trust Funds									
Specific	527.7	4,583.1	1,901.4	-0.5	0.0	0.0	7,011.7	9,009.0	219.6
Endowment	337.7	4,792.6	40.3	0.0	0.0	636.1	5,806.8	3,322.0	-1.9
Total Trust Funds	865.5	9,375.7	1,941.7	-0.5	0.0	636.1	12,818.5	12,331.0	487.5
Net Available Fund ("free cash")	-3,070.8	3,930.1	4,283.5	1,954.8	9,139.0	-353.5	15,883.0	16,114.8	-231.8