The Uniting Church in Australia
QUEENSLAND SYNOD

Synod Office
Audited Financial Statements for the year ended 30 June 2021

Brief overview

Purpose of this Powerpoint

This Powerpoint provides a high level explanation of some of the questions that may arise from the review of the annual audited financial statements of the Synod office – for the year ended 30 June 2021

Questions that remain unanswered can be put through the Questions From Reports process

Basis of Preparation

The Uniting Church in Australia – Queensland Synod is an unincorporated body established in accordance with the Basis of Union and the Constitution and Regulations of the Uniting Church in Australia. Legal title to all property referred in the Financial Statements is held in the name of The Uniting Church in Australia Property Trust (Q).

The requirement to prepare audited financial statements are due to:

- In accordance with the Australian Charities and Not for Profit Commission requirements, the Synod is deemed as a large charitable organisation and requires an annual audit.
- The existing debt facility with the ANZ Bank, requires the Synod to prepare audited financial statements as part of the facility compliance
- Regulation 3.8.7 - Audit

These financial statements represent accounting figures. If you are interested in the cash position – please refer to the Statement of Cash Flows.

Summary - Synod Office Financials to 30 June 2021 (Audited)

Result for year (Accounting)

	2021	2020
• Revenue	$55.5M	$45.1M
• Expenditure	$37.8M	$46.5M
• Other Losses	$ 0M	$ 6.9M
• Other Income	$ 0M	$ 1.9M
• Surplus/Deficit	$17.7M	($6.4M)

Synod Office Financials to 30 June 2021 (Audited)

Why was there such a variation in results between years?

The Synod office accounts for transactions that are performed collectively across the Synod – for example:

- Overall redress for abuse provisioning
- Overall operations of the Uniting Church Investment Service (UCIS)
- Overall operations of the Insurance program

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Synod Office Financials to 30 June 2021 (Audited)

Why was there such a variation in results between years? (cont)

The main difference is that the Managed Fund share portfolio that the Synod office invested in was down as at 30 June 2020 and went up by 30 June 2021. Accounting rules means that we have to book the current value as at the end of each financial year – even though the profits or losses are only ‘on paper’ – ie they haven’t been realised as the investments have not been ‘cashed out’.

- Decrease in value of investments at 30 June 2020 $1.2M
- Increase in the value of investments at 30 June 2021 $9.9M

Synod Office Financials to 30 June 2021 (Audited)

Why was there such a variation in results between years? (cont)

There were other variations in relation to technical accounting treatment for Investment Properties on the Synod office balance sheet

- Decrease in value at 30 June 2020 $5.5M
- Increase in the value at 30 June 2021 $1.3M

Again, these are ‘paper’ adjustments. The properties are still held on the balance sheet.

Synod Office Financials to 30 June 2021 (Audited)

Why was there such a variation in results between years? (cont)

The Employee Benefit Expense line decreased from 2020 to 2021. The main reason is that the 2020 figure was inflated by the adjustment to ‘bring in’ the initial provision for long service leave for ministers ($2.7M) – a decision by the Standing Committee in that year.

As noted earlier, the Synod office financials ‘pick up’ these types of costs from a statutory accounting view point.

Synod Office Financials to 30 June 2021 (Audited)

Audit Report

The financial statements have been audited and we have received a ‘clean’ audit report.
No qualifications.

In the view of the Standing Committee, management and the auditors we are solvent – we can pay our debts as and when they fall due.

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