



# GOVERNANCE & FINANCIAL STATEMENTS

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2020

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# GOVERNANCE BOARD ACTIVITY

## Annual Report – Governance Board, 2019-20

### **Role of the Governance Board**

The Governance Board (GB) at GWAC (also known as a Parish Council or Vestry at many Anglican churches), is set up and regulated by the Anglican Diocese of Melbourne. The role of the GB, as defined by the Diocese, is to be “a consultative body, called together to consult with God, and with each other, so as to discern, insofar as it is humanly possible to do so, God’s will for the church in that place”.

Some of the main functions and responsibilities of the GB are to oversee the finances and property of the parish, determine matters of policy, oversee the development of the GWAC Vision, and provide governance regarding major ministry initiatives of the parish.

### **2019-2020 GB membership:**

- Hilary Roath followed by Phil Meulman (Locum Senior Minister followed by Senior Minister)
- Bree Mills (Senior Associate Pastor)
- Rochelle Ratnayake (Warden)
- Anne-Marie Ternes (Warden and Chair)
- Josh Humphreys (Warden)
- Jay Ratnasingham (Treasurer)
- Sean Hsien
- Lynn Pryor
- Howard Walker
- Sarah Su

The GB meets monthly on the second Wednesday of the month. Meeting minutes are available for GWAC members to read on request (these were previously pinned to the noticeboard in the fellowship area when we were gathering in person at the GWAC building). Details of each meeting have been made available in these minutes. Below is a brief summary of some of the major activities overseen by the GB in the last year.

### **Key GB activities in 2019-2020:**

- The GB reviews income and expenditure at each of our monthly meetings. Total income for the year was below budget. However, we finished the year with a surplus due to reduced expenses (i.e. staffing and utilities) and government grants (i.e. JobKeeper). The GB have been encouraged by the ongoing financial contributions of many GWAC members despite the difficult economic climate we find ourselves in.

- The GB has reviewed, and overseen policies and procedures related to managing the COVID-19 pandemic. The GB would particularly like to thank Paul Collier for taking on the role of GWAC COVID safety officer. Paul has liaised with the Diocese to ensure that GWAC has remained compliant with COVID policies and requirements.
- The GB has overseen the commencement of a property redevelopment project. Major projects in progress include recarpeting and painting. The GB would like to thank the property redevelopment task force for their efforts (Howard Walker, Glenn Batchelor, Dave McQueen, Diane Craig, Bob Barclay and Shivani Astley).
- The GB would also like to thank Bree Mills, Glenn Batchelor, Katherine Canobi and Cathy Eitzen for their efforts in applying for a government grant. GWAC was awarded \$106,685.10 for security enhancements. This fund will be used for items such as CCTV cameras and enhanced lighting in the carpark.
- The GB has sought feedback from the Staff team regarding future ministry initiatives and priorities for GWAC. This has assisted the GB to ensure that the Staff are appropriately resourced within their ministry areas. It has also informed the development of the Budget for the coming year.

It has been a pleasure working with this Board over the last year. Each member has made a valuable contribution. Each member has sacrificed time and energy to serve GWAC in this way. Particular thanks go to Diane Craig who stepped down as our Treasurer in order to take on a role within our Staff team. Thank you also to Sean Hsien and Josh Humphreys who have decided to step down from the GB in order to focus on other ministry commitments. Thank you for your contributions during your time on the Board.

On behalf of the GB I want to extend my thanks to all of our members who have supported our GWAC community financially, prayerfully and practically. Thank you for keeping us connected during 2020.

Finally, on behalf of the GB I want to thank our Staff team. You have all persevered through a difficult year and we are grateful for your ongoing ministry. Your efforts have not gone unnoticed.

**Anne-Marie Ternes**

*21/09/2020*

# TREASURER'S COMMENTS

2019/20 reporting year has been an unprecedented one for the world including the GWAC community. In all this, our God has been faithful and has journeyed with us in a marvellous way. The financial reports are attached. These give us an insight into what was received by GWAC as income and how it was utilised.

## **Income**

- Church offerings was \$574,840. This was a decrease of 5% on 2018/19 financial year.
- Property income was \$34,824.
- Total income was \$849,218. This was a decrease of 7% compared to last year

## **Expenses**

- Total employment costs for the year was \$519,359. This was an increase of 7 % compared to 2018/19.
- Total expenses \$828,010. This was a decrease of 9% compared to last year.

## **Surplus**

- Net surplus was \$21,208.

## **Budget 2020/21** (see attached report for detailed information)

- Parish giving is maintained at current levels at \$580,000.
- The appeal for the year is budgeted at \$100,000.

Prayerfully consider your giving as this will enable us to maintain our full supplement of staff enabling us to engage in different ministries for the congregation. In addition, this will help in giving to our mission partners both locally and globally.

We will be launching two new ministries for 2020/21. They are namely, The Monash Church plant and the Mandarin ministry.

I take this opportunity to thank those who have been involved in so many ways, enabling the finance function to work efficiently. This includes those who count the money, do the banking, and ministry leaders who provide the information for reports to be prepared.

We appreciate the work done by our current accountant Diane Craig, and her predecessor Cathy Eitzen, for preparing the accounting statements and giving important insight to our finances.

Special thanks to our auditor Lindsay Coster, who year after year has provided his valuable services on a honorary basis. We acknowledge his continued commitment.

Let us as, a community, join in prayerful partnership in meeting our financial needs.

**Jay Ratnasingham**

*11/11/2020*

**Glen Waverley Anglican Church**  
**Balance Sheet**  
**At 30 September 2020**

<b>Assets</b>		<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Current Assets</b>	<b>Note</b>		
<b>Cash On Hand and on Deposit</b>			
General Funds	2	140,572	142,575
Special Purpose Reserve Funds	2	1,430,181	1,493,626
Building Funds - EBF	2	1	1
		1,570,754	1,636,202
<b>Other Assets</b>			
Other Assets	3	25,677	4,196
		25,677	4,196
<b>Non-Current Assets</b>			
<b>Property - Melbourne Anglican Trust</b>			
Land	4	10,800,000	10,800,000
Buildings	4	5,059,278	5,059,278
		15,859,278	15,859,278
<b>Furniture and Equipment</b>	5	122,636	115,016
		15,981,914	15,974,294
<b>Total Assets</b>		<b>17,578,345</b>	<b>17,614,692</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payments in Advance		0	3,980
Payroll Deductions Payable		0	2,379
Accounts Payable		2,700	7,000
Key Deposit		125	125
Benefit Accounts - Ministry Staff		0	11,059
Accrued Leave Entitlements	6	47,826	60,366
Superannuation Payable		0	9,802
		50,651	94,711
<b>Long-Term Liabilities</b>			
		0	0
		0	0
<b>Total Liabilities</b>		<b>50,651</b>	<b>94,711</b>
<b>Net Assets</b>		<b>\$17,527,693</b>	<b>\$17,519,981</b>
<b>Equity &amp; Funds</b>			
<b>Funds Held in Trust</b>			
Bequests Fund		71,661	71,287
JFC Estate Bequest Fund	7	225,194	225,194
Special Purpose Funds	7	55,822	69,692
		352,677	366,173
<b>Equity</b>			
<b>Asset Valuation Reserve</b>	8	17,067,089	17,067,089
<b>Accumulated Funds</b>	9	107,927	86,719
		17,175,016	17,153,808
<b>Total Equity &amp; Funds</b>		<b>\$17,527,693</b>	<b>\$17,519,981</b>

**Glen Waverley Anglican Church**  
**Income and Expenditure Statement**  
for the Year Ended 30 September 2020

	2020 \$	2019 \$	Difference \$
<b>Income</b>			
Offerings	574,840	606,809	(31,969)
Appeal	0	66,550	(66,550)
<b>Total Church Operating Income</b>	<b>574,840</b>	<b>673,359</b>	<b>(98,519)</b>
Ministry Income	2,380	0	2,380
General Donations & Bequest Income	18,789	66,737	(47,948)
Mission Partner Donations	1,991	8,578	(6,587)
Sundry Income	3,650	3,604	46
Jobkeeper Income & Covid Grants	173,682	0	173,682
Interest	28,345	29,751	(1,406)
Income Property	34,824	47,435	(12,611)
Special Mission Income	10,718	78,595	(67,877)
<b>Total Income</b>	<b>849,218</b>	<b>908,059</b>	<b>(58,840)</b>
<b>Expenses</b>			
Employment Expenses	516,409	475,197	41,213
Staff Training/Career Develop	11,780	6,044	5,736
Accrued Leave	(12,538)	(4,206)	(8,332)
Other Employer Expenses	0	606	(606)
WorkCover Premiums	3,708	6,177	(2,470)
<b>Total Employment Expenses</b>	<b>519,359</b>	<b>483,817</b>	<b>35,542</b>
Music Ministry	603	33	571
Insurance - Property	11,183	10,281	902
Church Expenses - Admin	14,844	11,213	3,630
Church Expenses - Ministry	5,297	4,598	699
Property Expenses	38,606	70,398	(31,792)
Maintenance Repair	30,504	11,549	18,954
Stewardship Cost	2,540	1,898	641
Parochial Assessment	81,619	75,975	5,644
Mission Partner Payments	64,859	65,424	(565)
Special Mission Expenses	29,040	91,779	(62,739)
Sundry Payments	1,521	57,500	(55,979)
Depreciation	28,035	22,506	5,529
<b>Total Expenses</b>	<b>828,010</b>	<b>906,974</b>	<b>(78,963)</b>
<b>Surplus/(Deficit)</b>	<b>\$21,208</b>	<b>\$1,085</b>	<b>\$20,123</b>

**Glen Waverley Anglican Church**  
**Cash Flow Statement**  
for the Year Ended 30 September 2020

	2020	2019
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Church Operating Income	574,840	746,692
Other Receipts	219,964	143,813
Payments to Employees and Suppliers	(839,444)	(875,811)
Interest Received	28,345	35,987
Special Purpose Funds - Receipts	45,906	144,455
Special Purpose Funds - Payments	(59,777)	(160,262)
Net cash flow from operating activities	(30,166)	34,874
<b>Cash Flows from Investing Activities</b>		
Purchase of Non-Current Assets	(35,656)	(11,204)
Net cash flow used in investing activities	(35,656)	(11,204)
<b>Cash Flows from Financing Activities</b>		
Increase in Bequest Funds	374	0
Net cash flow used in investing activities	374	0
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(65,448)</b>	<b>23,670</b>
<b><i>Cash and cash equivalents at beginning of period</i></b>	<b><i>1,636,202</i></b>	<b><i>1,612,532</i></b>
<b><i>Cash and cash equivalents at end of period</i></b>	<b><i>1,570,754</i></b>	<b><i>1,636,202</i></b>



**Glen Waverley Anglican Church  
OPERATING BUDGET 2020-21**

	Budget 2019/20 \$	Actual 2019/20 \$	Difference 2019/20 \$	Budget 2020/21 \$
<b>Income</b>				
Offerings	624,408	574,840	(49,568)	580,000
Appeal	85,000	0	(85,000)	100,000
<b>Total Church Operating Income</b>	<b>709,408</b>	<b>574,840</b>	<b>(134,568)</b>	<b>680,000</b>
Ministry Income	0	2,380	2,380	72,638
General Donations & Bequest Income	21,417	18,789	(2,628)	85,000
Mission Partner Donations	5,444	1,991	(3,453)	0
Sundry Income	2,000	3,650	1,650	4,000
Jobkeeper Income & Covid Grants	0	173,682	173,682	0
Interest	29,751	28,345	(1,406)	9,000
Income Property	51,313	34,824	(16,489)	40,000
Special Mission Income	0	10,718	10,718	0
<b>Total Income</b>	<b>819,333</b>	<b>849,218</b>	<b>29,885</b>	<b>890,638</b>
<b>Expenses</b>				
Employment Expenses	521,981	516,409	(5,572)	540,103
Staff Training/Career Develop	10,000	11,780	1,780	10,000
Accrued Leave	6,000	(12,538)	(18,538)	0
Other Employer Expenses	0	0	0	0
Workcover Insurance	4,700	3,708	(992)	4,457
<b>Total Employment Expenses</b>	<b>542,681</b>	<b>519,359</b>	<b>(23,322)</b>	<b>554,560</b>
Music Ministry	500	603	103	1,000
Insurance - Property	10,435	11,183	748	11,500
Church Expenses - Admin	11,116	14,844	3,728	16,000
Church Expenses - Ministry	4,667	5,297	630	3,500
Ministry Expenses	0	0	0	42,500
Property Expenses	67,675	38,606	(29,069)	68,000
Maintenance Repair	6,422	30,504	24,082	6,500
Stewardship Cost	1,926	2,540	614	3,000
Parochial Assessment	85,360	81,619	(3,741)	75,972
Mission Partner Payments	68,415	64,859	(3,556)	88,533
Special Mission Expenses	0	29,040	29,040	0
Sundry Payments	0	1,521	1,521	0
Depreciation	20,000	28,035	8,035	25,000
<b>Total Expenses</b>	<b>819,197</b>	<b>828,010</b>	<b>8,813</b>	<b>896,065</b>
<b>Surplus / (Deficit)</b>	<b>\$136</b>	<b>\$21,208</b>	<b>\$21,072</b>	<b>\$(5,427)</b>

**Glen Waverley Anglican Church**  
**CAPITAL BUDGET 2020-2021**

	Budget 2019/20 \$	Actual 2019/20 \$	Difference 2019/20 \$	Budget 2020/21 \$
Office Phone System (set up)	1,000	1,444	444	0
Hall Flooring (in maintenance)	15,000	0	(15,000)	0
New server	2,000	0	(2,000)	0
Network cables	600	0	(600)	0
Office Furniture	0	281	281	0
Signal Audio	0	18,959	18,959	0
Video Cameras & Cables	0	4,202	4,202	0
Dishwasher	0	10,770	10,770	0
Building Refurbishment:-				
Exterior & Interior Painting, Cabinetry & Bathrooms refit	0	0	0	202,000
Carpet & Instalation	0	0	0	75,000
Office Refit	0	0	0	100,000
<b>TOTAL</b>	<b>18,600</b>	<b>35,656</b>	<b>17,056</b>	<b>377,000</b>

**Glen Waverley Anglican Church**  
**Notes to The Financial Statements**  
for the Year Ended 30 September 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounts have been prepared on an accruals basis using historical costs except for non-current assets which are based on 2017 valuations.

**(a) Basis of Preparation**

The financial statements for the year ended 30 September 2020 are special purpose financial statements prepared for the members of Glen Waverley Anglican Church.

**(b) Significant Accounting Policies**

Properties are at 2017 Municipal valuation.

Furniture and equipment are depreciated over their estimated useful lives using the straight line method.

**NOTE 2 - CASH ON HAND AND ON DEPOSIT**

	2020	2019
Cheque Account - General Account	57,113	40,358
Cash Management Account	49	49
ADF Call - Furniture & Equipment Fund	1,928	30,669
ADF Term Deposits - General Funds	80,282	70,000
Cash on Hand	1,200	1,500
<b>General Funds</b>	<b>140,572</b>	<b>142,575</b>
ADF Call - Special Purpose Funds	55,822	71,081
ADF Call - Basil Crs Property	211,504	55,063
ADF Term Deposit - Basil Crs	896,000	1,071,000
AF - Cash Fund JFC Bequest	195,194	225,194
ADF Call - Bequest Account	71,661	71,287
<b>Special Purpose Funds</b>	<b>1,430,181</b>	<b>1,493,626</b>
Cheque Acc-Education Bld Fund	1	1
<b>Building Funds - EBF</b>	<b>1</b>	<b>1</b>
	<b>\$1,570,754</b>	<b>\$1,636,202</b>
<b>NOTE 3 - OTHER ASSETS</b>		
GST	552	3,347
Debtors - Melbourne Anglican Trust Corp.	25,124	849
	<b>\$25,677</b>	<b>\$4,196</b>

**NOTE 4 - PROPERTY: MELBOURNE ANGLICAN PROPERTY TRUST**

Ownership of all church property is held by the Melbourne Anglican Property Trust

Land is valued at 2017 Municipal Valuations.

Buildings are valued at 2017 Insurance Valuations.

**LAND**

Church Property - Land	9,720,000	9,720,000
Housing Property - Land	1,080,000	1,080,000
	<u>10,800,000</u>	<u>10,800,000</u>

**BUILDINGS**

Church Buildings at Valuation	4,747,773	4,747,773
Less: Accumulated Depreciation	0	0
	<u>4,747,773</u>	<u>4,747,773</u>

Housing Buildings at Valuation	311,505	311,505
Less: Accumulated Depreciation	0	0
	<u>311,505</u>	<u>311,505</u>

	<u>5,059,278</u>	<u>5,059,278</u>
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**Total Land & Buildings**

	<b><u>\$15,859,278</u></b>	<b><u>\$15,859,278</u></b>
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**NOTE 5 - FURNITURE & EQUIPMENT**

Furniture & Equipment at Cost	533,060	497,404
Less: Accumulated Depreciation	410,424	382,388
	<b><u>\$122,636</u></b>	<b><u>\$115,016</u></b>

**NOTE 6 - ACCRUED LEAVE ENTITLEMENTS**

	2020	2019
Accrued Annual Leave	36,256	46,441
Provision for Accrued Long Service Leave (non-clergy)	11,570	13,925
	<b>\$47,826</b>	<b>\$60,366</b>

**NOTE 7 - SPECIAL PURPOSE FUNDS HELD IN TRUST**

Camps	0	5,766
General	28,767	23,249
Groups	200	1,452
Ministries	25,684	30,327
The Discipleship Institute	0	6,285
Staff Training	1,170	2,613
	<b>\$55,822</b>	<b>\$69,692</b>

JFC Bequest Funds - \$195,194 of the funds are held in an AF account and \$30,000 is held within the Cheque account.

**NOTE 8 - ASSET VALUATION RESERVE**

Balance at End of Year	17,067,089	17,067,089
	<b>\$17,067,089</b>	<b>\$17,067,089</b>

**NOTE 9 - ACCUMULATED FUNDS**

Balance at Beginning of Year	86,719	85,634
Surplus/(Deficit) for Year	21,208	1,085
Balance at End of Year	<b>\$107,927</b>	<b>\$86,719</b>

**NOTE 10 - EMPLOYMENT EXPENSES****2019/20**

\$000s	At 30/9/20 No.	At 30/9/20 FTE	Y/e 30/9/20 Remuneration	Y/e 30/9/20 Ministry Expenses	TOTAL
Senior Minister	1	1	85	12	97
Locum	0	0	19	0	19
Assisting Clergy	1	1	94	15	109
Ministry Staff	3	2.6	157	1	158
Administration Staff	3	1.7	133	0	133
<b>TOTAL</b>	<b>8</b>	<b>6.3</b>	<b>488</b>	<b>28</b>	<b>516</b>

**2018/19**

\$000s	No.	FTE	Remuneration	Ministry Expenses	TOTAL
Senior Minister	1	1	106	16	122
Locum	1	0.5	9	0	9
Assisting Clergy/Curates	1	1	107	8	115
Ministry Staff	2	1.6	107	0	107
Administration Staff	2	1.5	122	0	122
<b>TOTAL</b>	<b>7</b>	<b>5.6</b>	<b>451</b>	<b>24</b>	<b>475</b>

**NOTE 11 - MISSION PAYMENTS**

Mission Partners	2020		2019	
	Receipts	Payments	Receipts	Payments
OIKOS		6,083		4,752
BCA		9,648		9,504
CMS		14,472		19,800
OMF		4,824		4,752
Pioneers		9,648		9,504
Alpha		2,292		2,256
Ridley College		3,420		3,372
Devi & Sartono Bakara		9,648		9,504
Power To Change		4,824		1,980
Mission Partner Receipts	1,991		8,578	
<b>TOTAL</b>	<b>\$1,991</b>	<b>\$64,859</b>	<b>\$8,578</b>	<b>\$65,424</b>

# Glen Waverley Anglican Church

## Governance Board Declaration

In the opinion of the Governance Board:

The Financial Statements and notes thereto give a true and fair view of GWAC's financial position as at 30<sup>th</sup> September 2020 and of its performance for the year ended on that date.

On behalf of the Governance Board



Anne-Marie Ternes

Chair



Jayantha Ratnasingham

Honorary Treasurer

10<sup>th</sup> November 2020

# Glen Waverley Anglican Church

ABN 48 851 572 119

**Financial Year Ended 30<sup>th</sup> September 2020**

**Independent Audit Report to the Members**

## Scope

I have audited the financial statements, being special purpose financial reports comprising Balance Sheet, Income & Expenditure Statement, Special Purpose Funds Income & Expenditure Statement, Cash Flow Statement, Notes to the Financial Statements and Governance Board Declaration, for the year ended 30<sup>th</sup> September 2020. The Board is responsible for the financial statements and has determined that the accounting policies used are appropriate to meet the needs of the Church and its members. I have conducted an independent audit of the financial statements [excluding Budget information] in order to express an opinion on them to the members. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial statements have been prepared for the purpose of fulfilling the requirements of the Church and its members and the Melbourne Anglican Diocese. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members and the Melbourne Anglican Diocese, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with the accounting policies described in Note 1. These policies do not require the application of all Australian Accounting Standards and other mandatory professional reporting requirements.

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

## Audit Opinion

In my opinion the financial statements present fairly the financial position of the Glen Waverley Anglican Church as at 30<sup>th</sup> September 2020 and the results of its operations for the year then ended.



**LINDSAY COSTER FCA**

**Chartered Accountant**

ASIC Registered Company Auditor No. 7815

1/45 Campbell Street

Glen Waverley 3150

Date: 10/11/2020