

ANGLICAN DIOCESE OF MELBOURNE
ANGLICAN PARISH OF DIAMOND CREEK

ABN 24 207 330 346

FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

**DIOCESE OF MELBOURNE
 ANGLICAN PARISH OF DIAMOND CREEK
 INCOME STATEMENT – GENERAL FUNDS
 FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Notes	2023 \$'000	2022 \$'000
Revenue			
Offerings		512	485
Investment income		7	4
Rental income		34	26
Bequests/Grants/Gifts		60	48
Activity income		47	29
Total Revenue		660	592
Expenses			
Ministry Staff expenses		(321)	(358)
Ministry Support expenses		(86)	(76)
Diocesan assessment		(49)	(70)
Mission Partners		(77)	(72)
Property expenses		(47)	(41)
Activity expenses		(31)	(19)
Total Expenses		(611)	(636)
Surplus / (deficit) for the year from ordinary activities	2	49	(44)
Depreciation	6	(20)	(19)
Surplus/(deficit) for the year		29	(63)

**INCOME STATEMENT – SPECIAL FUNDS
 FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Notes	2023 \$'000	2022 \$'000
Revenue			
Capital donations		1	65
Change/(reduction) in value of Trust		2	(1)
Expenses			
Minor Capital Equipment	1(f)	(12)	(9)
Major Property Works	1(f)	0	(197)
Surplus/(Deficit) for the year from special activities		(9)	(142)
Total comprehensive surplus / (deficit) for the year		20	(205)

The above Income Statements should be read in conjunction with the accompanying notes.

**ANGLICAN DIOCESE OF MELBOURNE
ANGLICAN PARISH OF DIAMOND CREEK**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023**

	Notes	2023 \$'000	2022 \$'000
ASSETS			
Cash and cash equivalents	3	60	233
Trade and other receivables	4	13	9
Investments	5	264	62
Fixed Assets	6	201	218
Total assets		538	522
LIABILITIES			
Trade and other payables	7	(16)	(7)
Staff Accruals & Provisions	8	(26)	(38)
Loans - Current	9	(9)	(9)
Loans – Non-Current	9	(124)	(125)
Total liabilities		(175)	(179)
Net assets		363	343
EQUITY			
Asset Revaluation Reserve	1(f)/11	244	244
Accumulated surplus	10	119	99
Total equity		363	343

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

General Information

The Anglican Parish of Diamond Creek ("the Parish"), is a Parish Church in the Anglican Diocese of Melbourne. The Parish is governed by various acts of the Victorian State Parliament and the *Acts of Synod*. In accordance with the *Parish Governance Act 2013*, the Churchwardens have the responsibility for the preparation of the Parish's financial statements.

The principal activity of the Parish is - Know Jesus, Make Jesus Known.

Covid-19

The 2022/23 financial year was free of any direct impact of Covid.

Basis of Preparation

The Parish is not a reporting entity because, in the opinion of the Churchwardens, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report has been prepared for the benefit of the Parishioners and for the purpose of complying with the *Parish Governance Act 2014* and must not be used for any other purpose.

The Accounts for 2022 and 2023 have been prepared on an accrual basis. Disclosures have been included in the Notes to the extent the Churchwardens believe they provide meaningful information to users. The financial statements are prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at fair value. Unless otherwise stated the accounting policies are consistent with those of the previous year.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements.

(a) Revenue Recognition

Offerings and donations are recognised as revenue when cash is received. Where funds have been received for a specific ministry or project but are unspent at year end, they are disclosed as specified purpose reserves.

Grants are recognised as income as they are received. Where grants relate to activities not yet undertaken, and there is an obligation to repay those funds if they are not spent for the approved purpose then such funds are recognised as an "income received in advance" liability until such time as the funded activities are undertaken.

Rental and investment income is recognised when the right to receive payment has been established.

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of goods and services tax (GST).

(b) Income Tax

The Church is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

(e) Investments

Investments are shown at market value at year end. Realised and unrealised gains and losses are calculated in relation to either the market value at the end of the previous Parish financial year, or, if purchase of the investments has been made in the same year as the sale, to cost. Realised and unrealised gains or losses are treated as an increase or decrease of reserves and are not recorded through the current year's Income Statement.

(f) Property, Plant & Equipment

Land and Buildings used by the Parish, under the stewardship of the Churchwardens, is held in the Melbourne Anglican Trust Corporation on behalf of the Anglican Diocese of Melbourne. Accordingly, the Parish does not account for Land and Buildings in its financial statements.

Property improvements are expensed in the Income Statement – Special Funds.

Plant and Equipment purchases of less than \$1000 are generally expensed as incurred in the Income Statement – Special Funds.

The valuations were arrived at by the Wardens based on research undertaken into the current market value of similar items in the market place. In accordance with Accounting Standards these assets have been depreciated from the date of such valuation.

During the 2021/22 financial year there was a major renovation of the toilet area at St John's which was completed in December 2021. As these facilities form part of the building, the cost has not been added to the Balance Sheet (see ownership particulars above)

The renovations cost \$197,809 and were paid from by donations from Parishioners of \$61,398. The balance of the cost was funded by a 30-year loan from the Anglican Development Fund (see Note 9). There was also a large amount of pro-bono work done by a number of Parishioners, which was greatly appreciated.

(g) Employee Benefits

Employee Benefits are all accounted for in the year in which the liability arises. (See note 8)

	Notes	2023 \$'000	2022 \$'000
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NOTE 2: SURPLUS / (DEFICIT) FOR THE YEAR

The surplus / (deficit) for the year includes the following selected significant revenues and expenses:

Income	1(a)		
- Offertory	471	455	
- Thanksgiving	41	30	
- Rental Income	34	26	
- Bequests/grants/gifts	60	48	
- Activity income	47	29	
Expenses			
- Leadership staffing costs	(275)	(237)	
- Generations staffing costs	(46)	(120)	
- Ministry Support staffing costs	(49)	(46)	
- Insurance	(16)	(14)	
- Mission Partners	(77)	(73)	
- Diocesan assessment	(49)	(70)	
- Activity expenses	(31)	(19)	

NOTE 3: CASH AND CASH EQUIVALENTS

St John's:

CBA Operating Account	0	0
ADF Operating Account	60	233
	60	233

NOTE 4: TRADE AND OTHER RECEIVABLES

Other receivables

13	9
13	9

NOTE 5: INVESTMENTS

Parish

ADF Term Deposit	200	0
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St Katherine's:

Anglican Funds Maintenance Trust Fund	(i)	64	62
		264	62

(i) Held in trust "to be applied to the maintenance of and improvements to the [St Katherine's] church and the maintenance of the church land and the improvements thereon".

NOTE 6 FIXED ASSETS

Plant & Equipment

Provision for depreciation

265	262
(64)	(44)
201	218

NOTE 7: TRADE AND OTHER PAYABLES

Unpaid mission payments

Bonds

Other accrued expenses

6	1
2	2
8	4
16	7

	Notes	2023 \$'000	2022 \$'000
NOTE 8: STAFF ACCRUALS & PROVISIONS			
Provision for Annual Leave		24	31
Provision for Long Service Leave		<u>2</u>	<u>7</u>
		26	38

NOTE 9: LOANS

St John's toilet area loan payable to the ADF

Current	9	9
Non-Current	124	125
	133	134

The toilet area loan payable to the Anglican Development Fund (ADF) is unsecured with interest and principal monthly in arrears and repayable over 30 years commencing 2022. The variable interest at 30 September, 2023 was 6.70%

NOTE 10: ACCUMULATED SURPLUS/ (DEFICIT)

Opening balance for the Parish	99	304
Surplus / (deficit) for the year	20	(205)
Closing balance	119	99

NOTE 11: ASSET REVALUATION RESERVE

Opening balance for the Parish	244	235
Surplus/(deficit) for the year	0	9
Closing balance	244	244

NOTE 12: CONTINGENCIES

The Parish has no material contingent liabilities requiring disclosure.

NOTE 13: EVENTS OCCURRING AFTER REPORTING DATE

There have been no events occurring after reporting date requiring disclosure.

CHURCHWARDENS' DECLARATION

As stated in Note 1 to the financial statements, in our opinion, the Parish is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report.

In our opinion the financial statements of the Parish present fairly, as required by the *Acts of Synod*, the financial position of the Parish as at 30 September 2023 and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia to the extent described in Note 1 to the financial statements.

In our opinion, there are reasonable grounds to believe that the Parish will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Churchwardens.

Signature: N Coleman

Name: Natalie Coleman

Churchwarden

Signature: A. G. Fairweather

Name: Alan Fairweather

Churchwarden

Signature: M Fisher

Name: Michael Fisher

Churchwarden

Dated this 17th day of October 2023

St John's Anglican Parish

AUDITOR'S INDEPENDENCE DECLARATION

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2023, there have been:

- i. No contraventions of the Auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.



Philip Ruth FCA
GNS Group Pty Ltd
Suite 7, 50 Upper Heidelberg Road
IVANHOE VIC 3079

Dated: 20 September 2023

ST JOHN'S ANGLICAN PARISH DIAMOND CREEK
AUDIT REPORT ON SPECIAL PURPOSE FINANCIAL REPORT
FOR YEAR ENDED 30 SEPTEMBER 2023

To: The members of St John's Anglican Parish Diamond Creek

Scope

We have audited the special purpose financial report of St John's Anglican Parish Diamond Creek for the year ended 30 September 2023, comprising two Income Statements, the Statement of Financial Position as at that date, Notes to the Accounts and Churchwardens' Declaration.

Opinion

In our opinion, the financial report presents fairly the financial position of St John's Anglican Parish, Diamond Creek as at 30 September 2023 and the results of its operations for the year then ended

Council responsibility for preparation of financial report

The Parish Council is responsible for the financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Parish, the Parish Governance Act 2013 and The Parish Governance Regulations 2014 and are appropriate to meet the needs of the members.

Auditor responsibility for preparation of financial report

We have conducted an independent audit of the financial report in order to express an opinion on the report to the members of the Parish. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Parish Council and Parish Wardens' reporting requirements. We disclaim any assumption of responsibility for any reliance on the report to any person other than the members and the Anglican Diocese.

The audit has been conducted in accordance with Australian Auditing Standards and section 45 of the Parish Governance Act 2013. Our procedures included examination, on a test basis, of evidence supporting the accounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly. (These policies do not require the application of all Accounting Standards and UIG Consensus Views because the Parish is not a reporting entity, and the report is a special purpose report).

This special purpose financial report has been prepared for distribution to the members to fulfil the Parish Council and Churchwardens financial reporting requirements. The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Parish and are, in the opinion of the Parish Council and Wardens, appropriate to meet the needs of members.

- (a) The financial report has been prepared on a modified accrual basis of accounting including the historical cost convention and the going concern assumption.
- (b) The audit trail in respect to the receipt of income is not capable of complete verification and my sample checks give us confidence to provide this unqualified audit report.

- (c) The Parish Council and Wardens in meeting authorise all payments and withdrawal of funds and sample checks undertaken by us verify this policy.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

We confirm that the independence declaration required by the Parish Governance Act 2013 previously provided to the St John's Anglican Parish would be in the same terms if provided as at the date of this auditor's report.

A handwritten signature in black ink, appearing to read 'Philip Ruth'.

Philip Ruth FCA
GNS Group
Suite 7 50 Upper Heidelberg Road IVANHOE VIC 3079
26 October 2023