

**5C AUDITED FINANCIAL REPORTS FOR  
2004 TO 2006**

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
ABN 90 767 330 931

Annual Report  
31 December 2006

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA

ABN 90 767 330 931

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## GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA

31 December 2006

### Standing Committee Members' report

The members of the Standing Committee of the General Synod of the Anglican Church of Australia present their report together with the financial report of the General Synod of the Anglican Church of Australia for the year ended 31 December 2006 and the independent auditor's report thereon.

#### Standing Committee Members

The Members of the Standing Committee in office at the date of this report are:

The Primate

The Most Reverend Dr P J Aspinall (Archbishop of Brisbane) in the Chair

The Metropolitans of the Provinces

The Most Reverend J W Driver (Archbishop of Adelaide)

The Most Reverend R Herft (Archbishop of Perth)

The Most Reverend Dr P F Jensen (Archbishop of Sydney)

The Most Reverend Dr P Freier (Archbishop of Melbourne)

The Chairman of Committees

The Honourable Justice D J Bleby

The Clerical and Lay Secretaries of Synod

The Reverend C Moroney

Mrs A Skamp

The General Secretary

The Reverend Canon B J McAteer

Elected by the House of Bishops

The Right Reverend A W Curnow

The Right Reverend J Harrower

The Right Reverend J Noble

Elected by the House of Clergy

The Reverend Canon Dr R Cleary

The Right Reverend R C Forsyth

The Reverend K Goldsworthy

The Right Reverend S Hale

The Right Reverend J C Holland

The Very Reverend G R Lawrence

The Venerable Dr S Macneil

The Very Reverend D J L Richardson

The Reverend Dr C Thomson

Elected by the House of Laity

Mr G Blake, SC

Mr R C Fordham

Mrs A Hywood

Mrs A Mills

Mr B J Norris

Dr M L Porter

Miss M A Rodgers

Mr I B Walker

The Honourable Mr Justice P W Young

**GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA**  
**31 December 2006**  
**Standing Committee Members' report**

**Principal activities**

The principal activities of the General Synod during the course of the financial year were to carry into effect the decisions of the General Synod and Standing Committee, and to provide services to the Primate and to the organisations which report to General Synod via the Standing Committee. Assessments were levied upon the Dioceses under Sections 32(2) and 32(3) of the Constitution.

There were no significant changes in the nature of the activities of the company during the year.

**Review and result of operations**

The surplus from ordinary activities amounted to \$463,331 (2005: \$466,140; 2004: \$35,053).

*Overall Result*

The nature of the General Synod operations was predominantly similar to prior years. One note worthy of change was the General Synod taking on the role of administrator for the Anglican Church of Australia Long Service Leave Fund.

In the Statutory Fund there was significant spending below budget on two projects (Professional Standards Commission and National Directory of Clergy) which were funded by an inflation increase in assessments in 2005 as approved by the 2004 General Synod. Standing Committee have approved a budget strategy for 2007 which transfers the underspent budget to 2007 without an increase in assessments. There was also an increase in salary expense to prior years due to increased resources being required for these two projects.

During 2006 the General Synod's investments portfolio performed well for all Funds in comparison to prior years due to favourable market conditions. During 2006 the General Synod was also successful in securing sponsorship funds.

Other than these above mentioned events, operational activity was similar to previous years.

*Statutory Fund*

Other than the abovementioned events, operational activity was similar to previous years.

*Special Fund*

In line with current accounting policy the voluntary Special Assessment, unpaid by Sydney Diocese, is not taken into the accounts as income and provided for because realisation was not certain. Operational activity for 2006 was similar to previous years.

**GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA**  
**31 December 2006**  
**Standing Committee Members' report**

**Review and result of operations (continued)**

*Indigenous Endowment Fund*

Operational activity and the results are similar to previous years. The payment for the National Indigenous Bishop program is made at the end of the financial year which is dependant on the performance of investments. Unrealised gains on investments are accounted for in the Balance Sheet in the Investment Revaluation Reserve.

*Reserve Fund*

During the year Standing Committee approved three significant events. An outstanding loan to Broughton Publishing Pty Limited in the amount of \$35,000 was written off during the year. Funding for a full time Primate's Assistant position was approved up until the period ending, the commencement of the 14<sup>th</sup> General Synod where ongoing funding together with proposed amendments to the Primate's Cannon will be considered by the General Synod

On 1 September 2006 the General Synod Office moved to new premises. The Standing Committee approved that all costs in relation to the relocation be paid from the Fund. Accordingly an amount of \$174,026 was transferred from reserves to pay for this relocation.

**State of affairs**

In the opinion of the members of the Standing Committee there were no significant changes in the state of affairs of the General Synod that occurred during the financial year under review.

**Environmental regulation**

The General Synod is not subject to any significant environmental regulations under either Commonwealth or State legislation.

**Events subsequent to balance date**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the members of the Standing Committee, to affect significantly the operations of General Synod, the results of its operations, or the state of affairs of General Synod, in future financial years.

**Likely developments**

It is not envisaged that the activities of the General Synod will significantly change in the next financial year.

**Indemnification and insurance of officers**

*Indemnification*

The General Synod has agreed to indemnify various insured persons against all liabilities to another person that may arise from their position with the General Synod.

Since the end of the previous financial year, the General Synod has paid insurance premiums of \$7,583 (2005: \$6,362; 2004: \$6,186) in respect of the insured persons.

Since the end of the previous financial year, the General Synod has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an auditor of the General Synod.

**Lead auditor's independence declaration**

The Lead auditor's independence declaration is set out on page 6 and forms part of the Standing Committee members' report for financial year 2006.

Signed in accordance with a resolution of the Standing Committee:

Dated at Sydney this     day of             2007.

Archbishop Phillip Aspinall, Primate  
*Member of Standing Committee*

Bishop Andrew Curnow  
*Member of Standing Committee*

### **Lead auditor's independence declaration**

To: the members of the Standing Committee of the Anglican Church of Australia

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2006 there have been:

- no contraventions of the auditor independence requirements; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

**KPMG**

Neil Cameron Smith  
*Partner*

Sydney

2007

## **Independent audit report to the members of the Standing Committee of the General Synod of the Anglican Church of Australia (the "General Synod")**

### **Scope**

We have audited the financial report of the General Synod of the Anglican Church of Australia for the financial year ended 31 December 2006, being a special purpose financial report consisting of the income statement, statement of recognised income and expense, balance sheet, statement of cash flows, accompanying notes, set out on pages 9 to 44. The Standing Committee is responsible for the financial report. The Standing Committee has determined that the accounting policies used and described in Note 2(a) and 2 (b) to the financial statements are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the General Synod. No opinion is expressed whether the accounting policies used, and described in Note 2(a) and 2(b), are appropriate to the needs of the members.

The financial report has been prepared for distribution to members of the Standing Committee of the General Synod of the Anglican Church of Australia. We 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, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts 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 in accordance with the basis of accounting described in Note 2(a) and 2(b) to the financial statements so as to present a view which is consistent with our understanding of the General Synod's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Australian Accounting Standards nor other mandatory professional reporting requirements in Australia.

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

### **Audit opinion**

In our opinion, the financial report of the General Synod of the Anglican Church of Australia is properly drawn up so as to present fairly the General Synod's financial position as at 31 December 2006 and its performance for the year ended on that date, in accordance with the basis of accounting described in Notes 2(a) and 2(b) to the financial statements.

KPMG

Neil Cameron Smith  
*Partner*

Sydney,

2007



## Statement by members of the Standing Committee of General Synod

In the opinion of the members of the Standing Committee of General Synod of the Anglican Church of Australia:

- (a) the General Synod is not a reporting entity;
- (b) the financial statements and notes thereto, set out on pages 9 to 44, are drawn up, in accordance with the basis of accounting described in Note 2(a) and 2(b), so as to present fairly the financial position of the General Synod as at 31 December 2006 and its performance, as represented by the results of its operations and its cash flows for the financial year ended on that date; and
- (c) at the date of this statement, there are reasonable grounds to believe that the General Synod will be able to pay its debts as and when they fall due.

Dated at Sydney this 12th day of May 2007.

Signed in accordance with a resolution at a duly constituted meeting:

Archbishop Phillip Aspinall, Primate  
Member of Standing Committee

Bishop Andrew Curnow  
Member of the Standing committee

## GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA

### Income statement

For the year ended 31 December 2006

	Note	2006 \$	2005 \$	2004 \$
Revenue				
Statutory Fund		1,327,800	1,109,839	880,555
Special Fund		326,342	317,170	312,915
Indigenous Endowment Fund		44,790	18,548	9,215
Reserve Fund		456,998	310,510	245,906
Total Revenue	3	<u>2,155,930</u>	<u>1,756,067</u>	<u>1,448,591</u>
Expenses				
Statutory Fund		(1,175,128)	(932,168)	(1,049,376)
Special Fund		(352,842)	(310,835)	(307,699)
Indigenous Endowment Fund		(15,000)	(16,999)	(15,000)
Reserve Fund		(149,629)	(29,925)	(41,463)
Total Expenses	4	<u>(1,692,599)</u>	<u>(1,289,927)</u>	<u>(1,413,538)</u>
<b>Surplus for the period</b>		<b><u>463,331</u></b>	<b><u>466,140</u></b>	<b><u>35,053</u></b>
Made up as follows:				
Statutory Fund		152,672	177,671	(168,821)
Special Fund		(26,500)	6,335	5,216
Indigenous Endowment Fund		29,790	1,549	(5,785)
Reserve Fund		307,369	280,585	204,443
		<u>463,331</u>	<u>466,140</u>	<u>35,053</u>

The income statement is to be read in conjunction with the notes to the financial statements set out on pages 13 to 44.

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA

Statement of recognised income and expense

For the year ended 31 December 2006

	Note	2006 \$	2005 \$	2004 \$
Unrealised gains/(losses) on investments				
Statutory Fund		7,414	13,169	51,583
Indigenous Endowment Fund		(3,035)	13,161	17,006
Reserve Fund		(23,388)	102,571	102,947
<b>Net income recognised directly in equity</b>		<u>(19,009)</u>	<u>128,901</u>	<u>171,536</u>
<b>Surplus for the period</b>	22	463,331	466,140	35,053
<b>Total recognised income and expense for the period</b>		<u><u>444,322</u></u>	<u><u>595,041</u></u>	<u><u>206,589</u></u>

The statement of recognised income and expense is to be read in conjunction with the notes to the financial statements set out on pages 13 to 44.

## GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA

### Balance sheet

As at 31 December 2006

	Note	2006 \$	2005 \$	2004 \$
<b>Assets</b>				
Cash and cash equivalents	6	421,015	346,259	296,253
Other financial assets	8	994,103	982,799	671,454
Trade and other receivables	7	206,792	96,126	55,048
Loan to Broughton Publishing		-	35,000	56,000
<b>Total current assets</b>		<u>1,621,910</u>	<u>1,460,184</u>	<u>1,078,755</u>
Investments available for sale	8	2,339,207	1,990,072	1,757,441
Loan to Broughton Publishing		-	-	35,000
Leasehold improvements, plant & equipment	9	128,861	12,312	26,136
<b>Total non-current assets</b>		<u>2,468,068</u>	<u>2,002,384</u>	<u>1,818,577</u>
<b>Total assets</b>		<u><u>4,089,978</u></u>	<u><u>3,462,568</u></u>	<u><u>2,897,332</u></u>
<b>Liabilities</b>				
Trade and other payables	10	184,741	61,346	57,016
Provisions	11	10,659	-	-
Employee benefits	12	93,664	68,662	104,652
<b>Total current liabilities</b>		<u>289,064</u>	<u>130,008</u>	<u>161,668</u>
Trade and other payables	10	1,501	-	-
Provisions	11	27,423	-	-
Employee benefits	12	-	4,851	2,997
<b>Total non-current liabilities</b>		<u>28,924</u>	<u>4,851</u>	<u>2,997</u>
<b>Total liabilities</b>		<u><u>317,988</u></u>	<u><u>134,859</u></u>	<u><u>164,665</u></u>
<b>Net assets</b>		<u><u>3,771,990</u></u>	<u><u>3,327,709</u></u>	<u><u>2,732,667</u></u>
<b>Equity</b>				
Trust Fund	13	100	100	100
Statutory Fund	13	1,210,888	876,816	685,975
Special Fund	13	37,667	64,167	57,832
Indigenous Endowment Fund	13	329,095	302,341	287,631
Reserve Fund	13	2,194,240	2,084,285	1,701,129
<b>Total equity</b>	22	<u><u>3,771,990</u></u>	<u><u>3,327,709</u></u>	<u><u>2,732,667</u></u>

The balance sheet is to be read in conjunction with the notes to the financial statements set out on pages 13 to 44.

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA

Statement of cash flows

For the year ended 31 December 2006

	Note	2006 \$	2005 \$	2004 \$
<b>Cash flows from operating activities</b>				
Cash receipts in the course of operations		1,799,921	1,608,650	1,393,223
Cash payments in the course of operations		<u>(1,560,255)</u>	<u>(1,350,879)</u>	<u>(1,402,180)</u>
Cash generated from operations		239,666	257,771	(8,957)
Interest received		<u>93,528</u>	<u>39,064</u>	<u>49,097</u>
<b>Net cash from operating activities</b>	14(b)	<u>333,194</u>	<u>296,835</u>	<u>40,140</u>
<b>Cash flows from investing activities</b>				
Payments for leasehold improvements, plant and equipment		(107,134)	(4,184)	(3,619)
Proceeds from sale of plant and equipment		-	12,700	-
Payments for investments		(151,304)	(311,345)	(295,584)
Proceeds from disposal of investments		<u>-</u>	<u>-</u>	<u>215,670</u>
<b>Net cash (used in) investing activities</b>		<u>(258,438)</u>	<u>(302,829)</u>	<u>(83,533)</u>
<b>Cash flows from financing activities</b>				
Loan repayments received		<u>-</u>	<u>56,000</u>	<u>51,000</u>
<b>Net cash from financing activities</b>		<u>-</u>	<u>56,000</u>	<u>51,000</u>
<b>Net increase in cash held</b>		74,756	50,006	7,607
Cash and cash equivalents at 1 January	6	<u>346,259</u>	<u>296,253</u>	<u>288,646</u>
Cash and cash equivalents at 31 December	6	<u>421,015</u>	<u>346,259</u>	<u>296,253</u>

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 13 to 44.

# GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA

## Notes to the financial statements

### For the year ended 31 December 2006

The financial report was authorised for issue by the members of the Executive of the Standing Committee on 12<sup>th</sup> May 2007.

## 1 Purpose

The financial report reflects the operations of the General Synod established by the Constitution of the Anglican Church of Australia. The accompanying accounts do not include all of the results or assets or liabilities of organizations established by canon or resolution of General Synod.

The financial report aggregates five funds of the General Synod administered by the General Synod Office. Additional information regarding the separate funds is shown on pages 29 to 40. The purposes of each of the entities are set out below:

### *Trust Fund*

The Trust Fund was settled to establish the trust upon which the General Synod operates.

### *Statutory Fund*

The Statutory Fund records the necessary working expenses of the Synod and of its Standing Committee and other expenses authorised by the Synod and of the statutory assessments levied by the Standing Committee upon the Dioceses on an equitable basis to defray those expenses. (Refer section 32(2) of the Constitution and clause 5(e) of Rule II of the General Synod)

### *Special Fund*

The Special Fund records other expenses and the special assessment levied by the Standing Committee upon the dioceses on an equitable basis to defray those expenses. (Refer section 32(3) of the Constitution).

### *Indigenous Endowment Fund*

The Indigenous Endowment Fund accumulates and invests donations given for the provision of ministry to indigenous people and can provide funds to support the work of the National Indigenous Bishops.

### *Reserve Fund*

The Reserve Fund accumulates and invests royalties, bequests and other non-assessment income derived by the General Synod and applies investment income over and above that necessary to preserve the real capital value of the fund to specific projects approved by the Standing Committee.

As a result of the changing nature of the Reserve Fund in recent years it was decided to transfer into a separate capital account (Capital Fund 1999) an amount equal to the original transfers into the Reserve Fund plus increases based on the inflation rate over that period.

Capital Fund 1999 will continue to increase at the annual inflation rate thereby preserving the original capital amount as required by Standing Committee, while the Capital Fund will fluctuate in accordance with the surplus in the Reserve Fund.

## 2 Significant accounting policies

### (a) Statement of compliance

In the opinion of the members of the Standing Committee the General Synod is not a reporting entity. The financial report of the General Synod has been drawn up as a special purpose financial report for distribution to the members.

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

The special purpose financial report has been prepared in accordance with all applicable Australian Accounting Standards ("AIFRS"), Urgent Issues Group Interpretations adopted by the Australian Accounting Standards Board ("AASB"), being Australian equivalents to IFRSs and other authoritative pronouncements of the Australian Accounting Standards Board that have a material effect with the following exceptions:

- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 132 Financial instruments: Disclosures and Presentation
- AASB 139 Financial instruments: Recognition and Measurement

The financial statements presented here do not consolidate the entities established by General Synod in accordance with application of accounting standard AASB 127: Consolidated and Separate Financial Statements.

**(b) Basis of preparation**

The financial report is presented in Australian dollars.

The following standard and amendments were available for early adoption but have not been applied by the entity in these financial statements:

- AASB 7 Financial instruments: Disclosure (August 2005) replacing the presentation requirements of financial instruments in AASB132. AASB 7 is applicable for annual reporting periods beginning on or after 1 January 2007.
- AASB 2005-10 *Amendments to Australian Accounting Standards* (September 2005) makes consequential amendments to AASB 132 *Financial Instruments: Disclosures and Presentation*, AASB 101 *Presentation of Financial Statements*, AASB 114 *Segment Reporting*, AASB 117 *leases*, AASB 133 *Earnings per Share*, AASB 139 *Financial Instruments: Recognition and Measurement*, AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*, AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts*, arising from the release of AASB 7. AASB 2005-10 is applicable for annual reporting periods beginning on or after 1 January 2007.

The entity plans to adopt AASB 7 and AASB 2005-10 in the reporting periods beginning on or after 1 January 2007. The initial application of AASB 7 and AASB 2005-10 is not expected to have an impact on the financial results as the standard and the amendment are concerned only with disclosures.

2 Significant accounting policies (continued)

(b) Basis of preparation (continued)

The financial report has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(c) Revenue

**Assessments**

Statutory Assessments are agreed by the Standing Committee and levied on the Dioceses on an annual basis. Special Assessments, which are voluntary, are also levied at the same time. Income is taken into the income statement when levied. No revenue is recognised if there are significant uncertainties regarding receiving of the consideration due.

**Interest income**

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

**Distribution income**

Distribution income is recognised as it accrues, taking into account the effective yield on the financial asset.

(d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.



2 Significant accounting policies (continued)

(d) Goods and services tax (continued)

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

(f) Trade and other receivables

Trade and other receivables are measured at their amortised cost less impairment losses. Trade debtors are generally settled within 30 days.

(g) Leasehold improvement, plant and Equipment

*Owned Assets*

Items of leasehold improvements, plant and equipment are stated at cost less accumulated depreciation (see below).

*Depreciation*

Items of plant and equipment are depreciated over their estimated useful lives and the depreciation is charged to the income statement. Depreciation rate and methods are reviewed annually for appropriateness. Leasehold improvements are depreciated over the term of the lease.

Leasehold improvements, plant and equipment are depreciated from the date of acquisition and the straight line method has been used.

The useful life for each class of asset are as follows:

	2006	2005	2004
Leasehold improvements, plant and equipment	3-7 years	3-7 years	3-7 years

(h) Trade and other payables

Trade and other payables are measured at amortised cost. Trade accounts payable are normally settled within 30 days.

(i) Employee benefits

*Wages, salaries and annual leave*

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

(j) **Employee benefits (continued)**

*Long- service leave*

The General Synod's net obligation in respect of long- service leave, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, adjusted by a probability factor and discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Company's obligations.

*Superannuation plan*

The General Synod contributes to individual employee's superannuation plans. Contributions are charged against income as they are incurred.

(i) **Provisions**

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(k) **Impairment**

The carrying amounts of the entity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement.

*i) Calculation of recoverable amount*

The recoverable amount of the entity's receivables with a short duration are not discounted. Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Non-significant receivables are not individually assessed. Instead, impairment testing is performed by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjusted for any effects of conditions existing at each balance date.

*ii) Reversals of impairment*

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

2 Significant accounting policies (continued)

(l) Investments

Financial instruments held and classified as being available-for-sale are stated at fair value, with any resultant gain or loss being recognised directly in equity, except for impairment losses.

(m) Equity reserves

All expenditure for which money has been set aside in a reserve, is expensed in the income statement or capitalised as an asset on the balance sheet. Reserves are increased by transferring funds from another reserve or from retained earnings. Reserves are reduced by transferring funds to another reserve or by transferring funds to retained earnings.

	2006	2005	2004
	\$	\$	\$
<b>3 Revenue</b>			
Assessments			
Statutory	965,000	970,099	831,728
Special	324,151	314,719	311,926
Investment income			
Interest	93,528	39,065	49,097
Distribution & realised gain– managed funds	352,177	152,285	80,345
Telstra commissions	127,980	139,354	163,593
Copyright royalties *	-	78,965	-
Net gain on disposal of motor vehicle	-	2,908	-
NARU income	153,925	55,550	-
Sponsorship income	69,272	-	-
Administration fee income ALSLF	69,139	-	-
Other income	758	3,122	11,902
	<u>2,155,930</u>	<u>1,756,067</u>	<u>1,448,591</u>

\* this payment from Copyright Agency Limited is a one-off back payment for royalties from APBA which in future will accrue to Broughton Publishing.

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006	2005	2004
	\$	\$	\$
<b>4 Expenses</b>			
Assets costing less than \$1,000	23,509	-	-
Auditors remuneration	19,100	29,899	18,088
Bank charges	858	528	330
Bad debts	-	-	1,767
Depreciation expenses	13,613	7,716	13,321
Employee expenses	4(i) 577,020	475,997	476,902
Event management	1,587	-	-
Grants	4(ii) 411,851	387,297	360,800
Insurance	7,246	6,189	6,518
IT Costs	3,219	-	-
Loss on asset disposal	3,904	-	-
Meetings/Conferences/Working Groups	4(iii) 191,996	123,948	346,001
NARU	118,690	58,070	-
Office relocation expenses	15,472	-	-
Postage and couriers	2,795	2,069	2,056
Premises expense	2,791	-	-
Primate's expenses			
General expenses	54,360	53,000	49,000
Travel	19,755	21,718	1,878
Assistant	52,517	-	-
Primate election costs	-	16,020	-
Printing and copying	5,329	17,674	7,380
Rent	58,096	37,580	36,911
Staff travel	9,494	12,928	12,640
Stationery expense	8,004	2,964	3,046
Subscriptions, magazines and library	1,598	-	-
Telephone and communication	10,579	10,588	5,000
Telstra plan costs	47,394	7,500	2,397
Website development	-	7,500	30,455
Write off Broughton Loan	35,000	-	-
Other expenses	(3,178)	10,742	39,048
	<u>1,692,599</u>	<u>1,289,927</u>	<u>1,413,538</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>4 Expenses (continued)</b>			
<b>(i) Employee Expenses</b>			
Salaries and allowances	415,359	358,662	349,692
Motor vehicle - running costs	6,148	8,618	9,190
Motor vehicle - allowance	8,468	6,187	2,281
Provision - long service leave	11,960	19,911	20,781
Provision - annual leave	(1,586)	14,569	21,051
Superannuation	107,042	58,443	67,053
Workers' compensation	5,895	9,607	6,854
Staff Recruitment	16,893	-	-
Staff Training	2,927	-	-
Staff Other	3,914	-	-
	<u>577,020</u>	<u>475,997</u>	<u>476,902</u>
<b>(ii) Grants</b>			
<b>Statutory Fund</b>			
National Anglican Resources Unit (NARU)	-	-	5,000
Defence Force Board	12,000	8,000	5,000
NATSIAC/Nat Indigenous Bishop	60,200	53,800	42,200
<b>Reserve Fund</b>			
Engaging Australia	-	-	4,500
Mission Facilitation	14,718	12,397	-
<b>Indigenous Endowment Fund</b>			
Nat Indigenous Bishop	15,000	17,000	15,000
<b>Special Fund</b>			
Anglican Consultative Council	214,998	208,700	203,000
Christian Conference of Asia	4,400	4,250	4,100
Council of the Church of East Asia	4,400	4,250	4,100
Defence Force Board	12,000	7,000	8,000
National Council of Churches in Australia	50,203	48,700	47,300
NCCA Aboriginal and Islander Commission	8,240	8,000	7,800
World Council of Churches - Geneva	15,692	15,200	14,800
	<u>411,851</u>	<u>387,297</u>	<u>360,800</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006	2005	2004
	\$	\$	\$
<b>4 Expenses (continued)</b>			
<b>(iii) Meetings/Conferences/Working Groups</b>			
<b>Commissions</b>			
Episcopal Standards Commission	12,845	-	-
Professional Standards Commission	16,400	14,582	-
Church Law Commission	6,160	3,434	2,721
Doctrine Commission	5,234	5,877	4,416
Liturgy Commission	5,331	3,473	1,738
Ministry Commission	2,075	3,240	5,072
Public Affairs Commission	3,376	4,552	2,787
Ecumenical Relations Commission	5,741	5,856	1,582
Women's Commission	2,818	-	-
<b>Task Forces Approved</b>			
Accounting Standards	55	192	4,864
Constitutional Review	-	-	1,618
Mission	16,309	19,688	12,239
<b>Working Group</b>			
Financial Advisory Group	1,363	-	-
National Register	7,191	-	-
Refugees	2,607	-	-
Environmental	424	-	-
<b>Standing &amp; Executive Committee</b>			
Executive committee meetings	4,988	6,024	5,513
Standing committee meetings	41,217	40,395	15,383
Meetings other	6,628	1,983	2,053
<b>Conferences</b>			
Domestic Conferences	8,627	1,360	10,314
Overseas Conferences	41,312	13,292	6,693
General Synod 2004 costs	-	-	269,008
General Synod 2007 Expenditure	1,295	-	-
	<u>191,996</u>	<u>123,948</u>	<u>346,001</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>5 Auditors' remuneration</b>			
<b>Audit services:</b>			
Auditors of the General Synod			
KPMG Australia:			
Audit and review of financial reports	25,500	18,000	23,088
<b>Other services:</b>			
Auditors of the General Synod			
KPMG Australia:			
Other assurance services- AIFRS	-	6,200	-
	<u>25,500</u>	<u>24,200</u>	<u>23,088</u>
<b>6 Cash and cash equivalents</b>			
Bank balance	231,078	61,076	33,670
Cash on hand	275	300	300
Cash on deposit – 24 hr call	<u>189,662</u>	<u>284,883</u>	<u>262,283</u>
Cash and cash equivalents in the statement of cash flows	<u>421,015</u>	<u>346,259</u>	<u>296,253</u>
The weighted average interest rate on cash assets at 31 December 2006 2.76% (2005: 4.88%; 2004: 4.66%).			
<b>7 Trade and other receivables</b>			
<b>Current</b>			
Other receivables	<u>206,792</u>	<u>96,126</u>	<u>55,048</u>
	<u>206,792</u>	<u>96,126</u>	<u>55,048</u>
<b>8 Other financial assets</b>			
<b>Current</b>			
Deposits – unsecured (Glebe Income Accounts)	<u>994,103</u>	<u>982,799</u>	<u>671,454</u>
<b>Non-current</b>			
Shares in managed funds – at market value			
iCM Optimal Choice	2,339,176	1,990,041	1,757,410
Investment in Broughton Publishing	1	1	1
Investment in Hymn Book Co	<u>30</u>	<u>30</u>	<u>30</u>
	<u>2,339,207</u>	<u>1,990,072</u>	<u>1,757,441</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>9 Leasehold improvements, plant and equipment</b>			
Motor vehicle, at cost	-	-	30,292
Less: Accumulated depreciation	-	-	(17,500)
Plant and equipment, at cost	72,885	98,663	94,479
Less: Accumulated depreciation	(23,985)	(86,351)	(81,135)
Leasehold improvements, at cost	86,162	-	-
Less: Accumulated depreciation	(6,201)	-	-
Total leasehold improvements, plant and equipment at net book value	<u>128,861</u>	<u>12,312</u>	<u>26,136</u>

**Reconciliations**

Reconciliations of the carrying amounts for leasehold improvements, plant and equipment are set out below:

**Motor vehicle**

Carrying amount at beginning of year	-	12,792	18,792
Disposals	-	(10,292)	-
Depreciation	-	(2,500)	(6,000)
Carrying amount at end of year	<u>-</u>	<u>-</u>	<u>12,792</u>

**Plant and equipment**

Carrying amount at beginning of year	12,312	13,344	17,042
Additions	48,395	4,184	3,623
Disposals	(4,394)	-	-
Depreciation	(7,413)	(5,216)	(7,321)
Carrying amount at end of year	<u>48,900</u>	<u>12,312</u>	<u>13,344</u>

**Leasehold improvements**

Carrying amount at beginning of year	-	-	-
Additions	86,162	-	-
Depreciation	(6,201)	-	-
Carrying amount at end of year	<u>79,961</u>	<u>-</u>	<u>-</u>



GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>10 Trade and other payables</b>			
<b>Current</b>			
Accounts payable	170,666	63,240	45,989
Accrued Expenses	2,742	-	-
GST liability	-	(128)	(1,679)
Conference and ministry accounts	11,276	(1,892)	12,706
Superannuation Payable	57	126	-
	<u>184,741</u>	<u>61,346</u>	<u>57,016</u>
<b>Non-current</b>			
Rent payable	1,501	-	-
	<u>1,501</u>	<u>-</u>	<u>-</u>

No interest is payable on trade and other creditors.

**11 Provisions**

<b>Current</b>			
Rent free provision	<u>10,659</u>	<u>-</u>	<u>-</u>
<b>Non-current</b>			
Make good rental premises provision	<u>27,423</u>	<u>-</u>	<u>-</u>

**12 Employee benefits**

<b>Current</b>			
Liability for annual leave	34,070	28,707	74,244
Liability for long service leave	<u>59,594</u>	<u>39,955</u>	<u>30,408</u>
	<u>93,664</u>	<u>68,662</u>	<u>104,652</u>
<b>Non-current</b>			
Liability for long service leave	<u>-</u>	<u>4,851</u>	<u>2,997</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

		2006 \$	2005 \$	2004 \$
<b>13 Aggregated accumulated funds</b>				
<b>(i) Trust Funds</b>				
Trust Corporation Fund	16	<u>100</u>	<u>100</u>	<u>100</u>
<b>(ii) Statutory Fund</b>				
<b>(a) General Secretary Housing Support Reserve</b>				
Balance at beginning of year		<u>610,000</u>	<u>610,000</u>	<u>610,000</u>
Balance at end of year		<u>610,000</u>	<u>610,000</u>	<u>610,000</u>
<b>(b) Unallocated surplus</b>				
Balance at beginning of year		59,008	(48,183)	(49,900)
Transfer from Reserve Fund		174,026		
Transfer from General Synod 2007 Reserve Fund		1,402	-	-
Transfer from 51 Druitt Street Reserve		53,069	-	-
Transfer to 51 Druitt Street Reserve		(174,026)	-	-
Transfer to NARU Reserve		(34,272)	-	-
Transfer to General Synod 2007 Reserve		(111,996)	(86,500)	-
Transfer (to)/from Primate elections reserve		(4,998)	16,020	-
Transfer from accounting standards reserve		-	-	4,042
Transfer to National Register Project Reserve		(50,000)	-	-
Transfer from General Synod 2004 Reserve Fund		-	-	166,496
Transfer to Professional Standards Project Reserve		(19,500)	-	-
Transfer to Financial Advisory Reserve		(4,500)	-	-
Transfer to Website Project Reserve		(40,000)	-	-
Add: Operating surplus / (deficit)		<u>152,672</u>	<u>177,671</u>	<u>(168,821)</u>
Balance at end of year		<u>885</u>	<u>59,008</u>	<u>(48,183)</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

		2006	2005	2004
		\$	\$	\$
<b>13</b>	<b>Aggregated accumulated funds (continued)</b>			
<b>(ii)</b>	<b>Statutory fund (continued)</b>			
<b>(c)</b>	<b>Reserves</b>			
	Archbishop of Canterbury Visit	20,372	20,372	20,372
	Primate elections	21,316	16,319	32,338
	NARU	34,232	-	-
	51 Druitt Street Reserve	120,958	-	-
	Professional Standards Project Reserve	19,500	-	-
	National Standards Project Reserve	50,000	-	-
	Financial Advisory Reserve	4,500	-	-
	Website Project Reserve	40,000	-	-
	General Synod 2007	209,034	98,440	11,940
	Balance at end of year	<u>519,912</u>	<u>135,131</u>	<u>64,650</u>
<b>(d)</b>	<b>Investment Revaluation Reserve</b>			
	Balance at beginning of year	72,677	59,508	7,925
	Add: changes in value during year	7,414	13,169	51,583
	Balance at end of year	<u>80,091</u>	<u>72,677</u>	<u>59,508</u>
<b>Total Statutory Fund</b>	17(i)	<u>1,210,888</u>	<u>876,816</u>	<u>685,975</u>
<b>(iii)</b>	<b>Special Fund</b>			
	<b>Unallocated Surplus</b>			
	Balance at beginning of year	64,167	57,832	52,616
	Operating surplus	<u>(26,500)</u>	<u>6,335</u>	<u>5,216</u>
<b>Total Special Fund</b>	18(i)	<u>37,667</u>	<u>64,167</u>	<u>57,832</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>13 Aggregated accumulated funds (continued)</b>			
<b>(iv) Indigenous Endowment Fund</b>			
<b>(a) Capital Fund</b>			
Balance at beginning of year	250,000	250,000	250,000
Balance at end of year	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
<b>(b) Unallocated Surplus</b>			
Balance at beginning of year	20,588	19,039	24,824
Operating surplus/(deficit)	<u>29,790</u>	<u>1,549</u>	<u>(5,785)</u>
Balance at end of year	<u>50,378</u>	<u>20,588</u>	<u>19,039</u>
<b>(c) Investment Revaluation Reserve</b>			
Balance at beginning of year	31,753	18,592	1,586
Add: changes in value during year	<u>(3,036)</u>	<u>13,161</u>	<u>17,006</u>
Balance at end of year	<u>28,717</u>	<u>31,753</u>	<u>18,592</u>
<b>Total Indigenous Endowment Fund</b> 19(i)	<u><u>329,095</u></u>	<u><u>302,341</u></u>	<u><u>287,631</u></u>
<b>(v) Reserve Fund</b>			
<b>(a) Capital Fund</b>			
Balance at beginning of year	495,353	521,512	1,157,454
Transfer to Capital Fund 1999	(35,066)	(26,159)	(1,036,450)
Transfer to 51 Druitt Street Reserve Statutory Fund	(174,026)	-	-
Transfer to Telstra Marketing Reserve	(27,273)		
Transfer from unallocated surplus	<u>280,585</u>	-	<u>400,508</u>
Balance at end of year	<u>539,573</u>	<u>495,353</u>	<u>521,512</u>
<b>Capital Fund 1999</b>			
Balance at beginning of year	1,062,609	1,036,450	-
Transfer from Capital Fund	<u>35,066</u>	<u>26,159</u>	<u>1,036,450</u>
Balance at end of year	<u>1,097,675</u>	<u>1,062,609</u>	<u>1,036,450</u>
<b>Total Capital Fund</b>	<u>1,637,248</u>	<u>1,557,962</u>	<u>1,557,962</u>
<b>(b) National Anglican Conference Reserve</b>			
Balance at beginning of year	<u>32,482</u>	<u>32,482</u>	<u>32,482</u>
Balance at end of year	<u>32,482</u>	<u>32,482</u>	<u>32,482</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>13 Aggregated accumulated funds (continued)</b>			
<b>(v) Reserve Fund (continued)</b>			
<b>(c) Telstra Marketing Reserve</b>			
Balance at beginning of the year	-	-	-
Transfer from capital fund	<u>27,273</u>	-	-
Balance at the end of the year	<u>27,273</u>	-	-
<b>(d) Unallocated Surplus</b>			
Balance at beginning of year	280,585	-	-
Transfer to Capital Fund	(280,585)	-	-
Operating surplus	<u>307,369</u>	<u>280,585</u>	-
Balance at end of year	<u>307,369</u>	<u>280,585</u>	-
<b>(e) Investment Revaluation Reserve</b>			
Balance at beginning of year	213,256	110,685	7,738
Add/(less): changes in value during year	(23,388)	102,571	102,947
Balance at end of year	<u>189,868</u>	<u>213,256</u>	<u>110,685</u>
<b>Total Reserve Fund</b>	20(i) <u>2,194,240</u>	<u>2,084,285</u>	<u>1,701,129</u>

**14 Notes to the statement of cash flows**

**(a) Reconciliation of cash**

For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short term deposits at call. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	Note	2006 \$	2005 \$	2004 \$
Cash assets		<u>421,015</u>	<u>346,259</u>	<u>          </u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>14 Notes to the statement of cash flows (continued)</b>			
<b>(b) Reconciliation of surplus from ordinary activities to net cash provided by operating activities</b>			
Surplus from ordinary activities	463,331	466,140	35,053
Add/(deduct) non-cash items:			
Depreciation	13,613	7,716	13,321
Loss/(gain) on disposal of investments/plant and equipment	3,904	(2,908)	(1,511)
Non-cash managed fund income	(224,514)	(103,727)	(44,250)
Broughton loan write off	35,000	-	-
Other non cash expenses	(3,177)	-	-
Recovery of unused provision	-	-	(5,100)
Net cash provided by operating activities	<u>288,157</u>	<u>367,221</u>	<u>(2,487)</u>
Before change in assets and liabilities			
Change in assets and liabilities during the financial year:			
(Increase)/Decrease in receivables	(110,666)	(41,078)	(1,882)
Increase/(Decrease) in trade creditors	124,893	4,329	17,041
Increase/(Decrease) in provisions	30,810	(33,637)	27,468
Net cash provided by operating activities	<u><u>333,194</u></u>	<u><u>296,835</u></u>	<u><u>40,140</u></u>

**15 Organisation information**

General Synod of the Anglican Church of Australia  
Domicile: New South Wales  
Registered Office: Suite 2, Level 9, 51 Druiitt Sydney NSW 2000

**16 Trust Fund additional information**

**Balance sheet as at 31 December 2006**

<b>Current assets</b>			
Cash	<u>100</u>	<u>100</u>	<u>100</u>
<b>Total assets</b>	<u>100</u>	<u>100</u>	<u>100</u>
<b>Net assets</b>	<u>100</u>	<u>100</u>	<u>100</u>
<b>Accumulated funds</b>			
Trust fund	<u>100</u>	<u>100</u>	<u>100</u>
<b>Total accumulated funds</b>	<u>100</u>	<u>100</u>	<u>100</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006	2005	2004
	\$	\$	\$
<b>17 Statutory Fund additional information</b>			
<b>(i) Balance sheet as at 31 December 2006</b>			
<b>Current assets</b>			
Cash and cash equivalents	264,974	115,849	184,759
Investments	571,819	358,071	177,163
Trade and other receivables	133,734	95,540	55,048
<b>Total current assets</b>	<u>970,527</u>	<u>569,460</u>	<u>416,970</u>
<b>Non-current assets</b>			
Investments – at cost	419,508	412,853	402,394
Investments – value adjustment	80,091	72,677	59,508
Investments – at market value	499,599	485,530	461,902
Investment in Broughton Publishing	1	1	1
Investments in Hymn Book Co	30	30	30
Leasehold improvements, plant and equipment	128,861	12,312	26,136
<b>Total non-current assets</b>	<u>628,491</u>	<u>497,873</u>	<u>488,069</u>
<b>Total assets</b>	<u>1,599,018</u>	<u>1,067,333</u>	<u>905,039</u>
<b>Current liabilities</b>			
Trade and other payables	75,706	117,004	111,415
Inter Fund payable	180,678	-	-
Provisions	10,659	-	-
Employee benefits	34,070	28,707	74,244
<b>Total current liabilities</b>	<u>301,113</u>	<u>145,711</u>	<u>185,659</u>
<b>Non-current liabilities</b>			
Employee benefits	59,594	44,806	33,405
Provisions	27,423	-	-
<b>Total non-current liabilities</b>	<u>87,017</u>	<u>44,806</u>	<u>33,405</u>
<b>Total liabilities</b>	<u>388,130</u>	<u>190,517</u>	<u>219,064</u>
<b>Net assets</b>	<u>1,210,888</u>	<u>876,816</u>	<u>685,975</u>
<b>Accumulated funds</b>			
<b>Reserves</b>			
House Replacement	610,000	610,000	610,000
Archbishop of Canterbury visit	20,372	20,372	20,372
Primate Election	21,316	16,319	32,338
General Synod 2007	209,034	98,440	11,940
NARU Reserve	34,232	-	-
51 Druitt Street Reserve	120,958	-	-
Professional Standards Project Reserve	19,500	-	-
National Register Project Reserve	50,000	-	-
Financial Advisory Project Reserve	4,500	-	-
Website Project Reserve	40,000	-	-
Investment Revaluation Reserve	80,091	72,677	59,508
Unallocated surplus	885	59,008	(48,183)
<b>Total accumulated funds</b>	<u>1,210,888</u>	<u>876,816</u>	<u>685,975</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
Notes to the financial statements  
For the year ended 31 December 2006

	2006	2005	2004
	\$	\$	\$
<b>17 Statutory Fund additional information (continued)</b>			
<b>(ii) Income statement</b>			
<b>Income</b>			
Assessments			
Statutory	965,000	970,099	831,728
Investment income			
Interest – bank	740	490	489
Interest – investments	29,043	20,153	24,758
Distributions & realised gain– managed funds	67,194	59,015	19,645
Net gain on disposal of motor vehicle	-	2,908	-
NARU income	153,925	55,550	-
Sponsorship income	42,000	-	-
Administration fee income ALSLF	69,139	-	-
Other income	759	1,624	3,935
<b>Total income</b>	<u>1,327,800</u>	<u>1,109,839</u>	<u>880,555</u>
<b>Expenditure</b>			
Standing & Executive Committee	17(a) 52,833	46,419	21,134
Working Groups	17(b) 11,585	19,688	12,239
Primate’s expenses	17(c) 74,115	90,738	50,878
Commissions	17(d) 59,980	41,014	18,316
Grants	17(e) 72,200	61,800	52,200
Task Forces Approved	17(f) 16,364	192	6,482
NARU	17(g) 118,690	55,550	0
Conferences	17(h) 8,425	-	269,008
Administration costs – personnel	17(i) 577,020	476,014	491,745
Administration costs – other	17(j) 187,094	138,770	126,338
Other Expenditure	(3,178)	1,983	1,036
<b>Total expenditure</b>	<u>1,175,128</u>	<u>932,168</u>	<u>1,049,376</u>
<b>Operating surplus</b>	<u>152,672</u>	<u>177,671</u>	<u>(168,821)</u>



GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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For the year ended 31 December 2006

	2006	2005	2004
	\$	\$	\$
<b>17 Statutory Fund additional information (continued)</b>			
<b>(a) Standing &amp; Executive Committee</b>			
Ecumenical conversations	-	-	238
Executive Committee meetings	4,988	6,024	5,513
Standing Committee meetings	41,217	40,395	15,383
Meetings Other	6,628	-	-
	<u>52,833</u>	<u>46,419</u>	<u>21,134</u>
<b>(b) Working Groups</b>			
Standing Committee working groups	-	19,688	12,239
Financial Advisory Group	1,363	-	-
Environmental	424	-	-
National Register	7,191	-	-
Refugees	2,607	-	-
Other	-	-	-
	<u>11,585</u>	<u>19,688</u>	<u>12,239</u>
<b>(c) Primate's expenses</b>			
General expenses	54,360	53,000	49,000
Travel	19,755	21,718	1,878
Primate election costs	-	16,020	-
	<u>74,115</u>	<u>90,738</u>	<u>50,878</u>
<b>(d) Commissions</b>			
Episcopal Standards Commission	12,845	-	-
Professional Standards Commission	16,400	14,582	-
Church Law Commission	6,160	3,434	2,721
Doctrine Commission	5,234	5,877	4,416
Liturgy Commission	5,331	3,473	1,738
Ministry Commission	2,075	3,240	5,072
Public Affairs Commission	3,376	4,552	2,787
Ecumenical Relations Commission	5,741	5,856	1,582
Womens Commission	2,818	-	-
	<u>59,980</u>	<u>41,014</u>	<u>18,316</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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	2006 \$	2005 \$	2004 \$
<b>17 Statutory Fund additional information (continued)</b>			
<b>(e) Grants</b>			
National Anglican Resources Unit (NARU)*	-	-	5,000
Defence Force Board	12,000	8,000	5,000
NATSIAC/Indigenous Bishop	60,200	53,800	42,200
	<u>72,200</u>	<u>61,800</u>	<u>52,200</u>
* During 2005 NARU was consolidated into the General Synod Office. The \$5,000 grant in 2004 was replaced with a subsidy from the Reserve Fund (\$2,528) to cover a shortfall of income in 2005. No grant was made during 2006.			
<b>(f) Task Forces Approved</b>			
Accounting Standards	55	192	4,864
Constitutional Review	-	-	1,618
Mission	16,309	-	-
	<u>16,364</u>	<u>192</u>	<u>6,482</u>
<b>(g) NARU</b>			
NARU expenditure	<u>118,690</u>	<u>55,550</u>	<u>-</u>
<b>(h) Conferences</b>			
Domestic Conferences	7,130	-	-
General Synod 2004 costs	-	-	269,008
General Synod 2007 Expenditure	1,295	-	-
	<u>8,425</u>	<u>-</u>	<u>269,008</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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	2006	2005	2004
	\$	\$	\$
<b>17 Statutory Fund additional information (continued)</b>			
<b>(i) Administration costs – personnel</b>			
Salaries and allowances	415,359	358,662	349,692
Motor vehicle – running costs	6,148	8,618	9,190
Motor vehicle - allowance	8,468	6,187	2,281
Provision - long service leave	11,960	19,911	20,781
Provision – annual leave	(1,586)	14,569	21,051
Superannuation	107,042	58,443	67,053
Workers’ compensation	5,895	9,608	6,855
Staff Recruitment	16,893	-	13,900
Staff training	2,927	16	942
Staff Other	3,914	-	-
	<u>577,020</u>	<u>476,014</u>	<u>491,745</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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	2006	2005	2004
	\$	\$	\$
<b>17 Statutory Fund additional information (continued)</b>			
<b>(i) Administration costs – other</b>			
Assets costing less than \$1,000	23,509	-	-
Audit fees	19,100	29,899	18,088
Bad debts	-	-	225
Bank Charges	758	446	280
Catering/hospitality	-	1,447	4,312
Conferences	-	2,941	2,614
Consultants	-	502	630
Depreciation	-	-	-
Leasehold improvements, plant and equipment	13,613	5,216	7,321
Motor Vehicle	-	2,500	6,000
Event Management	1,587	-	-
Insurances – general	7,246	6,189	6,518
IT Costs	3,219	-	-
Loss On asset Disposal	3,904	-	-
Legal	-	-	9,358
Office Relocation Expenses	15,472	-	-
Postage and couriers	2,797	2,069	2,056
Premises expenses	2,791	-	1,481
Printing and photocopying	5,329	17,674	7,380
Rent	58,096	37,580	36,911
Repairs and maintenance	-	1,122	537
Staff travel	9,494	12,928	12,640
Stationery	8,002	2,964	3,046
Subscriptions, magazines and library	1,598	1,802	1,831
Sundry expenses	-	2,903	110
Telephone	10,579	10,588	5,000
	<u>187,094</u>	<u>138,770</u>	<u>126,338</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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	2006 \$	2005 \$	2004 \$
<b>17 Statutory Fund additional information (continued)</b>			
<b>(k) Utilisation of Reserve for Ordinary Session of Synod 2007</b>			
<b>Reconciliation of movement in balance</b>			
Opening balance of Reserve GS2007	98,440	11,940	-
Add: transfer from Statutory Fund unallocated surplus	111,996	86,500	-
Add: transfer from Reserve GS2004	-	-	11,940
Less: amount utilised during year	<u>(1,402)</u>	<u>-</u>	<u>-</u>
Closing balance of Reserve GS2007	<u>209,034</u>	<u>98,440</u>	<u>11,940</u>
<b>18 Special Fund additional information</b>			
<b>(i) Balance sheet as at 31 December 2006</b>			
<b>Current assets</b>			
Cash and cash equivalents	101,090	63,029	57,298
Inter Fund receivable	24,222	-	-
Trade and other receivables	391	586	-
<b>Total current assets</b>	<u>125,703</u>	<u>63,615</u>	<u>57,298</u>
<b>Total assets</b>	<u>125,703</u>	<u>63,615</u>	<u>57,298</u>
<b>Current liabilities</b>			
Trade and other payables	88,036	(552)	(534)
<b>Total current liabilities</b>	<u>88,036</u>	<u>(552)</u>	<u>(534)</u>
<b>Total liabilities</b>	<u>88,036</u>	<u>(552)</u>	<u>(534)</u>
<b>Net assets</b>	<u>37,667</u>	<u>64,167</u>	<u>57,832</u>
<b>Accumulated funds</b>	<u>37,667</u>	<u>64,167</u>	<u>57,832</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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	2006	2005	2004
	\$	\$	\$
<b>18 Special Fund additional information (continued)</b>			
<b>(ii) Income statement</b>			
<b>Income</b>			
Assessments	324,151	314,719	311,926
Interest	2,191	2,451	932
Donations	-	-	57
	<u>326,342</u>	<u>317,170</u>	<u>312,915</u>
<b>Expenditure</b>			
Grants allocated			
Anglican Consultative Council	214,998	208,700	203,000
Christian Conference of Asia	4,400	4,250	4,100
Council of the Church of East Asia	4,400	4,250	4,100
Defence Force Board	12,000	7,000	8,000
National Council of Churches in Australia	50,202	48,700	47,300
NCCA Aboriginal and Islander Commission	8,240	8,000	7,800
World Council of Churches - Geneva	15,692	15,200	14,800
	<u>309,932</u>	<u>296,100</u>	<u>289,100</u>
Domestic Conferences	1,497	1,360	10,314
Overseas Conferences	41,312	13,292	6,693
Bad Debts and Bank Charges	101	83	1,592
	<u>352,842</u>	<u>310,835</u>	<u>307,699</u>
<b>Net surplus</b>	<u>(26,500)</u>	<u>6,335</u>	<u>5,216</u>

**(iii) Unpaid voluntary Special Assessments**

Prior to 2005 it was practice to take into income but make provision for the Special Assessments levied but unpaid by the Diocese of Sydney. These balances were approved to be written off at subsequent General Synods. With the adoption of AIFRS in 2005 and for 2004 comparative figures, Special Assessment income only includes income actually received.

Total assessments levied	342,047	417,002	405,501
Total assessments paid	<u>236,698</u>	<u>314,719</u>	<u>311,926</u>
Unpaid Special Assessments not brought to account	<u>105,349</u>	<u>102,283</u>	<u>93,575</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>19 Indigenous Endowment Fund additional information</b>			
<b>(i) Balance sheet as at 31 December 2006</b>			
<b>Current assets</b>			
Cash and cash equivalents	30,867	24,025	34,130
Investments	100,000	100,000	100,000
Other receivables	12,068	-	-
	<u>142,935</u>	<u>124,025</u>	<u>134,130</u>
<b>Non-current assets</b>			
Investments – at cost	172,443	146,562	134,909
Investments – value adjustment	28,717	31,754	18,592
Investments – at market value	201,160	178,316	153,501
<b>Total assets</b>	<u>344,095</u>	<u>302,341</u>	<u>287,631</u>
Trade and other payables	15,000	-	-
<b>Total non-current liabilities</b>	<u>15,000</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>15,000</u>	<u>-</u>	<u>-</u>
<b>Net assets</b>	<u>329,095</u>	<u>302,341</u>	<u>287,631</u>
Capital Fund	250,000	-	-
Accumulated Funds	50,378	-	-
Investment Revaluation Reserve	28,717	-	-
<b>Accumulated funds</b>	<u>329,095</u>	<u>302,341</u>	<u>287,631</u>
<b>(ii) Income statement</b>			
Investment income			
Interest	11,559	6,896	3,169
Managed fund distributions	33,231	11,653	6,046
<b>Total income</b>	<u>44,790</u>	<u>18,549</u>	<u>9,215</u>
Support for National Indigenous Bishop	(15,000)	(17,000)	(15,000)
<b>Net surplus/(deficit)</b>	<u>29,790</u>	<u>1,549</u>	<u>(5,785)</u>

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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For the year ended 31 December 2006

	2006 \$	2005 \$	2004 \$
<b>20 Reserve Fund additional information</b>			
<b>(i) Balance sheet as at 31 December 2006</b>			
<b>Current assets</b>			
Cash and cash equivalents	23,985	143,257	19,966
Inter fund receivable	159,090	-	-
Investments	322,284	524,727	394,291
Trade and other receivables	57,965	55,105	53,864
Loan to Broughton Publishing	-	35,000	56,000
<b>Total current assets</b>	<u>563,324</u>	<u>758,089</u>	<u>524,121</u>
<b>Non-current assets</b>			
Investments – at cost	1,448,548	1,112,939	1,031,323
Investments – value adjustment	189,868	213,257	110,685
Investments – at market value	<u>1,638,416</u>	<u>1,326,196</u>	<u>1,142,008</u>
Loan to Broughton Publishing	-	-	35,000
<b>Total non-current assets</b>	<u>1,638,416</u>	<u>1,326,196</u>	<u>1,177,008</u>
<b>Total assets</b>	<u>2,201,740</u>	<u>2,084,285</u>	<u>1,701,129</u>
Trade and other payables	<u>7,500</u>	-	-
<b>Total current liabilities</b>	<u>7,500</u>	-	-
<b>Total liabilities</b>	<u>7,500</u>	-	-
<b>Net Assets</b>	<u>2,194,240</u>	<u>2,084,285</u>	<u>1,701,129</u>
Capital fund	539,573	495,353	521,512
Capital Fund 1999	1,097,675	1,062,609	1,036,450
National Anglican Conference Reserve	32,482	32,482	32,482
Telstra Marketing Reserve	27,273	-	-
Investment Revaluation Reserve	189,868	213,256	110,685
Unallocated surplus	307,369	280,585	-
<b>Total accumulated funds</b>	<u>2,194,240</u>	<u>2,084,285</u>	<u>1,701,129</u>



GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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	2006 \$	2005 \$	2004 \$
<b>20 Reserve Fund additional information (continued)</b>			
<b>(ii) Income statement</b>			
<b>Income</b>			
Investment income			
Interest	49,994	9,074	19,750
Managed fund distributions	251,752	81,617	53,102
Copyright royalties and licence fees	-	78,965	2,200
Sponsorship Income	27,272	-	-
Mission facilitation	-	1,500	-
Repayment of earlier Engaging Australia projects	-	-	610
Recovery of unused Engaging Australia Provision	-	-	5,100
Realised gains / (loss) on Investments	-	-	1,551
Telstra commissions and rebates	127,980	139,354	163,593
<b>Total income</b>	<u>456,998</u>	<u>310,510</u>	<u>245,906</u>
<b>Expenditure</b>			
Engaging Australia projects	-	-	5,282
Telstra Anglican Plan costs	47,394	7,500	2,396
Primates Assistant	52,517	-	-
Website development	-	7,500	30,455
Publication subsidy to Broughton	-	-	3,330
Write off Broughton loan	35,000	-	-
National Anglican Resources Unit subsidy	-	2,528	-
Grant Mission Facilitation	14,718	10,897	-
Other	-	1,500	-
<b>Total expenditure</b>	<u>149,629</u>	<u>29,925</u>	<u>41,463</u>
<b>Net surplus</b>	<u>307,369</u>	<u>280,585</u>	<u>204,443</u>

## 21 Related Party Disclosures

### Standing Committee Members

The names of each person who held the position of member of the Standing Committee during the financial year are:

The Primate

The Most Reverend Dr P J Aspinall (Archbishop of Brisbane, Primate) in the Chair

The Metropolitans of the Provinces

The Most Reverend Dr P J Aspinall (Archbishop of Brisbane)

The Most Reverend J W Driver (Archbishop of Adelaide)

The Most Reverend R A Herft (Archbishop of Perth)

The Most Revd Dr P Jensen (Archbishop of Sydney)

The Most Reverend Dr P Freier (Archbishop of Melbourne)

[From 16 December 2006]

The Chairman of Committees

The Honourable Justice D J Bleby

The Clerical and Lay Secretaries of Synod

The Reverend C Moroney

Mrs A Skamp

The General Secretary

The Reverend Canon B J McAteer

Elected by the House of Bishops

The Right Reverend A W Curnow

The Right Reverend J Harrower

The Right Reverend J Noble

Elected by the House of Clergy

The Reverend Canon Dr R Cleary

The Right Reverend R C Forsyth

The Reverend K Goldsworthy

The Right Reverend S Hale

The Right Reverend J W Holland

The Very Reverend G R Lawrence

The Venerable Dr S Macneil

The Very Reverend D J L Richardson

The Reverend Dr C Thomson

Elected by the House of Laity

Mr G Blake, SC

Mr R C Fordham

Mrs A Hywood

Mrs A Mills

Mr B J Norris

Dr M L Porter

Miss M A Rodgers

Mr I B Walker

The Honourable Mr Justice P W Young

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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	2006 \$	2005 \$	2004 \$
<b>22 Accumulated funds</b>			
Accumulated funds at beginning of year	3,327,709	2,732,667	2,532,044
Net accumulation/(use) of Reserves	(19,050)	128,902	165,570
Net surplus/(deficit)	<u>463,331</u>	<u>466,140</u>	<u>35,053</u>
Accumulated funds at end of year	<u>3,771,990</u>	<u>3,327,709</u>	<u>2,732,667</u>

**23 Commitments**

**Operating lease payable commitments**

The estimated maximum amount of commitments not provided for in the financial statements as at 31 December 2006 are:

Future operating lease rentals of premises, not provided for in the financial statements and payable:

Not later than one year	78,004	-	-
later than one year but not later than five years	<u>305,595</u>	<u>-</u>	<u>-</u>
	<u>383,599</u>	<u>-</u>	<u>-</u>

**24 Contingent assets**

A staff member of the General Synod is a member of the Anglican Church of Australia Long Service Leave Fund ("Long Service Leave Fund"). If this staff member takes long service leave or retires the General Synod will receive a payment from the Long Service Leave Fund. As at 31 December 2006 the value of this contingent payment was \$15,731 (2005: \$14,781; 2004: \$13,021).

**25 Prior period error and change in accounting policy**

***Prior period error***

A review of the SCM investments found that the cost and income recorded in 2005 for a number of investments was overstated by a net \$27,367. The 2005 year comparatives have been restated in the current financial report. Details of the restatements, at an aggregate level are shown below.

***Change in accounting policy***

Prior to 1 January 2006 an expense was recognised in the income statements when money was transferred to a reserve, to increase the reserve, this was done even though no actual expenditure was incurred. When actual expenditure did occur, no expense was recognised in the income statement, instead the reserve balance was reduced.

GENERAL SYNOD OF THE ANGLICAN CHURCH OF AUSTRALIA  
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25 Prior period error and change in accounting policy (continued)

*Change in accounting policy (continued)*

After a review of this accounting policy in 2006 it was decided to change the policy to make it more consistent with the Framework for the Preparation and Presentation of Financial Statements. The new accounting policy is detailed in note 2(m).

Changing the accounting policy resulted in 2005 and 2004 year comparatives being restated. Details of the restatements, at an aggregate level, are shown below.

**2005 year – change in accounting policy and prior year error**

	Original financial statement \$	Prior year error adjustment \$	Change in accounting policy \$	Restated values \$
Revenue				
Statutory Fund	1,099,382	10,457	-	1,109,839
Special	317,170	-	-	317,170
Indigenous Endowment Fund	22,820	(4,272)	-	18,548
Reserve Fund	344,062	(33,552)	-	310,510
Total Revenue	<u>1,783,434</u>	<u>(27,367)</u>	-	<u>1,756,067</u>
Expenses				
Statutory Fund	(1,002,648)	-	70,480	(932,168)
Special Fund	(310,835)	-	-	(310,835)
Indigenous Endowment Fund	(16,999)	-	-	(16,999)
Reserve Fund	(29,925)	-	-	(29,925)
Total expenses	<u>(1,360,407)</u>	-	<u>70,480</u>	<u>(1,289,927)</u>
<b>Surplus for the period</b>	<b><u>423,027</u></b>	<b><u>(27,367)</u></b>	<b><u>70,480</u></b>	<b><u>466,140</u></b>
Made up as follows:				
Statutory Fund	96,734	10,457	70,480	177,671
Special Fund	6,335	-	-	6,335
Indigenous Endowment Fund	5,821	(4,272)	-	1,549
Reserve Fund	314,137	(33,552)	-	280,585
	<u>423,027</u>	<u>(27,367)</u>	<u>70,480</u>	<u>466,140</u>

25 Prior period error and change in accounting policy (continued)

2004 year – change in accounting policy

	Original financial statement \$	Change in accounting policy \$	Restated values \$
Revenue			
Statutory Fund	880,555	-	880,555
Special	312,915	-	312,915
Indigenous Endowment Fund	9,215	-	9,215
Reserve Fund	245,906	-	245,906
Total Revenue	<u>1,448,591</u>	<u>-</u>	<u>1,448,591</u>
Expenses			
Statutory Fund	(878,838)	(170,538)	(1,049,376)
Special Fund	(307,699)	-	(307,699)
Indigenous Endowment Fund	(15,000)	-	(15,000)
Reserve Fund	(41,463)	-	(41,463)
Total expenses	<u>(1,243,000)</u>	<u>(170,538)</u>	<u>(1,413,538)</u>
<b>Surplus for the period</b>	<b><u>205,591</u></b>	<b><u>(170,538)</u></b>	<b><u>35,053</u></b>
Made up as follows:			
Statutory Fund	1,717	(170,538)	(168,821)
Special Fund	5,216	-	5,216
Indigenous Endowment Fund	(5,785)	-	(5,785)
Reserve Fund	204,447	-	204,443
	<u>205,591</u>	<u>(170,538)</u>	<u>35,053</u>

The adjustments do not impact year end balances for assets or liabilities previously reflected in the balance sheets.

26 Grants provided to Broughton Publishing Trust

The General Synod has contributed in excess of \$85,000 towards the setup and ongoing operations of Broughton Publishing Trust. For accounting purposes these payments have been classified as grants and other expenses and have been expensed through the income statement. In addition a significant amount of in-kind professional services has also been provided by the General Synod.