

A low-angle, upward-looking photograph of a dense forest. Numerous tall, slender tree trunks rise from the bottom of the frame towards the top, creating a strong sense of height and verticality. The canopy is thick with green leaves, and patches of bright blue sky are visible through the foliage. The lighting suggests a sunny day, with dappled light filtering through the trees.

ANNUAL REPORT 2019



ANGLICAN DIOCESAN
SERVICES

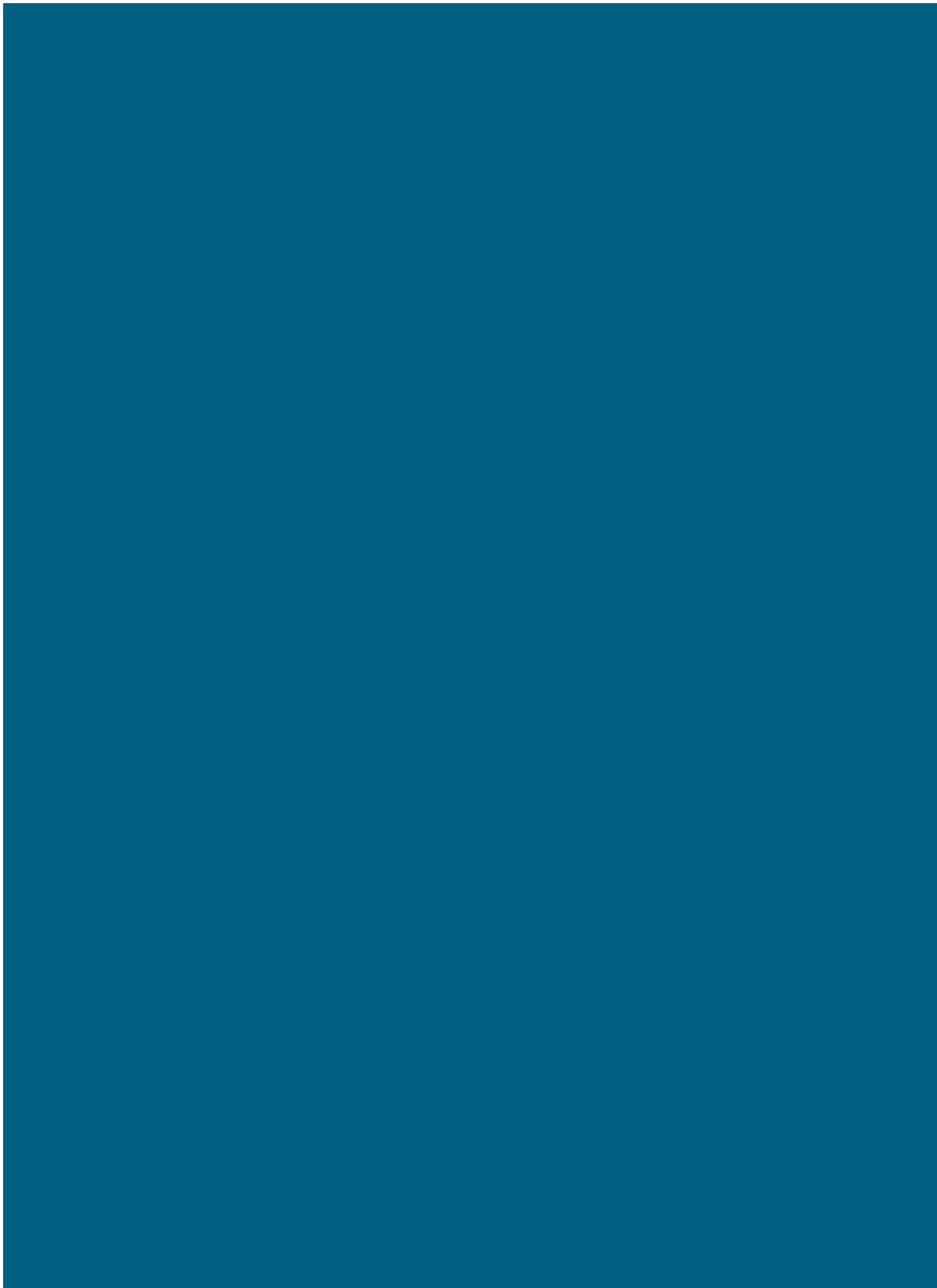


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Foreword

FROM THE BISHOP

In writing this foreword to the 2019 report of Anglican Diocesan Services, I reflected on my address to our Diocesan Synod in September 2019. In that address I challenged our Diocese to engage a world of difference with the love and truth of Jesus, confident that God's mission of reconciliation in Christ is as compelling as ever. I expanded on that theme by exploring six priority areas for our common life:

1. Gracious and patient witness
2. Safe and sustainable ministry
3. Compassionate and skilled service
4. Creative and informed advocacy
5. Just and generous stewardship
6. Inspiring and empowered worship

The particular calling of ADS is to assist, empower and resource parishes, ministry units, schools and Diocesan agencies to express these priorities as well as embodying them in its common life. By drawing together a team of diverse skills and experience and by building connections between different aspects of the Diocese ADS witnesses to the truth that in Christ the whole is truly greater than the sum of the parts.

In recent times drought, bushfires and the health and economic disruption associated with COVID-19 have brought further challenges to the work of ADS. The Staff and Board have responded promptly and skillfully to ease the financial burdens on parishes, schools and agencies, to source and distribute relief and develop new ways of working and connecting when face to face activities have been curtailed. This response is an expression of our common faith in our God who is committed to the future of His world, His people and His mission; and an outworking of the truth that in Christ, it is in moments of apparent weakness that we discover the profound strength of the resources available in Him.

I commend this report and in particular wish to acknowledge the tireless service of Mr Trevor Ament amongst many others. May we be informed and encouraged to continue serving in the cause of the Lord Jesus.

Bishop Mark Short

Diocesan Bishop

Anglican Diocese of Canberra & Goulburn





Message

FROM THE
GENERAL MANAGER

Reflecting on 2019, I can say it was a highly productive year for the ADS during what was a time of significant transition for the Diocese.

In April 2019 we welcomed Bishop Mark as our new Diocesan Bishop. Since this time the mission framework has been reviewed and recast and a significant focus has been on exploring and furthering the six priority areas outlined by Bishop Mark in his September 2019 Synod Charge for engaging our world with the love and truth of Jesus.

At the end of the year we farewelled Bishop Trevor as he moved into retirement after a long and distinguished season of ministry and service to the Lord and the Australian Anglican Church.

In addition to the standard operating demands and the secretarial support provided to various Diocesan Board and Committees other key highlights of 2019 included:

Service Level Agreements

In 2019, the ADS entered into Service Level Agreements (SLAs) with:

- 1) St Mark's National Theological Centre; and
- 2) The Riverina Anglican College.

This was a significant milestone for the ADS, further strengthening its missional alignment and the services it provides to agencies and entities across the Diocese.

Master Asset Finance Facility (MAFF)

The MAFF continues to deliver cost savings and efficiency dividends for schools and agencies and is increasingly being utilised.

ADS Fleet/Procurement

Since the appointment of Mark Trainor as the new ADS Fleet and Procurement Manager in June 2019 a significant amount of work has been undertaken with a detailed review of ADS Fleet Structure and Operations having been completed.

In addition, a review of Vehicle Purchasing, Fuel and Vehicle Service Suppliers was completed with a renewed focus on environmental stewardship, vehicle safety and driver awareness. Engagement with ministry units and agencies has seen an expansion of fleet vehicle numbers. Work is now focused on developing policies to support these activities as well as reviewing and exploring other procurement opportunities (i.e. energy).

PwC Review

In 2019 PwC was engaged to undertake an independent review of the ADS. The aim of the review was to benchmark the costs, assess the level of service that the ADS delivers and also provide recommendations for future improvement. Further details are provided within the General Manager/Executive Directorate overview.

AIRS

The Anglican Diocese of Canberra and Goulburn has, for many years, been a key supporter and member of the Anglican National Insurance Program (ANIP). In 2019, ANIP underwent a restructure and transitioned to become Anglican Insurance and Risk Services (AIRS), an incorporated entity. The Diocese remains committed to the new program and looks forward to continuing to partner with AIRS.

In closing I wish to record my thanks to the staff of the ADS for their efforts over 2019. Without their dedication and commitment to the ADS and the wider Diocese we would not have been in a position to assist our agencies and entities during the challenges experienced through the bushfires, storm damage (hail) and COVID-19.

I would also like to thank Bishop Mark for his patience, wisdom and guidance over 2019 and the ADS Board for their continued support and encouragement.

Whilst this report focuses on 2019 two significant events have since impacted our Diocese profoundly - the devastating bushfires and the COVID-19 coronavirus pandemic. A report outlining the response to each of these events is provided on the following pages.

Trevor Ament

General Manager

Anglican Diocesan Services



Bushfires

Photo Credit: CSIRO

The spring of 2019 was to be the start of a devastating bushfire season across the Diocese of Canberra & Goulburn but also for our country at large.

Beginning in November, fires burnt across the Diocese for almost three months, from Batemans Bay to the Victorian border, to the east and west of Braidwood, south of Canberra, around Cooma and Adaminaby, and in the west at Batlow and Tumbarumba. The extreme weather conditions on 31 December (New Year's Eve) proved particularly devastating for many communities on the south coast of NSW.

Around one third of Parishes (18 in total), and more than half of those in NSW, were impacted by these fires. Of the estimated 2100 homes lost in NSW approximately 900 of these were within our Diocesan boundaries (~450 in the Eurobodalla Shire, >300 in the Bega Valley Shire and >100 in the Snowy Valley Shire). There was also extensive damage to commercial and agricultural infrastructure and tragically, several lives were lost in the Diocese, including three in the Cobargo district.

For those not in the immediate fire areas the thick smoke that blanketed NSW and the ACT was an ever constant reminder and posed challenges of its own. Remarkably the loss of church property was limited to St Saviour's Church Quaama (Cobargo Parish) which sadly was completely destroyed (as pictured below); and the administration building and other infrastructure at St Peter's Anglican College at Broulee which has since been replaced.



St Saviour's Church in Quaama

MINISTRY UNIT RESPONSE

The response from our ministry units was incredible with churches around the Diocese providing emergency relief and pastoral care to those affected by the fires, including:

- providing food, clothing and assistance;
- opening churches and parish halls to provide refuge, temporary accommodation and pastoral support for tourists and locals;
- prayer and meditation vigils;
- assisting at evacuation centres (in conjunction with Anglicare's Disaster Recovery program);
- Diocesan clergy serving as Disaster Recovery and RFS Chaplains alongside their regular pastoral duties;
- volunteering with the NSW and ACT Rural Fire Service's and/or directly supporting them;
- working on projects such as putting together back packs of supplies for children needing to return to school; and
- supporting recovery agencies (i.e. Blazeaid).

SCHOOLS RESPONSE

As noted above St Peter's Anglican College at Broulee was directly impacted by the bushfires and suffered loss and damage to buildings and infrastructure including the administration building, as well as teaching and maintenance staff spaces, communications, outdoor equipment and grounds. The Lord was very gracious as we almost lost the entire school but for a last minute wind change.

Whilst Sapphire Coast Anglican College did not suffer damage to its buildings many of the staff and families of students lost homes and farm infrastructure.

Both Principals took up the gruelling task of calling staff and families in fire affected areas, hearing their stories of escape; of panic, disbelief and confusion at the intensity of the fire; of losing farms, sheds, animals, feed for their stocks and also losing their homes. Overall more than 20 families with children at the South Coast Anglican Schools lost houses.

Both Colleges committed to providing significant ongoing counselling support to students, their families, and staff to help deal with the traumas experienced by families fighting or fleeing from these widespread bushfires, and evacuating from their homes. The Colleges have also increased the part-time Counselling roles to full-time roles as a direct method of providing assistance on the ground to students and families.

Fee relief strategies and other support (i.e. uniforms etc.) have been implemented with the estimated financial impact across both schools being approximately \$500k in school fees alone. As part of this assistance the Colleges are also offering a Bush Fire Relief Scholarship to identified students. This assistance to families and students will provide the help necessary for the students to remain in the safe and stable environment offered by the Colleges and continue their education.

Despite the challenges, classes at Sapphire Coast Anglican College were able to commence on schedule for the new school year and at St Peter's Anglican College in Broulee classes were able to commence only a couple of days later than scheduled.

The longer term economic effects of the bushfires on the local communities is becoming more apparent and will continue to be assessed during the recovery phase, particularly noting the important missional role that both schools play within their local community.

DIOCESAN RESPONSE

Anglicare

From the outset of the crisis Anglicare Disaster Recovery volunteers were mobilised to serve in local evacuation centres. At the height of the emergency the centres in Batemans Bay, Narooma and Bega each registered over 4000 evacuees.

In the first week of January the Diocese also launched a Bishop's Bushfire Appeal in conjunction with Anglicare. Over \$200,000 was raised which is being used to provide direct assistance and support longer-term pastoral responses.

Prayer

Prayer has been a major part of the Diocesan response. In the first half of January the Bishop convened a video conference meeting with affected Parishes to collect prayer points which were then used throughout the Diocese. A number of online prayer meetings were held during the bushfire crisis.



Anglicare volunteers at Batemans Bay & Moruya



Pastoral Care

A pastoral letter was issued by the Bishop on 5 January 2020. A further pastoral letter was issued on 17 February 2020.

Bushfire response meeting/s were convened via Zoom with affected Parishes in the South Coast and Western regions and a Bushfire resource page was established on the Diocesan website.

Pastoral visits were also conducted as follows:

- visits to the South Coast Parishes by the Bishop and the Registrar;
- visits to the South Coast Anglican Schools by the Registrar and ADS Director of Schools; and
- visit to Parishes in the Western Region by Bishop Mark.

Provision of Pastoral Care Support Workers

Feedback from clergy and lay leaders affirmed the value of supporting a number of Disaster Recovery Pastoral Care Support Worker positions for a period of at least 12-18 months to assist in the recovery process. The role of these positions would include:

- the provision of emotional and pastoral support to clergy and lay leaders;
- organising courses, training events and commemorations to promote community connection and resilience during the recovery phase;
- representing local churches on any Council-based community recovery committee; and
- liaising between churches and outside organisations offering volunteer support during the recovery phase.

The intent is to allocate one Pastoral Care Support Worker to each of the affected Local Government Areas (i.e. Eurobodalla, Bega Valley and Snowy Valleys council areas) and drawing on the experience of similar positions in previous disasters. Funding has been sourced for these positions and this work will be progressed as soon as the COVID-19 restrictions allow.

Funding

Anglican Aid

Anglican Aid has generously provided the following funding:

- An initial grant of \$75,000 which was distributed to the Parishes and Schools directly impacted by the bushfires as emergency funds for on the ground and immediate assistance.
- A second grant of \$21,000 which provided \$1,000 in direct assistance to each school family who lost their home. St Peter's Anglican College received \$9,000 and Sapphire Coast Anglican College \$12,000. A personal message from Bishop Mark was also provided to each family along with the payment.
- A third grant comprising:
 - o \$150,000 towards the funding of additional pastoral care support workers; and
 - o \$40,000 for bushfire affected Parishes

Bush Church Aid (BCA)

\$100,000 was received from the BCA drought and disaster relief fund to assist in funding the proposed pastoral care support workers.

Anglican Investment and Development Fund (AIDF)

The AIDF Board approved a special distribution of \$200,000 to support the bushfire recovery and this has been distributed across impacted parishes and schools.

A range of other Commonwealth and State (NSW) grant funding initiatives were announced to assist individuals and businesses that have been directly impacted by the bushfires including fee relief support for the schools.

Direct Assistance measures

Parish Contribution Relief

As endorsed by Bishop-in-Council, Parishes impacted by the bushfires were offered relief from the Parish Contribution for a period of six months to enable them time to work through the impacts to the Parish and the wider community. This cost was absorbed by Anglican Diocesan Services (ADS) as direct assistance to affected Parishes.

Insurance Relief

As endorsed by Bishop-in-Council, to assist those Parishes impacted by the bushfires a one-off bushfire levy (through the insurance costs) was applied to selected Parishes based on their income assessment. Twelve (12) parishes were asked to fund this assistance through the levy. Of these, seven will be levied \$5,000 with the remaining five being levied \$2,000. The total assistance provided by these Parishes will be \$45,000. Those Parishes affected by the bushfires will receive a maximum benefit of \$4,000 to reduce the cost of their insurance.



Narooma Evacuation Centre, 3 January 2020



Photo's supplied by Bishop Carol Wagner



Coronavirus Pandemic

(COVID-19)

In addition to the bushfires, 2020 saw the Coronavirus (COVID-19) pandemic which has had unprecedented global and national impacts including across all entities of the Diocese and the wider local community.

The ADS (Diocese) took immediate steps to respond to and manage the presenting situation; this included monitoring the public health advice, enacting Business Continuity Plans for the ADS and developing, in consultation with the Bishop's Office, co-ordinated communication strategies to provide information and resources to ministry units and agencies (i.e. FAQ documents and other COVID19 resources) to assist them to assess, and manage the associated risks. A "Keep Connected" page was also initiated on the Diocesan website to assist in connecting people to the online church services and other pastoral resources.

The ADS office shutdown period commenced on Monday 30 March with all staff working from home until further notice. A very limited number of staff have been present at the ADS office intermittently during the shutdown period for essential service delivery. Any staff onsite have been strictly adhering to social distancing and hygiene requirements and completing the register of office attendance.

The biggest impact to ministry units was the cessation of public worship services to ensure the safety of all parishioners and the general public. This then led to a reduction in offertories and the loss of other income generating activities (i.e. op-shops, car-parking, hiring of church facilities etc.) which placed considerable financial pressure on many ministry units and clergy. However, this did not stop our ministry units, many of whom used this as a catalyst to utilise technology and implement "online" church services (via Zoom or YouTube) in order to continue worship and remain connected to one another. Overall this has had some amazing benefits, not only in terms of upskilling and keeping congregations connected but enabling others to "see" what different ministry units are doing as well as connecting with people who they may not otherwise have.

The ADS and the AIDF also provided assistance to ministry units in transitioning parishioners' offertories to direct debit arrangements.

A range of financial support initiatives were implemented to assist ministry units and agencies over this time as follows:

GOVERNMENT SUPPORT INITIATIVES

JobKeeper Payment

Under the JobKeeper Payment, businesses or not-for-profits impacted by the Coronavirus (COVID-19) have been able to access a subsidy from the Government to continue paying their employees. For charities registered with the Australian Charities and Not-for-profits Commission (ACNC) they are eligible for the subsidy if they estimate their turnover has or will likely fall by 15 per cent or more relative to a comparable period.

Affected employers are able to claim a payment of \$1,500 per fortnight per eligible employee from 30 March 2020 until 27 September 2020. This has the potential to benefit ministry units by \$1,500 per fortnight (\$19,500 over six months) for each clergy and other paid position. No superannuation guarantee payments are required to be paid on any additional payment made because of the JobKeeper Payment.

The ADS invested a significant amount of time and effort into assessing the processes for the two Government initiatives to ascertain what was required from each ministry unit and from the ADS in order to access these payments; as well as requesting, reviewing and collating the information provided by ministry units to assess eligibility. This information, along with that received from our Diocesan agencies helped to inform our application to the Australian Taxation Office (ATO) for the JobKeeper payment.

To facilitate this Anglican Diocesan Services (ADS) engaged PwC to provide advice in relation to our application given the complexities around church governance structures, financial arrangements and employment considerations in terms of assessing eligibility.

The advice from PwC was that in relation to ministry units, whose employees (clergy/staff) are employed via the Anglican Diocese of Canberra and Goulburn (ADCG) entity, then these are to be lodged as a consolidated group rather than on an individual ministry unit basis. PwC continues to review our lodgements and provide advice on various legislative changes that continue to be made in relation to the JobKeeper payment.

To date JobKeeper payments have been received for the months of April and May for both the ADCG and ADS entity. The June lodgement is pending.



Cash Boost for Employers payment

Employers will receive a payment equal to 100 per cent of their salary and wages withheld (up from 50 per cent), with the maximum payment being increased from \$25,000 to \$50,000 and the minimum payment increased from \$2,000 to \$10,000.

An additional payment is also being introduced equal to the total of all of the Boosting Cash Flow for Employers payments received. This means that eligible businesses will receive at least \$20,000 up to a total of \$100,000 under both payments. This has the potential to boost cash flow for each Parish by at least \$10,000 in each of the financial years 2019/20 and 2020/21.

To date the ADCG has received \$50,000. This was distributed to ministry units on a pro-rata basis. The ADS has also received \$50,000. A further payment is expected in the coming months.

DIRECT ASSISTANCE

Parish Contribution Relief

At its meeting on Friday 3 April, Bishop-in-Council (BIC) endorsed the ADS - Parish Contribution relief strategy as follows:

In early January 2020 the ADS Board approved a proposal to provide parishes impacted by the bushfires relief from the Parish Contribution for a period of six (6) months. Due to the exceptional circumstances of COVID-19 the ADS Board approved additional relief to all Parishes by waiving the 13 per cent Parish Contribution for a period of six (6) months (April 2020 – September 2020). The total benefit to Parishes through this relief from the Parish Contribution is \$715,000.

AIDF Assistance package

The ADS executive produced a major response to the COVID-19 pandemic for the AIDF which was approved by the AIDF Board. The response provided ministry units, agencies, schools and entities with major cash flow benefits (relief from loan repayments to December 2020) and reductions in the interest rates.

HELP STOP 1

CORONAVIRUS

ASSISTANCE TO OTHER AGENCIES

Schools

The ADS Director of Schools and Anglican Schools Commission provided support across the schools portfolio particularly during the transition to online learning and again during the return to face-to-face learning once restrictions had eased. Meetings with School Principals and Board Chairs (of both the Diocesan and Company Schools) were initiated and provided an effective forum for collaboration and pastoral care and support. Strategic consideration is now being given to the benefits of online learning and its future application post the COVID-19 pandemic.

Anglicare

The ADS has been in regular communication with the Anglicare CEO Jeremy Halcrow and has undertaken a significant amount of work to model the financial risks to Anglicare and to facilitate Anglicare's applications for the JobKeeper and Cash Boost for Employers payments.

COVID-SAFE PLANNING

With the announcement of the Government's 3-step framework for a COVID-safe Australia and subsequent announcements regarding plans for lifting of restrictions in NSW and the ACT, the ADS Risk and Compliance directorate has developed a suite of further information to assist ministry units and agencies plan for a return to on-site activities. This has included a COVID-safe management plan template, which all ministry units and agencies will need to complete and have in place, along with posters and other resources.

COVID-safe "return to work" planning has also commenced for the ADS. This is being mapped against the Safe Work Australia guidelines. The aim is to commence implementation later in the year with a gradual transitioning of staff back to working in the office.



THE SPREAD

S (COVID-19)

ABOUT OUR ORGANISATION



MISSION STATEMENT

SHARED SERVICES IN THE BUSINESS OF ENGAGING OUR WORLD

Anglican Diocesan Services (ADS) provides professional corporate services for Ministry Units, Diocesan Agencies and Schools which are specific to their requirements and ensure continuous improvement and efficiency in administration.

ADS is a strategic initiative of Bishop-in-Council, formed to be a key mission partner, for all the entities of the Anglican Diocese of Canberra and Goulburn. The work of ADS through the growth of mission partnerships ensures Bishop-in-Council has confidence in a challenging financial and complex regulatory environment.

ADS supports all people of our Diocese to be equipped and released to engage our world with the love and truth of Jesus.

OUR VISION & OBJECTIVES

SHARED SERVICE PROVISION

Provide high quality technical and professional advice, services, support and infrastructure to enable our clients agencies to meet their core business and missional objectives.

CUSTOMER DRIVEN QUALITY

Provide consistency and standardisation within all areas of ADS and foster a culture of continuous improvement in the provision of service standards.

COST & PROCESS

Continuous improvement of business services and standards whilst maximising efficiencies and reducing infrastructure costs for all Diocesan agencies.

OUR PURPOSE & FUNCTIONS

The ADS's purpose and functions are outlined in sections 4 and 5 of the Anglican Diocesan Services Ordinance:

Section 4

“ The purpose of the ADS is to facilitate the mission of the Church and the delivery of the mission by agencies and ministry units in the Diocese by providing administrative services (particularly employment services) and property services effectively and efficiently.

Section 5

“ The function of the ADS includes the provision of administrative services and property services to the central operations of the Diocese, including the Bishop, the Assistant Bishops, Synod, Bishop-in-Council, Ministry Executive, the Property Trust, the Chancellor, the Registrar and the Treasurer to any committees, task-forces or working parties or similar bodies established by any of them; and

The function of the ADS includes the provision of administrative or property services to:

- a) any unincorporated diocesan agency which requests them; or
- b) to which the Bishop-in-Council directs that such services be provided; and
- c) any incorporated diocesan agency or any ministry unit where the agency or unit requests such services be so provided.



SERVICE PROVISION

The ADS is currently providing services through its ordinance obligations and Service Level Agreements (SLAs) as follows:

SECTION 5.1 - ADS ORDINANCE	Commencement	Current Term
Bishop-In-Council	1 July 2013	On-going
Ministry Executive	1 July 2013	On-going
Anglican Church Property Trust	1 July 2013	On-going
Committees of the Diocese	1 July 2013	On-going

Section 5.2 - SLA's	Commencement	Renewed	Current Term
Anglicare NSW South, NSW West and ACT BIC Resolution: 7550/13	17 October 2013	2018	1 July 2018 – 30 June 2021
South Coast Anglican Schools (St Peter's Anglican College & Sapphire Coast Anglican College) <i>BIC Resolution: 7626/13</i> <i>BIC Resolution: 8227/15</i> <i>BIC Resolution: 8236/15</i>	15 July 2014	2016	1 January 2016 – 31 December 2020
Anglican Investment and Development Fund (AIDF)	23 February 2016	2019	1 July 2019 – 30 June 2022
The Anglican School Googong (TASG)	January 2016	2019	1 September 2018 – 31 December 2021
Burgmann Anglican School (leased equipment)	January 2017		January 2022
The Riverina Anglican College (TRAC)	January 2018 (ICT/leased equipment only)	2019 – expanded service provision	1 July 2019 – 31 December 2022
St Mark's National Theological Centre	1 July 2019	n/a	1 July 2019 – 30 June 2022

ADS INFORMATION

STAFFING

As at 31 December 2019, ADS had 58 staff members (including Chaplains) comprising of permanent and permanent part-time staff. This equates to 52.46 Full Time Equivalent (FTE) (including Chaplains).

SECRETARIAT

The General Manager is the Secretary to the ADS Board and provides policy, operational and business management support and advice. The Board can be contacted via the Registrar / General Manager, Trevor Ament.

STATUTORY COMPLIANCE

Registered ABN: 55 349 267 973

Registered with the Australian Charities and Not-for-profit Commission (ACNC).

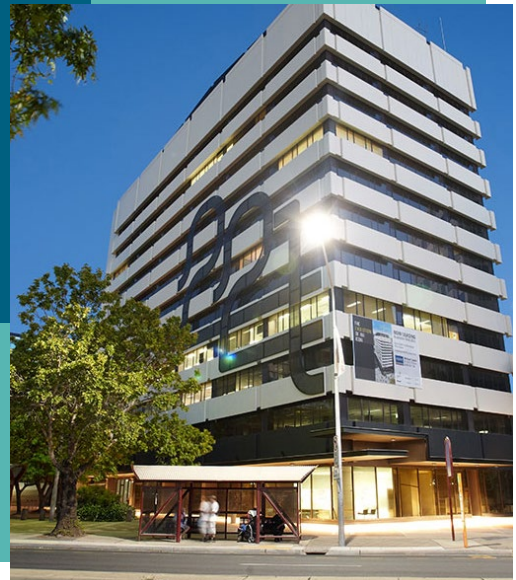
CONTACT

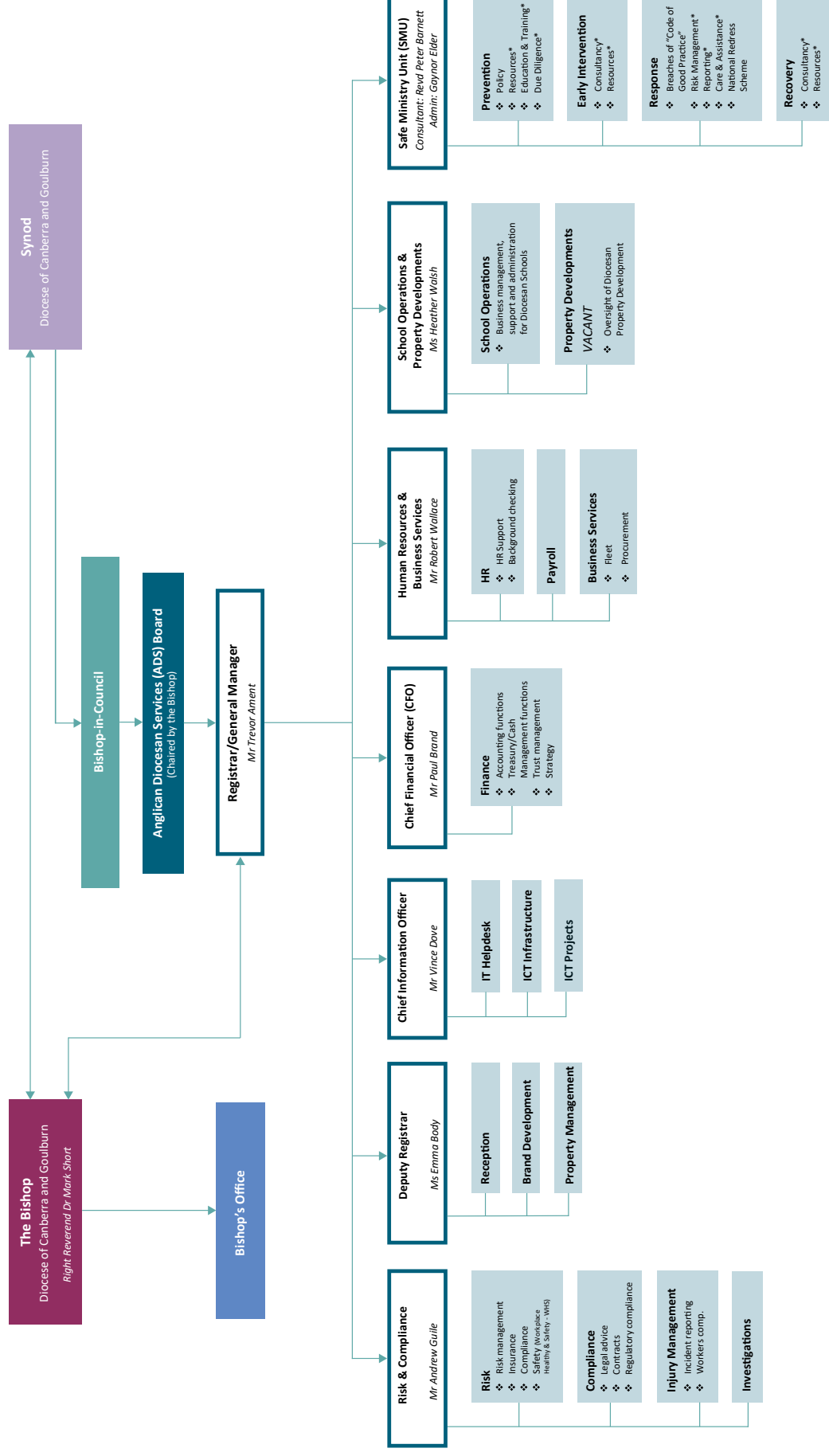
Location Level 4, 221 London Circuit, Canberra ACT

Postal GPO Box 1981, Canberra ACT 2601

Phone (02) 6245 7101

Fax (02) 6245 7199





* Shows where there are links with other directorates within ADS and entities within the Diocese

MEMBERSHIP & GOVERNANCE

BOARD MEMBERS

The ADS Ordinance provides that the members of the Board of the ADS are the persons, other than the Registrar, who are the members of the Ministry Executive. The Registrar is the General Manager of the ADS. The current membership of the ADS Board, as at 30 June 2019, is as follows:



**The Right Reverend
Dr Mark Short**
Chair
Appointed April 2019



**The Right Reverend
Trevor Edwards**
Chair
*Appointed September 2011
until April 2019*



**The Right Reverend
Professor Stephen
Pickard**
Member
Appointed October 2018



**The Honourable
Richard Refshauge**
Member
Appointed September 2011



**The Venerable
Dr Brian Douglas**
Member
Appointed April 2016



Mr Wayne Harris
Member
Appointed September 2011



**Mrs Margaret
Wheelwright**
Member
Appointed October 2014



Mr Mark Le Couteur
Member
Appointed August 2017

GOVERNANCE

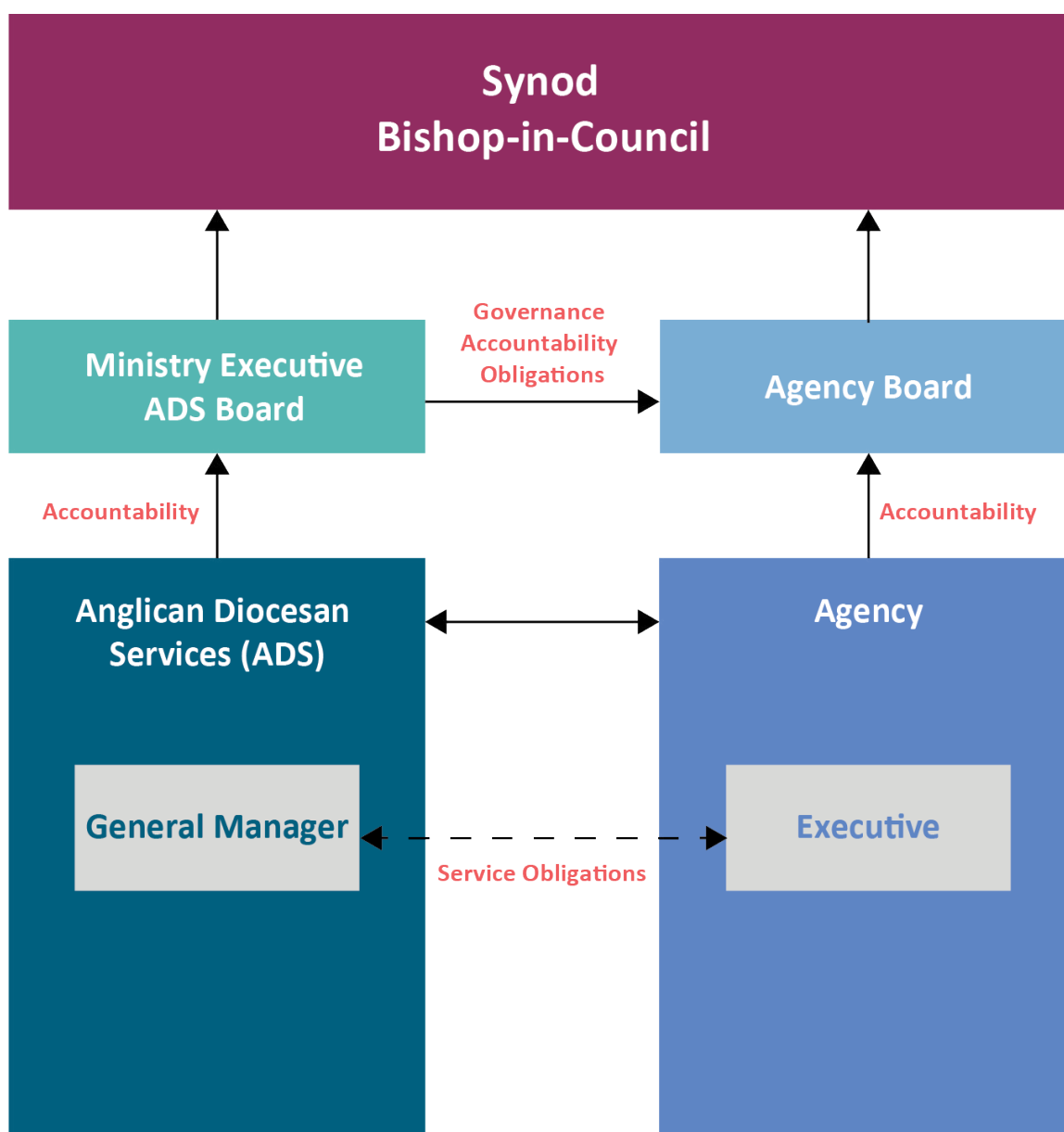
The members of Ministry Executive, and consequently the ADS Board, are appointed by the Bishop, on the advice and approval of Bishop-in-Council, ensuring an appropriate mix of professional skills.

The General Manager reports to the Board on key governance, risk and internal control issues at each meeting.

Clear governance arrangements are critical to the ongoing success of the relationship between the ADS, the Diocese and agencies. The arrangements must demonstrate transparency, inclusiveness, accountability and an appropriate level of support for the core business of the Diocese and agencies.

The following diagram illustrates the governance, accountability and service obligations:

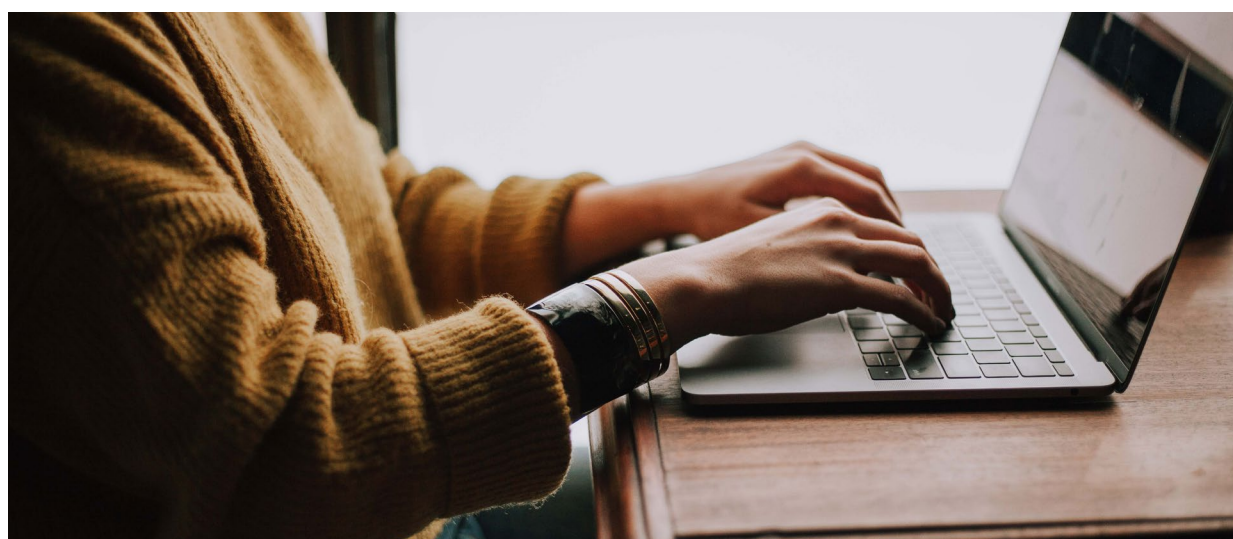
BOARD MEETINGS



Meetings are scheduled to be held every second month. A total of four (4) regular meetings and three (3) electronic votes were held in 2018; and for the period 1 January – 30 June 2019 a total of three (3) regular meetings have been held.

The table below sets out the number of meetings attended by each member (electronic votes are not included in these figures):

Board Member	Meetings Attended	Meetings Eligible to Attend
The Right Reverend Dr Mark Short <i>Chair/ Bishop</i>	5	5
The Right Reverend Trevor Edwards <i>Chair until April 2019</i>	5	7
The Right Reverend Professor Stephen Pickard	4	7
The Honorable Richard Refshauge	6	7
The Venerable Dr Brian Douglas	4	7
Mr Wayne Harris	4	7
Mrs Margaret Wheelwright	5	7
Mr Mark Le Couteur	3	7
Mr Trevor Ament <i>Board Secretary</i>	7	7





CORPORATE FUNCTIONS

The corporate functions undertaken in the ADS relate to four key categories:

1. Transactional corporate functions

These relate to relatively straight-forward and repeatable functions with high volumes. Due to their nature these functions allow for standard policies and processes to be implemented and economies of scale to be achieved.

2. Advisory and value-add corporate functions

Advisory services where professional judgment and interpretation of policy is required. The provision of this expertise can be provided across a number of entities for a common purpose.

3. Policy and corporate control functions

Focuses on the development of policy and standards applied across a number of entities. This includes the development of controls and compliance measures.

4. Strategic corporate functions

Development of overall strategic objectives to ensure the ADS discharges its obligations to all entities to which it is providing services.

With these four categories established, the corporate functions provided by the ADS then form the basis of the Service Level Agreements (SLA) and are costed within a budget framework.

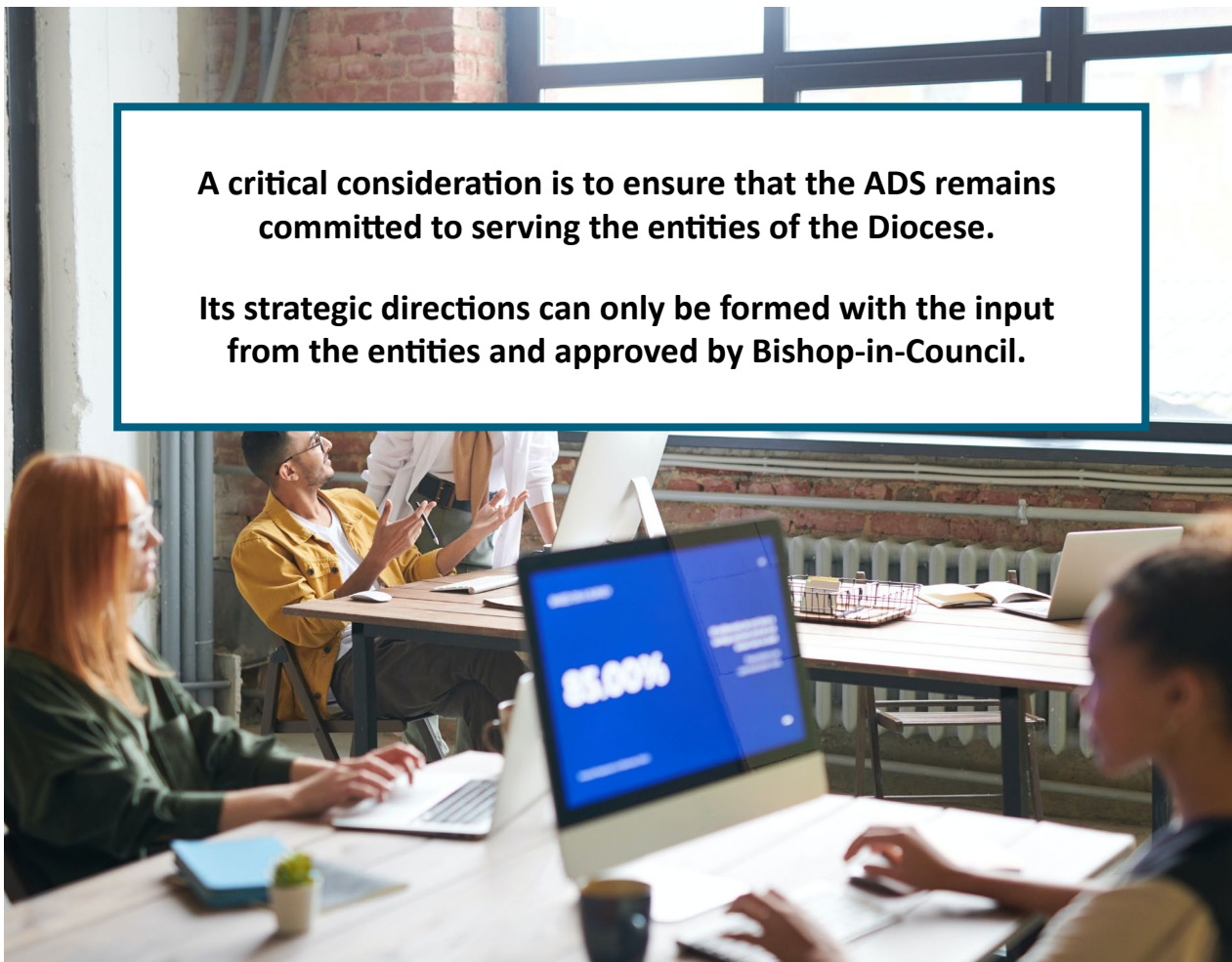
Below are the corporate functions in which we provide in our SLA:

- Payroll
- Human Resources
- Fleet Management
- Risk and Compliance
- Injury Management
- Finance
- Procurement
- Information and Communications and Technology (ICT)
- Property Management
- Provision of Equipment – Leasing
- Project Support Framework

In order to allow some flexibility for additional services beyond those identified and agreed to, a Project Support Framework has been developed. This framework enables additional service provision to be negotiated and articulated and ensures appropriate reviews, approvals and costings are undertaken. It is anticipated that agencies of the Diocese will utilise the ADS rather than contract out to external suppliers or re-engage or re-develop their own in-house capacity.

A critical consideration is to ensure that the ADS remains committed to serving the entities of the Diocese.

Its strategic directions can only be formed with the input from the entities and approved by Bishop-in-Council.





2019 IN REVIEW

OUR DEPARTMENTS

 BISHOP'S OFFICE

GENERAL MANAGER / EXECUTIVE 

 HUMAN RESOURCES & BUSINESS SERVICES

FINANCE 

 RISK & COMPLIANCE

INFORMATION & COMMUNICATIONS TECHNOLOGY
(ICT) 

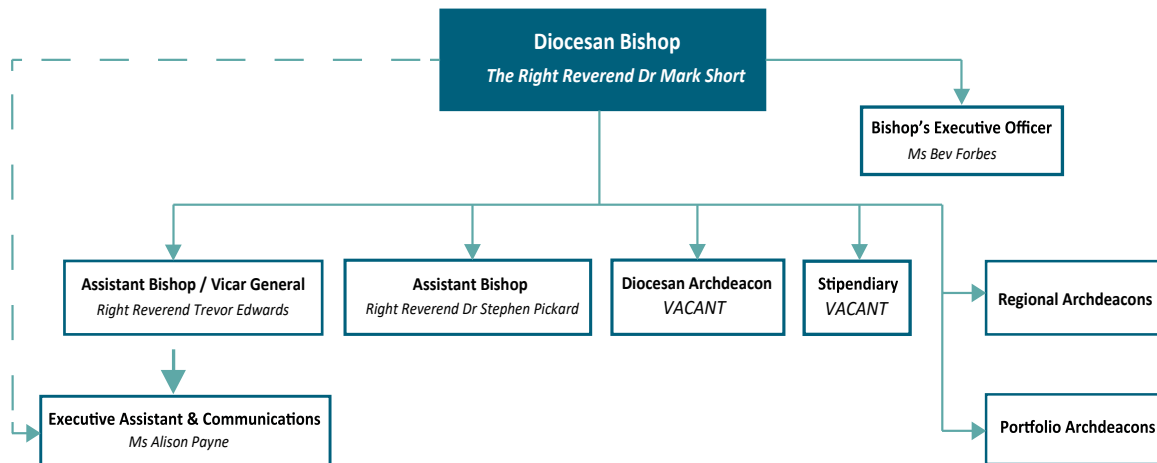
 SCHOOL OPERATIONS & PROPERTY DEVELOPMENTS

SAFE MINISTRY UNIT 



BISHOP'S OFFICE

OVERVIEW



The Bishop is the spiritual, pastoral and executive head of the Diocese with wide-ranging legal and administrative responsibilities. In overseeing the Ministry Units the Bishop operates in close consultation with the Vicar-General, Assistant Bishops, the Dean of the Cathedral, Archdeacons, Area Deans and other senior clergy and lay leaders.

2019 saw a transition in the Bishop's Office as Bishop Trevor Edwards stepped down as Episcopal Administrator and Bishop Dr. Mark Short assumed episcopal responsibility following his consecration and installation as the 11th Bishop of the Diocese of Canberra and Goulburn on 6 April 2019.

Bishop Trevor formally concluded his role as Assistant Bishop and Vicar General in December 2019, taking a period of long service leave before formally retiring on 11 January 2020.

Bishop Carol Wagner was appointed as Vicar General and consecrated as Assistant Bishop having transitioned from the South Coast where she was the Regional Archdeacon and Rector for the Parish of Narooma.

The work and support of Bishop Stephen Pickard in assisting with various Episcopal duties continues to be greatly appreciated; as does the executive support provided by Ms Bev Forbes.

During 2019 Ms Alison Payne transitioned to a new role as the Office Executive Assistant for the Vicar General with oversight of the Bishop's Communications effective 1 July 2019.

The Reverend Peter Rose, through his role as Acting Director of Ordination, also provided a significant contribution and much needed support across this important portfolio. Rev. Peter was thanked for his service to this role during this period of transition. The Reverend Ian Marshall has subsequently been appointed Director of Ordinations.



Bishop Mark Short Consecration

ARCHDEACONS

The Archdeacons continued to provide invaluable support over 2019 across the various regions of the Diocese. Further details are provided in the Bishop-in-Council Annual Report.

The Archdeacon's package (stipend and inclusions) is funded through the ADS and includes:

- Provision of a motor vehicle or an allowance
- Laptop and telephone
- 1 weeks extra leave
- A \$10,000 ministry allowance for identified Archdeacons

CHAPLAINCY

Archdeacon Dr Wayne Brighton oversees the Diocesan Chaplaincy portfolio. Chaplaincy services are provided across the ACT and NSW within schools, universities, hospitals, mental health facilities, the police force, correctional facilities, aged care facilities, retirement villages and Parliamentary Christian Fellowship.

The functions of this portfolio include:

1. Providing administrative and pastoral oversight for diocesan chaplains.
2. Initiating a chaplaincy support and facilitation plan to coordinate the range of chaplaincy provided across the Diocese.
3. Serving on boards or management committees to enhance the ministry of chaplaincy within the civil arena.
4. Liaising with civil institutions to establish access to chaplaincy coverage.

2019 saw some significant changes occur in our capacity to provide chaplaincy services. The Diocese relinquished subsidies provided by the NSW Department of Communities and Justice through the Civil Chaplaincy Advisory Committee for part-time ministry at the Riverina Juvenile Justice centre in Wagga Wagga, Mannus Correctional Centre (Tumbarumba) and Cooma Correctional Centre due to our incapacity to fill these roles.

The ACT Pastoral Care Council decided to windup its operations due to poor engagement from denominational and inter-faith bodies for the provision of chaplaincy in the ACT and the withdrawal of ACT government funding. It's effort to develop recognised standards for the provision of chaplaincy collapsed leaving significant gaps in the professional development of chaplains. On its windup the contract for chaplaincy services at the Alexander Maconochie Centre were transferred to the ADS.

The contract with RSL Lifecare for the provision of chaplaincy services at Fred Ward Gardens (Curtin), Bill McKenzie Gardens (Page) and facilities on the South Coast (Merimbula, Tura Beach and Eden) was renewed. Following the retirement of The Revds Jill Elliot (Page) and Morton Johnson (Curtin), new chaplains have been engaged, namely The Revd Debbie Mazlin (Curtin) and Deaconess Kathryn Clark (Page).

Within the Exploratory Ministry Chaplaincy Unit (EMCU):

- New Council members were appointed, namely Archdeacon Brian Roberts and Mr Mark Le Couteur, joining Archdeacon Wayne Brighton (chair), Canon Gill Varcoe, Archdeacon Brian Douglas and Bishop Trevor Edwards.
- the South Sudanese Anglican Ministry (SSAM) was recognised as new Chaplaincy Unit by Bishop-in-Council following the development of a constitution and governance arrangements.
- The Dinka Congregation was relocated from St George's Pearce to Radford College with efforts to develop their capacity to become a ministry unit also underway.
- A proposal was developed for the establishment of a new initiative in the Snowy Mountains in partnership with Bush Church Aid Society with Archdeacon Brian Roberts playing a key role.
- Embracing Ministries continued to develop its programs for families living with disability. The initiative is jointly funded by Anglicare, the Stening Trust and a variety of other churches. A management committee was formed as part of the process of developing its capacity to become a recognised ministry unit.



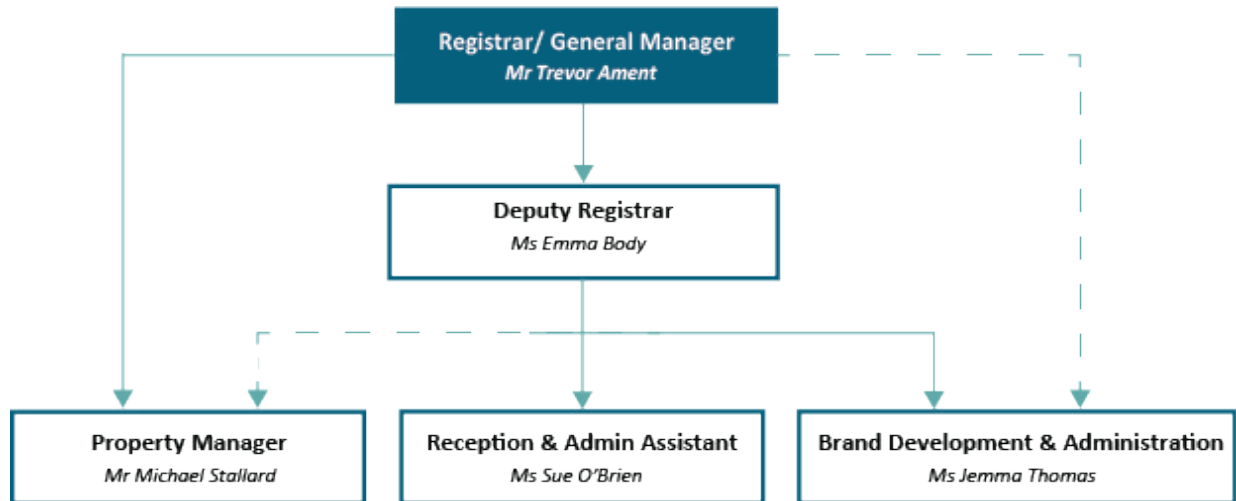
Bishop Trevor's Farewell - December 2019



Kingston Foreshore

GENERAL MANAGER / EXECUTIVE

OVERVIEW



General Manager

The General Manager oversees the operations of the ADS and reports to the Board on key governance, risk and internal control issues at each meeting.

With the approval and oversight of the Board, the General Manager engages with parishes and other Diocesan agencies to investigate ways in which the ADS can provide support and services to those parishes and agencies.

The General Manager is also the Registrar for the Diocese of Canberra and Goulburn.

Executive Directorate

The Executive directorate provides executive support, secretariat services and strategic advice via the Registrar/General Manager, to Synod, Bishop-in-Council, Ministry Executive, the ADS Board, the Property Trust, the Finance Committee and the Pelican Foundation. The Registrar/General Manager is responsible for the implementation and coordination of policy decisions for these forums.

Other administrative functions overseen by the General Manager/Executive Directorate include:

- Co-ordination of the annual Synod, in consultation with the Bishop's Office
- Clergy Removals
- Parish Returns
- Production and distribution of the Administrative Circular
- Design and production of Annual Reports
- Management of DioLog (ADS Intranet)
- Visual Communications and Brand Design for the ADS
- General administration and reception services for the Diocese and ADS;
- Oversight of the services delivered by the various ADS directorates and convening of regular Director's meetings
- Reviewing and co-ordinating processes within the ADS so as to best serve the needs of our ministry units and agencies

KEY HIGHLIGHTS/ACTIVITIES

Structural Changes

In July 2019, Ms Jemma Thomas joined the Executive team in the role of ADS Brand Development and Administration Officer to further enhance the communication and design capacity within ADS.

The Property Manager role was also transferred to the Executive Directorate in 2019. This was to allow for a streamlining of the Schools and Property Development Directorate given the additional services being provided within the Schools portfolio; and to provide for additional property reporting requiring direct oversight by the General Manager.

PwC Current to Future State Review of the ADS

In 2019 PwC was engaged to undertake an independent review of the ADS. The aim of the review was to benchmark the costs, assess the level of service that the ADS delivers and also provide recommendations for future improvement.

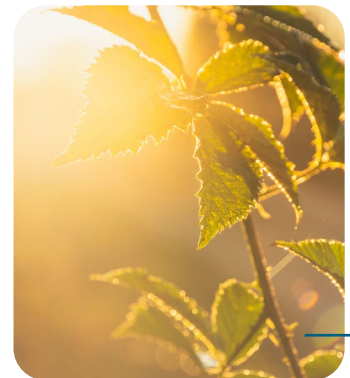
The project scope included undertaking a background/ benchmarking review; a service delivery analysis; and culminated in delivering a report and findings with recommendations for the future.

This included a maturity model analysis and recommendations for transitioning to a Centre of Excellence model in combination with supplying optimal transactional services.

The final report was presented to the ADS Board in November 2019 at which it was noted this review builds on the recommendations from the 2016 Spackman review and provides appropriate benchmarking showing the value of ADS particularly in terms of cost benefits.

A key recommendation of the report was the need for greater investment in IT systems to enhance automation of some service processes to enable greater data capture and review of KPI metrics to monitor and improve strategic and transactional service delivery, and drive efficiencies and effectiveness. This work has already commenced with a number of system improvements since rolled out (i.e. SLA Dashboard Reporting, ADS Assist, ADS Intranet (DioLog)). Further systems improvements are currently being developed and will be rolled out over 2020-2021 and beyond.

The need for enhanced reporting and communication initiatives was also highlighted. As noted above, the investment in IT systems will enable greater data capture which will enhance reporting on service delivery within ADS and to our partner agencies. The appointment of the Brand Development and Administration Officer has also assisted to promote and enhance ADS communications.



The ADS has continued to ensure compliance through maintaining a scheduled review process for all its policies. The following ADS policies and procedures are either in place or have been reviewed and approved by the ADS Board in 2019:

- Work Health and Safety
- Bullying and harassment in the workplace
- Notifiable Data Breach procedures
- Workplace Complaints
- Employee Assistance Program
- ADS Board Charter
- Privacy Policy
- Delegations policy
- Conflicts of Interest Policy
- Whistle Blower Policy
- Risk Management Policy
- Credit Card Policy
- Disaster and Emergency Management Policy
- Order and Payment of Supplies Policy
- ICT Asset management and Procurement Policy
- Capital Expenditure Policy
- Password Policy
- ICT Asset Management and Procurement Policy
- System Security and Acceptable Use Policy
- ADS Unreasonable Complainant Conduct Policy
- Website Content Policy
- Financial management Policy
- Conflicts of interest Policy
- Fleet management Policy
- Salary packaging Policy



St John's Reid, Canberra

Property Management

Ministry Units and Agencies

The Property Manager has attended to or assisted with a range of Parish, Ministry Unit and Agency property matters and projects during 2019 – please refer to the ACPT annual report for further details.

The Property Manager also attends site meetings of the St Saviour's Cathedral Heritage Restoration Committee.

Superannuation properties

The Property Manager continues to oversee the Superannuation properties. Further details are contained within the ACPT annual report.

The Jamieson Apartments

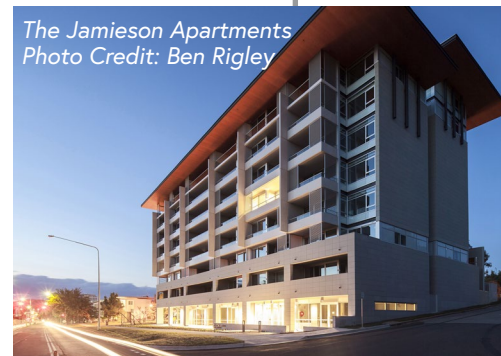
The sale of the remaining apartments continues and the Property Manager continues to work closely with the marketing agents in relation to:

- sale of residential units and commercial units; and
- property management of leased units.

Please refer to the Bishop-in-Council and ACPT Synod Reports for an overview of sales during 2019.



St John's Reid, Canberra



The Jamieson Apartments
Photo Credit: Ben Rigley



Photo provided by St Saviour's Cathedral Archives



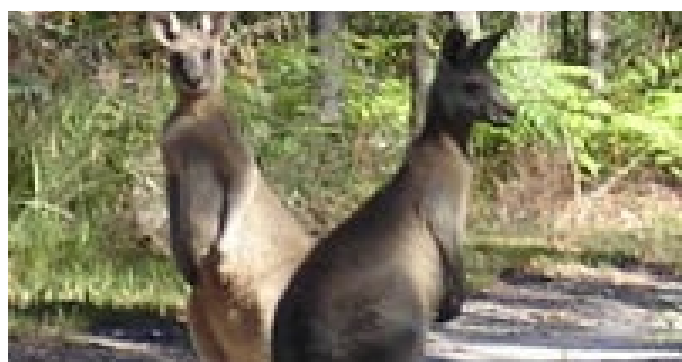
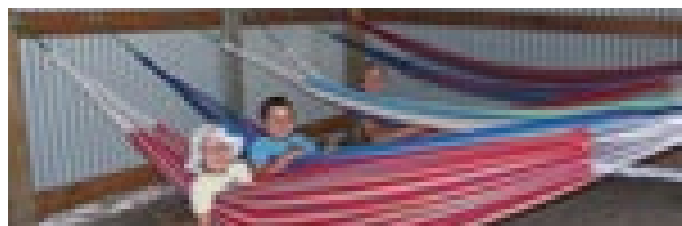
Manna Park is an Ecological Reserve situated just outside of Merimbula on the South Coast of NSW. It has been part of the Anglican Diocese of Canberra & Goulburn since 2013 and has a strong emphasis on the environment and sustainability. ADS Property Manager, Michael Stallard, is the caretaker for Manna Park and oversees the general operations, property maintenance and upkeep as well as managing bookings.

Amenities at Manna Park include a swimming pool, a large playing field, a 6km walking track and a 7.5km cross country bike trail. The local shopping centre and beaches are 4kms away at Tura Beach and all the major attractions in Merimbula are 7kms away.

Manna Park provides hostel-style accommodation for large families and groups of up to 50 people. There are four (4) family rooms, which contain a queen size bed and two (2) single beds and four (4) hostel rooms, which contain bunk beds, each sleeping 8-10 people. During 2019, all beds were upgraded with new mattresses and the family rooms now included linen.

The facility is comprised of two (2) wings, each containing a large sitting room for group meals, fully equipped kitchens and a commons room with a wood fireplace. In 2019, a television was installed in one of the common areas.

Manna Park also has a bush camp shelter, located 1km from the main building. This designated camp area has a water tank, tap, sink, shelter with fly wire, a traditional bush loo and hammocks.



Regular accommodation bookings have continued during 2019. These include:

- A large family group who have used the facilities for the past ten years
- Camp Pelican
- Workability Local Government Agency, Bega
- Coastlife Adventure (local provider of educational recreation activities)
- Tathra Primary School
- Wanniasa High School
- Penrith High School
- Far South Coast Birdwatchers
- Rural Fire Service for drills and training
- The Astronomy Club
- The Marine Society
- The local mountain bike club
- The Senior Merimbula
- The Bush Walkers Club
- A number of conservation associations.



Wambiri

Wambiri has been a part of the Anglican Diocese of Canberra & Goulburn since the early 1960's. It is located at Tathra on the South Coast of NSW and is within walking distance of the beach. It was built to serve the mission of providing for our young people and it mainly hosts school camps and youth camp programs. ADS Property Manager, Michael Stallard, is the caretaker for Wambiri and is responsible for the property maintenance and upkeep of the site.

The site used to provide hostel-style accommodation consisting of mainly of bunk style rooms, which could sleep up to 80 people and also had 13 camping sites for tents, caravans and campers. Amenities included a commercial kitchen, recreation hall and an oval.

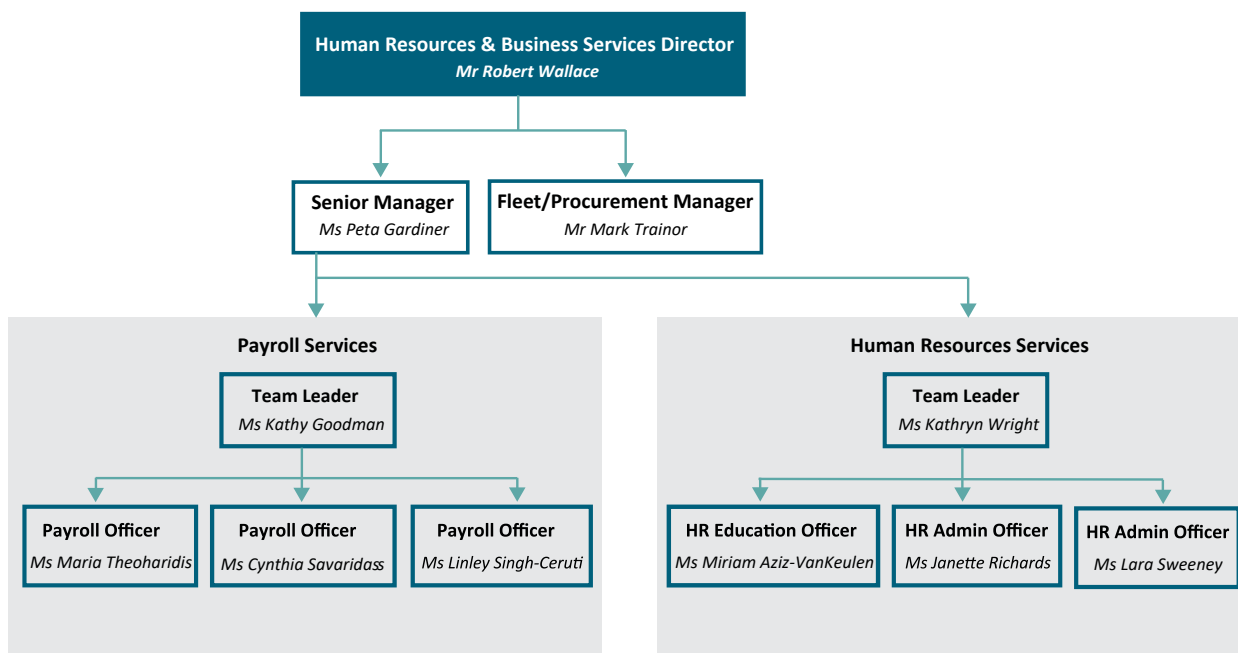
In March 2018, the site and facilities sustained significant damage during the Tathra bushfires, rendering the property uninhabitable and necessitating its closure. Insurance assessments were undertaken and our claim was successful being compensated for the damage in 2019. This event has enabled an opportunity to consider the longer term strategy for the site, including possible redevelopment options, given its significance.

The Property Development Commission is progressing this work in consultation with the Parish of Bega, Synergy Youth and Children's Ministry and other key stakeholders.

Currently the Diocese holds a perpetual lease for the Wambiri site from the NSW Government. In 2018 an opportunity arose for the Property Trust to lodge an application to obtain a freehold title. At the time of this report the application is still being assessed by the NSW Government.

HUMAN RESOURCES

OVERVIEW



The ADS Human Resources Directorate (HR) is responsible for human resource management and payroll services as well as covering the legislative requirements of the jurisdictions that our agencies operate within (ACT and NSW). These services are delivered through either a Service Level Agreement (SLA) that is in place with each Diocesan agency that partners with ADS or under the requirements of various Ordinances.

In 2019, ADS HR, with the endorsement of the ADS Board, implemented a new structure which re-organised duties into service sectors, primarily being Human Resources and Payroll. This re-structuring is delivering a higher standard of service to our agencies, in a cost effective manner.

Human Resources focuses on the provision of support and advice at strategic, operational and administration levels. This includes a diverse array of services (see below) including assistance with issues and concerns that influence an Anglican agencies ability to work efficiently and productively; and the processing of critical administrative functions, which assist agencies to provide a safe workplace.

ADS HR have a highly professional human resource management team that understands that people are an organisation's greatest asset. The team provides advice and support to senior managers and workers employed by Diocesan agencies and entities.

ADS HR is central to the employment life cycle, from attracting and employing the right people, to facilitating employment issues with the various organisations and eventually processing terminations/resignations.

The services provided by the ADS HR team ensure Diocesan agencies and entities are compliant with various people related legislative and governance requirements, and include but are not limited to:

- Assistance with the development of position descriptions
- Employment contracts
- Nationally coordinated criminal history checks
- Statutory Declarations
- Fair-Work information statement
- Advertising vacant positions
- Assistance in selecting candidates (if required)
- Assisting in interviews with candidates (if required)
- On-boarding new 'workers'
- Processing for Employment Check Renewals
- Employment advice to managers in relation to addressing 'worker' behaviour
- Advice on industrial relation issues
- Advice and assistance in managing redundancies/terminations
- Strategic planning with agencies in relation to 'worker' numbers for new growth or withdrawal of services
- Advice on management of employment relations issues
- Complex case management as required, including face-to-face meetings with employees involved



Payroll services ensure that all partner agencies and entities meet their compliance requirements relating to the payment of benefits and conditions to employees including wages, banking, tax, superannuation, leave entitlements and other legislative requirements.

Payroll represents a significant component of the service delivered by ADS to the Diocese and its SLA partners. There are generally two pay runs each month per client, with three in two (2) months per year.

ADS HR operations are much wider than the geographic area of the Diocese of Canberra and Goulburn, as it includes all of Anglicare's sites across NSW South, NSW West & ACT, including a branch at Liverpool, NSW.



KEY HIGHLIGHTS/ACTIVITIES

Expanded Service Provision

In 2019 the demand on ADS HR continued to grow with the addition of new SLAs being established with St Mark's National Theological Centre and The Riverina Anglican College.

New Structure Implementation

As noted previously, due to the growth in the number of employees across our agencies, the re-organisation of duties into two focused service delivery teams, namely Human Resources and Payroll, gave ADS HR the ability to enhance its service delivery, increase efficiency, mitigate risks associated with project work and manage unplanned turnover and loss of corporate knowledge.

Anglicare

ADS HR services continued to be in greatest demand by our largest partnered agency, Anglicare. ADS HR services include on-boarding new employees, which requires the setup and input of all details into the system, whether they are paid a salary or are a volunteer or provide foster care. Throughout 2019, Anglicare engaged staff at various levels with a total of 558 new on-boarders.

A significant amount of time is also allocated to the processing of employment checks for existing and new employees and volunteers. This includes a National Criminal History Check and Working with Children Check. In 2019, ADS HR conducted 395 employee checks, 419 volunteer checks, 814 National Criminal History checks and 645 Working with children checks.

Human Resources

In 2019 there was a total of 315 new starters across the ADS and Diocesan agencies.

Throughout 2019, ADS HR staff also took part in a number of training programs and two (2) staff members enrolled to upgrade their individual qualifications with one (1) completing their Business Masters degree.



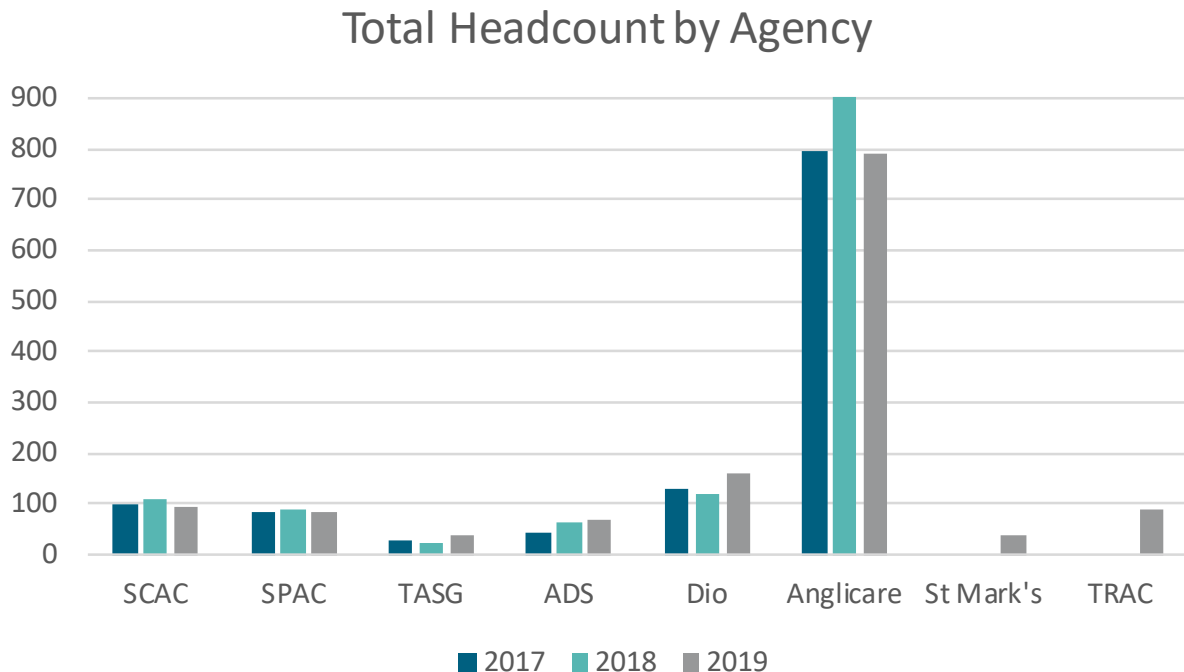
NEW 558
ON-BOARDERS

315 NEW
STARTERS

Payroll

ADS HR payroll services have seen a 9.5% growth in the number of payees serviced in 2019 due to the two (2) new SLAs being established.

ADS HR uses a headcount method, not full time equivalents (FTE), to identify the numbers of employees as the task of on-boarding an employee and running payroll is based on each individual person. The following graph shows the headcount for the last three (3) years across each of the Diocesan agencies we service:



Review of Systems & Programs

A high level review of systems and programs used by HR was undertaken to ensure efficacy, cost efficiency and the ability to integrate into ADS client systems for generating reports and statistical analysis. As part of the review, it identified that a third-party outsourcing arrangement for payroll services was no longer the most optimal delivery method to our Diocesan agencies and entities.

In 2019, ADS HR undertook a project to transition from the existing outsourced payroll arrangement to a Software as a Service (SaaS) arrangement with in-house processing. ADS HR invested in the up-skilling of its payroll team as a key component of the transition process and adopted a staged transition, incrementally shifting entities in-house over a period of 3 months, which was completed in December 2019.

Employment Contract

At the inception of ADS in 2013, employees who were seconded to ADS from Anglicare remained on Anglicare employment contracts, however in 2019 ADS HR completed the transition of this cohort to ADS Employment contracts. This is a significant event as it severs the triangular employment relationship of these people (Anglicare>employee>ADS).

BUSINESS SERVICES

FLEET MANAGEMENT OVERVIEW

The ADS Fleet offers vehicle fleet management service to all Anglican ministries and agencies within the Diocese and to Anglicare NSW South, NSW West and ACT. Our aim is to maintain a fleet that provides leading vehicle safety systems to drivers and passengers and continually upgrade the existing fleet to one that has the least impact on the environment. Fleet functions also includes developing and deploying standard policies and procedures, industry best practice and gaining efficiencies through economies of scale.

We provide flexible leasing arrangements to suit the needs of agencies and ministry units. The lease includes the vehicle, registration and insurance costs, and may also include servicing, tyres, roadside assistance and a fuel card (the provision of a fuel card is also available upon request for parishes and other entities without leasing a fleet car).

ADS Fleet manages the procurement and sale of fleet vehicles to achieve the optimum value and we provide a 'vehicle needs analyses' for mission partners, to determine what type of vehicle is suitable to accommodate individual requirements.

As well as providing fleet vehicles to ADS mission partners, we also re-allocate vehicles. For example, a vehicle that may no longer be required by one mission partner can be transferred and placed with another partner where it meets their needs. This has the potential of significantly reducing the cost to the mission partner.

Our fleet is made up of small to large cars, SUV's, people movers and specials vehicles such as buses, 4WD's and modified vehicles.

281

FLEET VEHICLES



KEY HIGHLIGHTS/ACTIVITIES

ADS Fleet currently has 281 vehicles and has experienced growth for the past three (3) years. The current value of the fleet is \$9.8million with vehicles typically replaced every four (4) to five (5) years. The average age of our fleet is four (4) years old, with the exception of special vehicles like buses and modified disabled vehicles. We replace more than 50 vehicles each year, with sales of approximately \$500,000 and purchases of approximately \$1.25million.

Review of Fleet Structure and Operations

In 2019 there was a complete review of the structure and operation of the ADS Fleet.

A new fleet administrator, Mark Trainor, was appointed in June and the Administration Assistant, Emily Robertson, concluded her part-time role in July.

With the appointment of a new fleet manager, a new management journey was developed with the main goals being:

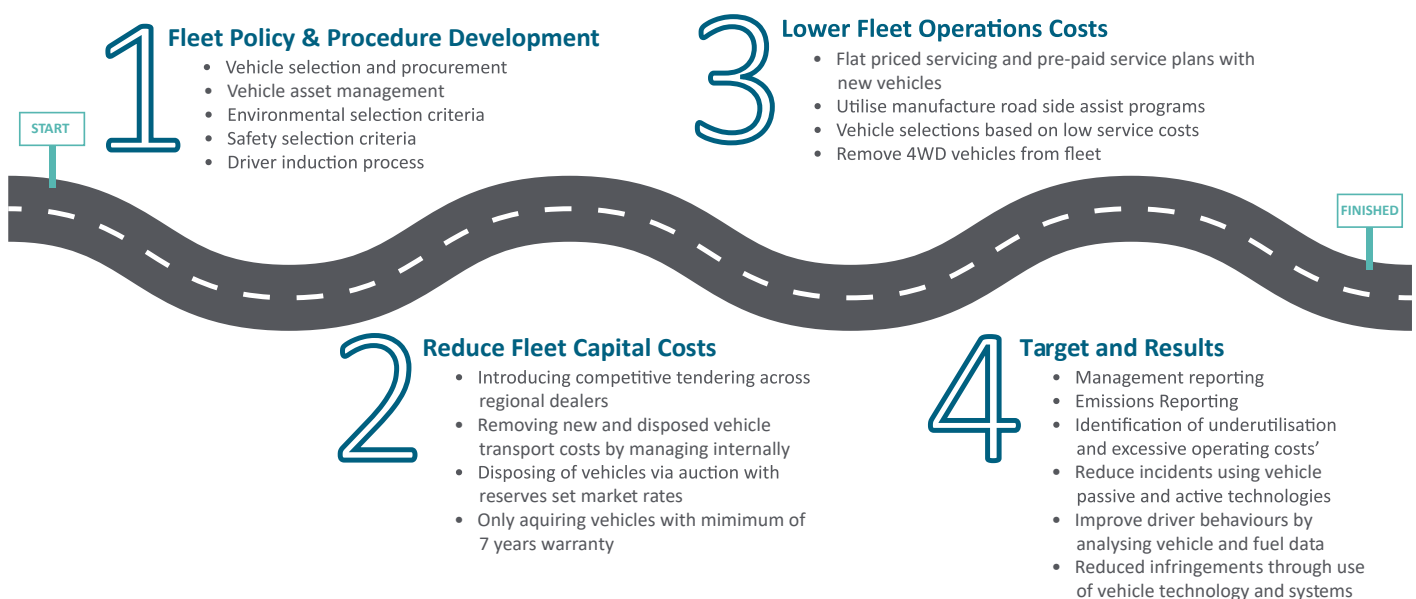
- Safety;
- Efficiency;
- Cost effectiveness; and
- Vehicles that meet the required capability for the task.



FLEET MANAGEMENT JOURNEY

12 MONTH STRATEGY

SAFE, EFFICIENT, COST EFFECTIVE & FIT FOR PURPOSE



Review of Vehicle Purchasing, Fuel and Vehicle Service Suppliers

ADS Fleet supports local business and communities across the region by offering local car dealerships an opportunity to compete for new vehicle purchases and by utilising local service centres and repairers. In 2019, ADS purchased new vehicles from dealerships in Bega, Wagga Wagga, Orange, Goulburn, Nowra and Canberra. ADS Fleet uses a competitive quotation tendering process to ensure that the purchased vehicle represents the best value for money and extended manufacture warranties.

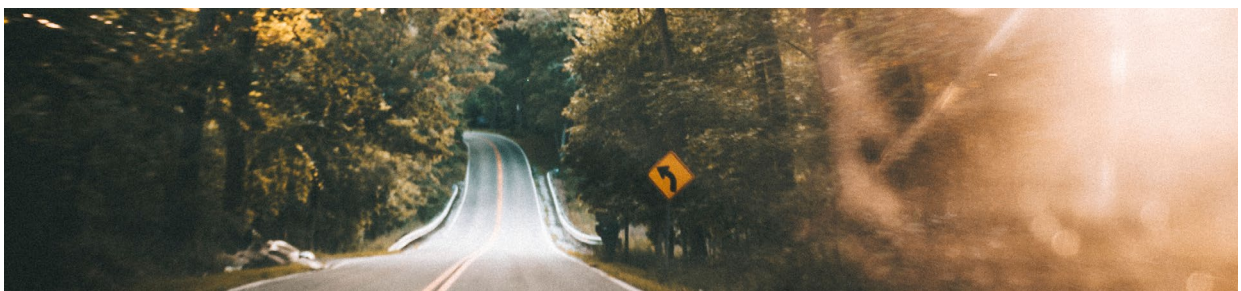
The savings on the purchase price, which often includes servicing costs and road side assistance (RSA), allows the ADS Fleet the opportunity to lease a new vehicle at a very competitive price.

All vehicles purchased have a 5 star ANCAP safety rating, which is the highest level of safety a vehicle can provide to its occupants and pedestrians, in the event of a crash. Vehicles are selected to minimise ongoing fuel costs, CO2 emissions and have low full life cycle emissions that align with the Diocese's Sustainable Vehicle Policy in an effort to minimise our environmental footprint.

During 2019 vehicle purchases consider the following 5 factors:

1. The environment and our communities;
2. The supply chain of the goods/services;
3. The emissions created (and measured);
4. The selection of a vehicle appropriate to task (vehicle meets the norms not the exceptions); and
5. Vehicle must have:
 - A minimum air pollution standard of Euro 5 or 6;
 - Tailpipe CO2 g/KM emissions of equal to or less than 200 grams per kilometre;
 - Fuel life-cycle of equal to or less than 280 grams per kilometre;
 - Fuel consumption of equal to or less than combined figure of 8 litres per 100 kilometres; and
 - Information sourced from the greenvehicleguide.gov.au

To achieve this, most of the large 4WD, SUV and pre 2015 vehicles in the fleet will be replaced over time with more carbon efficient vehicles.



Expansion of fleet numbers and new leases

Vehicle leases include new or second-hand vehicles with registration and insurance, and may also include operating costs such as servicing, tyres, roadside assistance and/or a fuel card. This service is offered at a competitive price.

The ADS estimates that there are up to 100 vehicles across parishes and agencies that are procured individually (not through ADS Fleet) and may not be receiving the full benefits available as outlined above.

For further information on our services please contact Mark Trainor on 0409 241 616 or mark.trainor@anglicands.org.au.

PARISH VEHICLE LEASES HAVE INCREASED BY 137.5%



BENEFITS

- Mission partners can benefit from our industry knowledge and vehicle tendering processes as well as saving time in searching for a suitable vehicle and mitigate potential risk.
- ADS Fleet sources the vehicles, arranges registration and insurance, and the lease fee is a set monthly amount across the life of the vehicle, which makes budgeting much easier.
- In addition, Parishes for example, would not need to outlay large sums of money to purchase a vehicle which loses value over time and will need to be eventually replaced.
- Another benefit for Parishes, when moving to a lease with the ADS, is that existing vehicles may be sold with the sale proceeds available to the Parish.
- ADS Fleet is stamp duty exempt and has access to national fleet discounts through a competitive tender process.

Renewed focus on vehicle safety and driver awareness

ADS Fleet has deployed a new modernised “The Drivers Guide” for all operational vehicles. This document has been developed specifically for our agencies and their operating environment and is based on content from:

- Transport NSW Centre of Road Safety
- Australian Fleet Management Association Safe Motoring Guide

Environmental Stewardship

ADS as an organisation has a strong regard for the environment. A key focus during 2019 was to identify what factors could be improved to deliver a positive outcome. The results from this identified that a lower emissions fleet would have an immediate impact on the environment and we have been trialling a number of hybrid vehicles and targeting the replacement of existing vehicles that have poor environmental characteristics.

The way we choose and use ADS Fleet vehicles has a direct effect on fuel consumption, greenhouse gas emissions, air quality, safety and cost. ADS Fleet has a responsibility to minimise the various negative impacts of our vehicles and as a result we have adopted six key elements to manage fleet emissions:

1. Vehicle Selection - Every vehicle replacement is an opportunity to reduce emissions. Refer to page 44 for full details of the vehicle purchases considerations.
2. Vehicle Maintenance - Daily Driver Checks, scheduled professional maintenance
3. Vehicle allocation / Deployment - Best fit for task rather than personal preference
4. Vehicle operation - Safe, Smooth and attentive driving and use of bio fuels
5. Alternatives to driving – Public transport, walking, teleconferencing and video conferencing
6. Additional considerations – In vehicle monitoring, utilisation analysis and eco driving

While each key element contributes to emission reduction, they are intended to be integrated to deliver optimal environmental outcomes. ADS Fleet vehicle’s emissions output depends largely on the type of fuel it uses (e.g. fossil fuel, biofuel, electricity) and the amount of fuel it consumes.

We are continually working to identify ways to improve environmental stewardship.

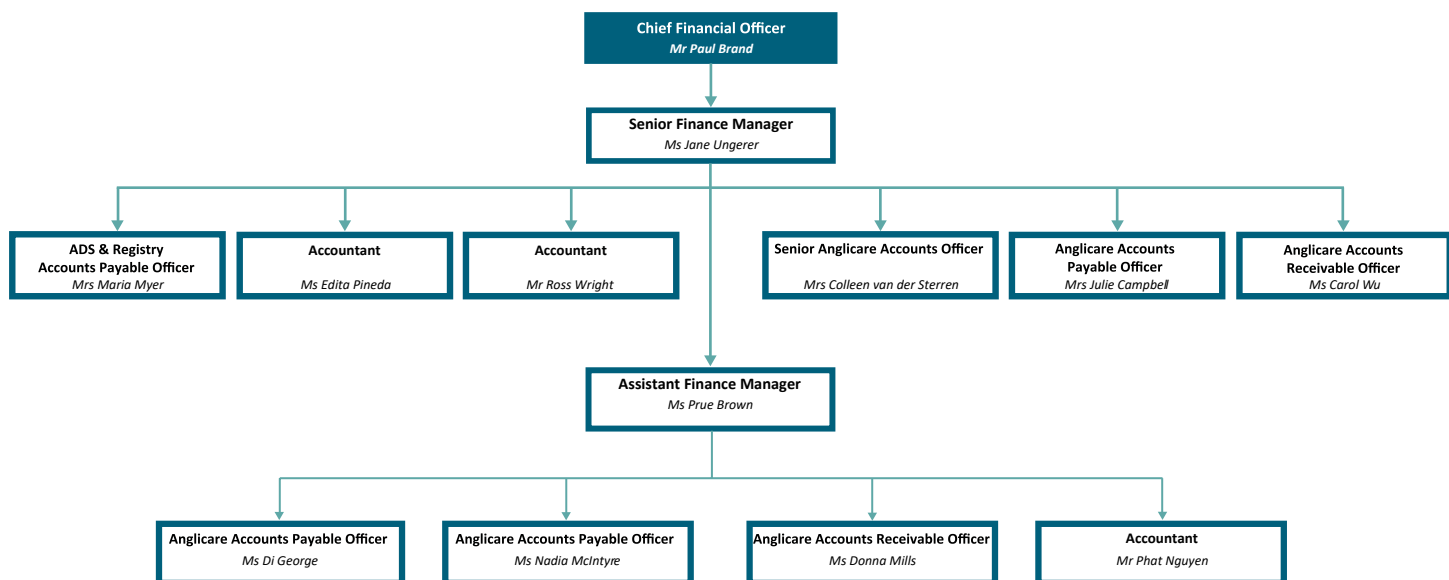
Development of Policy to support the above activities

ADS Fleet is currently finalising a new “Vehicle Procurement Policy” which details the procurement methodology, vehicle standards, vehicle safety standards and the approach to minimising vehicle carbon emissions.



FINANCE

OVERVIEW



ADS Finance Directorate is responsible for applying, where appropriate, standard policies and procedures and gaining efficiencies with economies of scale. Our services are delivered through a Service Level Agreement (SLA) that is in place with each Diocesan agency that partners with ADS or under the requirements of various Ordinances.

The Finance Directorate's main functions are accounts payable and receivable; monthly financial reports; annual financial statements; annual budget preparation; forecasting and assistance with tender applications including costings. We also assist our agencies in managing government grants, reporting and audited acquittals.

Our team helps support the implementation of new financial processes resulting from changes to government funded programs (such as the National Disability Insurance Scheme (NDIS) and Out of Home Care) and we also offer training, financial strategic advice, assistance with Business Activity Statement return and Fringe Benefits Tax return and the management of banking signatories and statutory requirements including Auskeys.

The staff within the finance team have been established in order to meet the various needs of our agencies. This includes financial management and strategic support, investment management, complex government contract management, financial and management reporting, cash management, and high volume accounts payable and receivable processing services. The team includes a mix of full time and part time employees, some who are located in our Canberra office and some in Goulburn.

KEY HIGHLIGHTS/ACTIVITIES

Diocesan Agencies supported

During 2019 the ADS finance team commenced supporting St Marks National Theological Centre, bringing the total number of Diocesan entities to which we provide financial services to six (6):

Agency	Annual Turnover	Total Assets
Anglican Church Property Trust	3,350,911	56,180,816
AIDF	4,751,520	97,587,465
Anglicare NSW South, West & ACT	68,861,572	76,655,805
ADS	11,917,165	12,876,607
St Marks National Theological Centre	1,933,008	4,087,182
Synergy Youth	163,124	108,342
Total	90,977,300	247,496,217

St Mark's National Theological Centre

The Finance team was pleased to commence providing financial management and transactional support to St Mark's commencing in July 2019.

ACPT

A project to replace the Trust financial system commenced in the second half of the year. PWC was engaged to assist in selecting the replacement for the unitized trust system. The system will be fully implemented in 2020.

Anglicare

The finance team has undertaken a number of projects in 2019 in support of Anglicare operations. Some highlights are:

- Analysis and rework processes to support changes to Foster Carer payments
- During the year, the NDIS made changes to its legislation. This required significant work to update claiming processes to ensure accurate claiming of services from clients.
- Wollondilly Gardens Development. During the year Anglicare developed 6 additional units at its Wollondilly Gardens site, with the CFO assisting as a member of the project team.

Financial Oversight

Audit

The ADS Finance team has completed audits for all entities it holds SLA's with as follows:

December 31 Year End

- Anglican Church Property Trust
- Anglican Investment and Development Fund
- Anglican Diocesan Services

June 30 Year End

- Anglicare NSW South, NSW West and ACT

In December 2013, Bishop-in-Council endorsed a proposal to engage a common auditor - Ernst and Young (EY) - across the Diocesan entities we serve. EY is a prominent global auditing firm, as such we are able to benefit from the significant expertise and resources EY are able to provide. Utilising one auditor across the entities also ensures significant efficiencies in coordinating audit activities.

Clear audit opinions have been attained for all entities.

Budgets

Budgets have recently been completed for all the agencies that hold SLAs with the ADS.

The ADS

The ADS is required to formulate the 2020 calendar year budget six to nine months prior to the start of the year. This is to ensure that all Agencies with SLAs have SLA costs communicated to them in a timely manner. With the incorporation of the Registry functions and continued growth in the ADS, the budget process has become increasingly complex.

Anglicare

The Anglicare budget is a significant process with a \$69m budgeted turnover for 2019/2020 and over 130 individual cost centre budgets produced across a wide scope of services. The budget process commences in February and is finalised when approved by the Anglicare Board in June each year. ADS Staff provided budget training in the form of budget workshops to assist Anglicare managers and coordinators in producing their individual budgets.

AIDF

The ADS continues to develop detailed budget and forecasting tools for the AIDF. These models allow detailed analysis of the financial drivers of the AIDF business and have provided management and the Board with a greater level of financial insight into the AIDF than previously available.

Reporting Obligations

ADS Finance ensures all regular reporting obligations such as Business Activity Statements, Fringe Benefits Tax and Workers' Compensation reporting deadlines are met.

Cash Flow Management

As part of regular cash flow management across the entities, ADS Finance aims to maximise the funds held in higher interest earning AIDF cash management accounts. This is mutually beneficial as it increases the interest revenue for the entities involved, as well as increasing funds invested with the AIDF.

Accounting Standards and reporting obligations

ADS Finance ensures all entities are meeting their various financial reporting obligations. Finance staff recently attended seminars on changes to accounting standards that will affect some Diocesan entities. ADS Finance will ensure any impacts related to accounting standards changes are well understood and communicated to relevant agencies.

Significant changes in accounting standards that will impact all the entities in the Diocese from 2020 onwards are:

AASB 15 Revenue from Contracts with Customer

Income recognition will need to be deferred in some circumstances, particularly where there is a performance obligation attached to a funding agreement. In addition, certain components in an arrangement such as donations, may be separated from other obligations, and recognised immediately.

AASB 1058 Income of Not-for-Profit Entities

Rather than accounting for all contribution transactions under AASB 1004, NFPs will now need to determine whether a transaction is a genuine donation or actually a contract with a customer. This means that Diocesan entities will need to decide whether the transaction falls within this standard or within AASB 15: Revenue from Contracts with Customers.

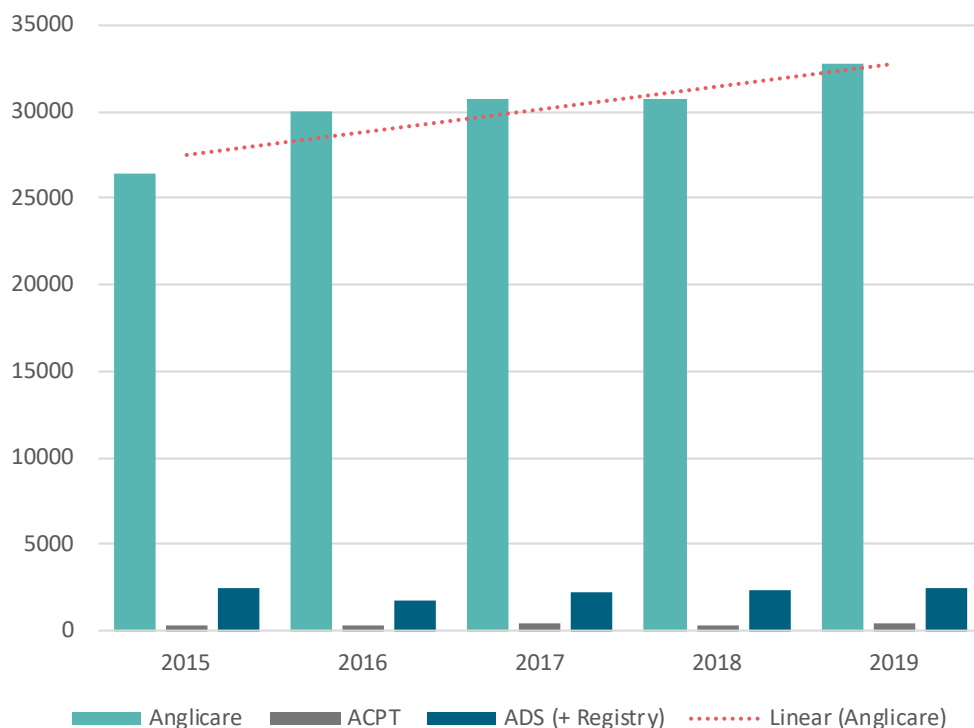
AASB 16 Leases

This new standard represents a significant change for lessees of operating leases. With the exception of low value and short-term leases, all leases must be recognised on the lessee's balance sheet. The lessee will recognise an asset, reflecting its right to use the underlying asset, and a liability, in respect of its obligation to make lease payments.



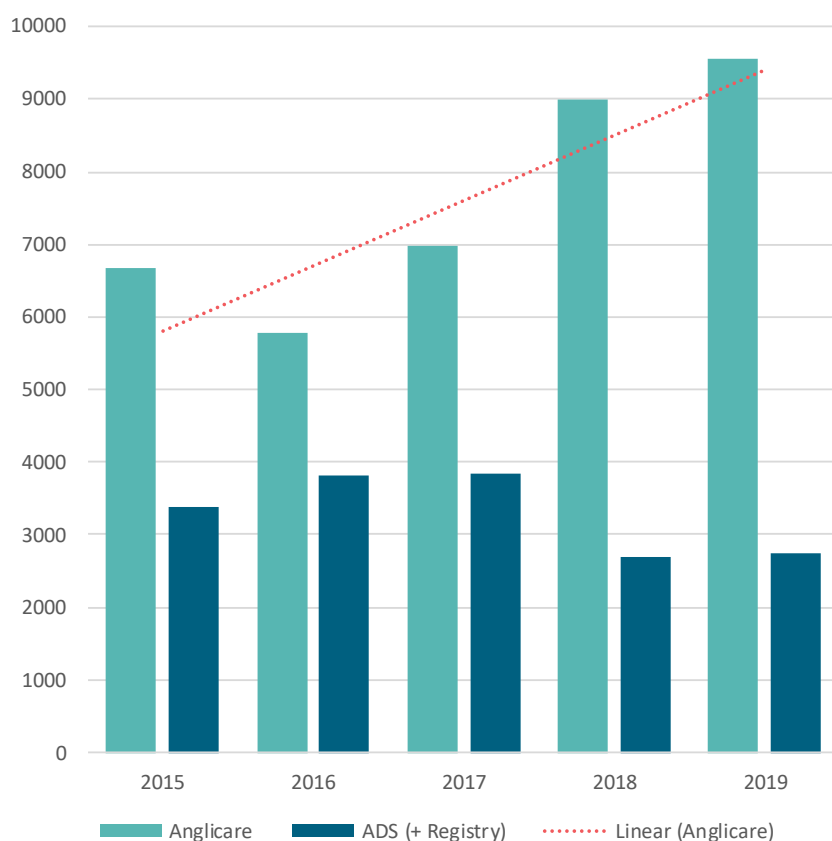
Creditor Processing

Over the past six (6) years on an annualised basis, Anglicare creditor processing volumes have increased 5.15% per annum:



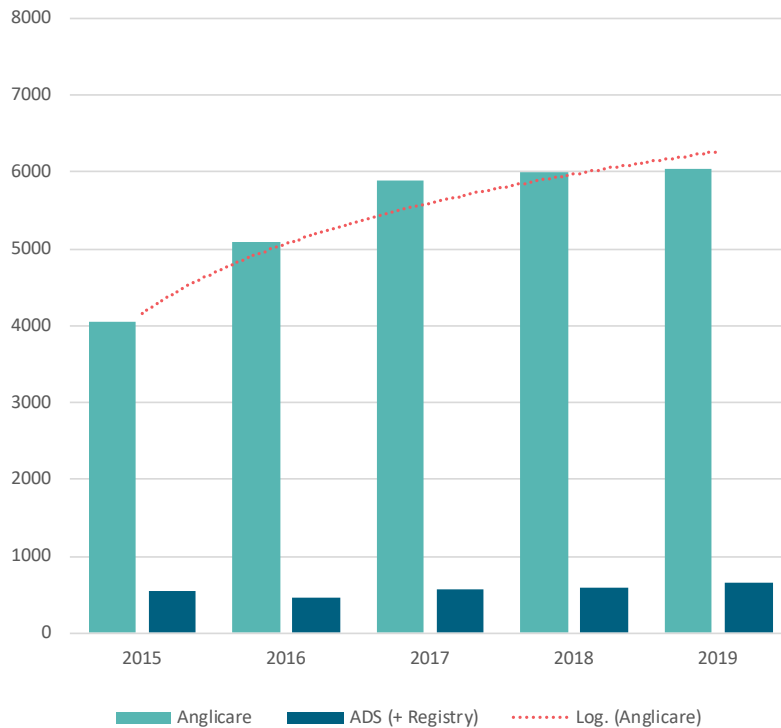
Debtor Processing

Over the past six (6) years on an annualised basis, Anglicare debtor processing volumes have increased 7.6% per annum:



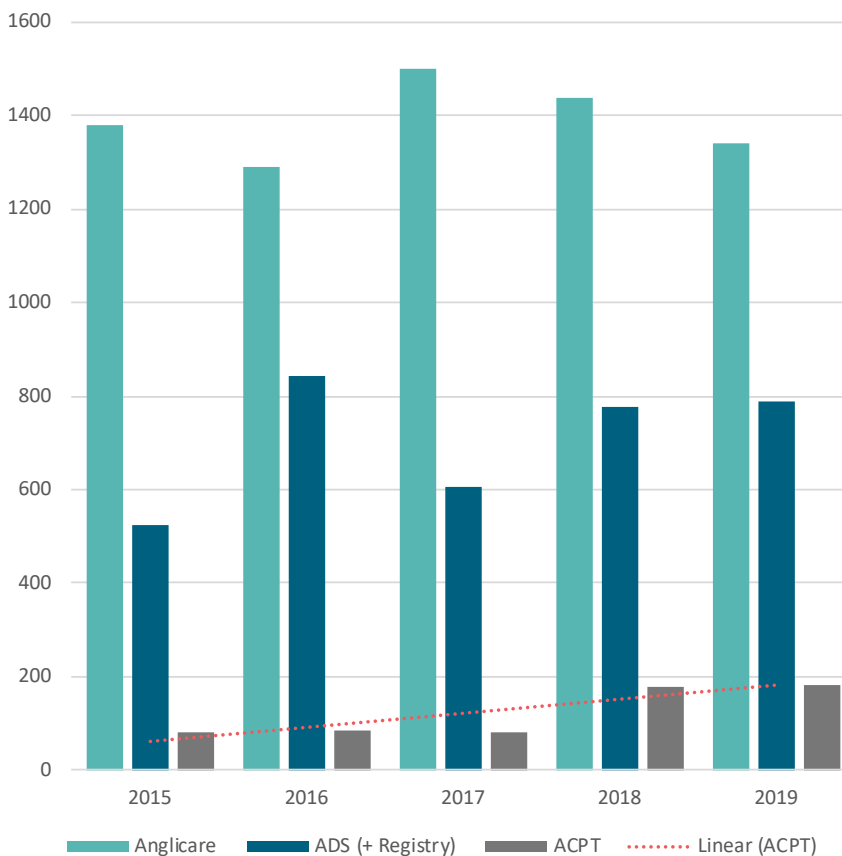
Receipt Entries

Over the past six (6) years on an annualised basis, Anglicare receipt entry processing volumes have increased 13.6% per annum:



Journal Entries

Over the past six (6) years on an annualised basis, ACPT journal entry processing volumes have increased 18.13% per annum:



RISK & COMPLIANCE

OVERVIEW



ADS Risk and Compliance provides services to establish a comprehensive framework for the identification and proactive treatment of risks that impact on the attainment of the mission objectives of the agencies and ministry units of the Diocese.

These services include WHS compliance systems, incident and hazard reporting and analysis, group insurance management, legal services advice and management, the management of injured and vulnerable workers as well as regular governance reporting.

ADS Risk and Compliance continues to support Diocesan agencies such as the AIDF, Anglicare, St Mark's National Theological Centre, Diocesan schools, the ACPT and ministry units of the Diocese through a Service Level Agreement (SLA) or under Ordinance requirements. This sees the implementation of effective risk management frameworks and processes to guide both boards and management in achieving their objectives.

Risk and Compliance has identified the following team specific core values that set the context for our work:

- Protecting people and property – Ensuring the care of workers and stewardship of the resources provided for ministry.
- Mission partner driven – serving the needs of our SLA Partners in agencies and parishes.
- Christian ministry focus – in a complex world where secular agendas would wish to see the church pushed aside, our work can be instrumental in ensuring programs continue.
- Outcomes orientation – delivering professional advice and service in an environment that expects high levels of compliance.

KEY HIGHLIGHTS/ACTIVITIES

Anglican Investment and Development Fund

2019 saw the development and adoption of a 'Fit and proper' policy which expanded the policy framework that was otherwise maintained to ensure regulatory compliance with APRA and ASIC standards as required.

The AIDF Risk Committee provided input and oversight for our strategies to manage key person risk across the organisation with a particular focus on monitoring these risks in associated agencies like the ADS and Diocesan schools.

The AIDF Board adopted our Liquidity contingency plan (LCP), which provided more specific procedural guidance to management within the framework of the Prudential policy.

St Mark's National Theological Centre

ADS Risk and Compliance formalised and expanded regular SLA support with St Mark's National Theological Centre having previously worked on an ad hoc or issue specific basis.

Ministry units across the Diocese

In 2019, ADS Risk and Compliance developed and implemented an audit tool for use by the Property Portfolio to assist in establishing a WHS and Property Condition Risk Profile across all Parishes. In 2019, 32 audits have been conducted.

Diocesan schools

Employee assistance program availability was extended from just operating in Anglicare and the ADS to also cover Diocesan schools in 2019. Planning has commenced for a further roll out of services to ministry units.

BIC and ACPT service

ADS Risk and Compliance supplies governance support to the Diocesan Audit and Risk Management Committee of Bishop in Council. Incident, injury and hazard reporting is now widely available to all ministry units with reporting mapped back to the Diocesan risk register.

Anglicare

Anglicare continue to receive a high level of support to assist in the management of significant risk activities across their broad scope of operations across our own Diocese and also for operations located within the Dioceses of Bathurst, Riverina and Sydney. Numerous and regular critical incidents across the Personal Support Program / Intensive Therapeutic Care, Foster care, Disability Services, Early Childhood Education Centres as well as at The Junction GP Health service demonstrate the need for the Diocese to maintain an applied risk focus across Anglicare. The inclusion of the Director of Risk and Compliance to the Executive Manager forum in Anglicare and the regular reporting to the Anglicare Board through its Risk Committee continues to raise the priority to further develop the culture of risk management in Anglicare.

ANGLICARE INCIDENTS REPORTED

2018 665 183% INCREASE 2019 1220

All reported incidents are mapped back to the Enterprise Risk Register where adequate risk management mitigations strategies are monitored. This same process is applied to all agencies serviced by Risk and Compliance.

The extension of this development work to assist the functioning of other Diocesan agencies and Ministry units is a key benefit of the 'shared service' co-ordinated approach to risk management services from ADS.

This has been further supported with the development of the Enterprise Risk Register and the implementation of continuous improvement opportunities as well as the management of the incident and hazard reporting provided through the web based reporting application, ISOPro.

Other significant service initiatives provided to Anglicare include:

- Parish Partnership Retail Risk Management Assessment – An online tool designed to assist both parties when establishing Parish Partnership MOUs by identifying key strengths and limitations. The tool also provided Anglicare with a risk profile of their current Parish Partnership Portfolio.
- Implementation of Sanctuary© workflows into current incident reporting processes to support Anglicare strategic objectives.
- Active monitoring and management of regulatory compliance matters, such as notifiable incidents to the respective regulators in ACT and NSW. Several matters were managed in 2019.
- Policy development continues to be a key activity. Along with ongoing scheduled policy reviews, a key task was the development of the Anglicare WHS Procedure Manual. This major piece of work has been designed to provide guidance and direction on all key work health and safety matters. With some adaption, this manual may be adopted by other agencies.
- Preparation of records and incident analysis for information that might be required by the Disability Royal Commission.

Legal services

Risk and Compliance continues to manage the provision and procurement of legal consideration for a range of matters arising among Anglican agencies and parishes. This includes performing due diligence on contracts as well as a range of other legal documents for Anglicare, ministry units and other agencies.

External counsel is retained on various legal issues, including advice on various employment issues and property matters. Cost effective relationships are developed with quality legal firms, primarily within Canberra. High quality advice has been received on matters including, lease transfers, HR matters, and resolving significant actions with former Anglicare personnel either through settlement or in defending against legal action. These working relationships ensure that reliable advice is available so that staff, assets, and ultimately the ministry of all agencies is protected.

Risk and Compliance also works with the Chancellor and the Legal Committee to obtain advice on less significant legal matters relating to parishes and employment issues. The Chancellor assists by reviewing the preparation of briefs for external counsel. The Legal Services Manager also assists the Chancellor and Bishop in Council with the preparation of Diocesan Ordinances and other legal matters relating to the Diocese.

There were 102 documents executed through Risk and Compliance in 2019, including contracts, commercial leases, residential leases, memoranda of understanding, licences, Deeds, and other documents requiring a due diligence analysis.

The legal services provided by ADS ensure that agencies and parishes can continue to focus on undertaking ministry, while high levels of compliance in a complex legal and social environment are maintained.



Injury Management

In 2019, injury management, which previously was a function within the Human Resources Directorate, was transferred to the Risk and Compliance Directorate. This structural change ensures injury and illness claims are reported to Workers' Compensation and Salary Continuance insurers in accordance with legislative requirements.

The Senior Adviser in Injury Management provides expert advice and return-to-work strategies through early engagement with injured and ill workers. This allows for optimal rehabilitation outcomes.

Early intervention allows identification of potential risks, assessment of individual needs, and for an individualised rehabilitation plan to be created. This approach can avert chronic illness and long term absences, as well as allowing early identification of barriers to recovery and rehabilitation. This reduces incapacity costs and indirect costs.

A bio-psychosocial strategy addresses physical, psychological and social factors in injury and illness. Specialised case management recognises that every individual is unique. Therefore we design individual rehabilitation, non-work-related well-to-work, and work-related return-to-work programs to suit the individual's needs and circumstances to achieve the best outcomes.

Investigations

In 2019 Risk and Compliance entered into an agreement with Safe Ministry Resources (SMR) to supply investigation services, principally to Anglicare, relating to allegations of reportable conduct. SMR already provide services to the Diocese concerning professional standards matters.

Significant work has been undertaken with Anglicare to reform the process of receiving and managing allegations through to reporting and investigating them. This work was significant given the changes to oversight being transferred to the Office of Children's Guardian (NSW) in early 2020.



Coordinating best-value insurance coverage

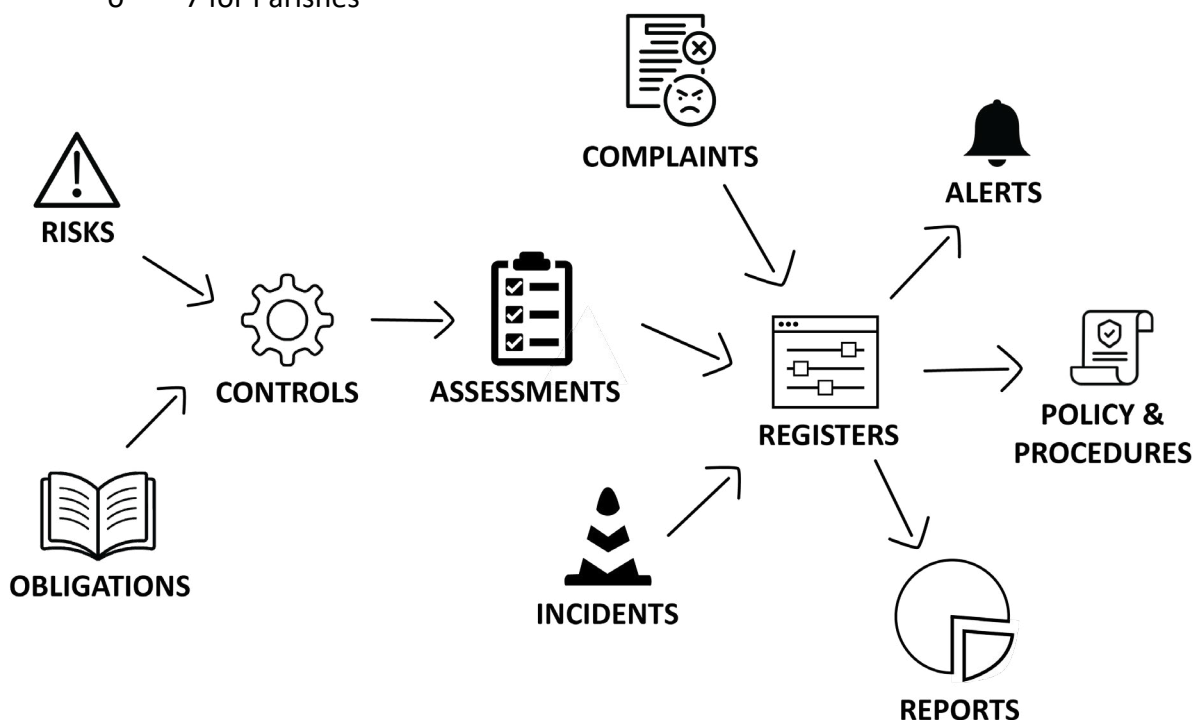
The Anglican Diocese of Canberra and Goulburn has, for many years, been a key supporter of and contributor to the Anglican National Insurance Program (ANIP). In 2019, ANIP incorporated as Anglican Insurance and Risk Services (AIRS).

AIRS has renewed brokerage services and introduced new portal services to improve the efficiency of serving members.

Insurance returns are managed by the Risk and Compliance Directorate to provide ministry units and agencies with comprehensive insurance coverage. The combined buying power of Anglican organisations continues to deliver insurance at competitive rates and improved risk management services.

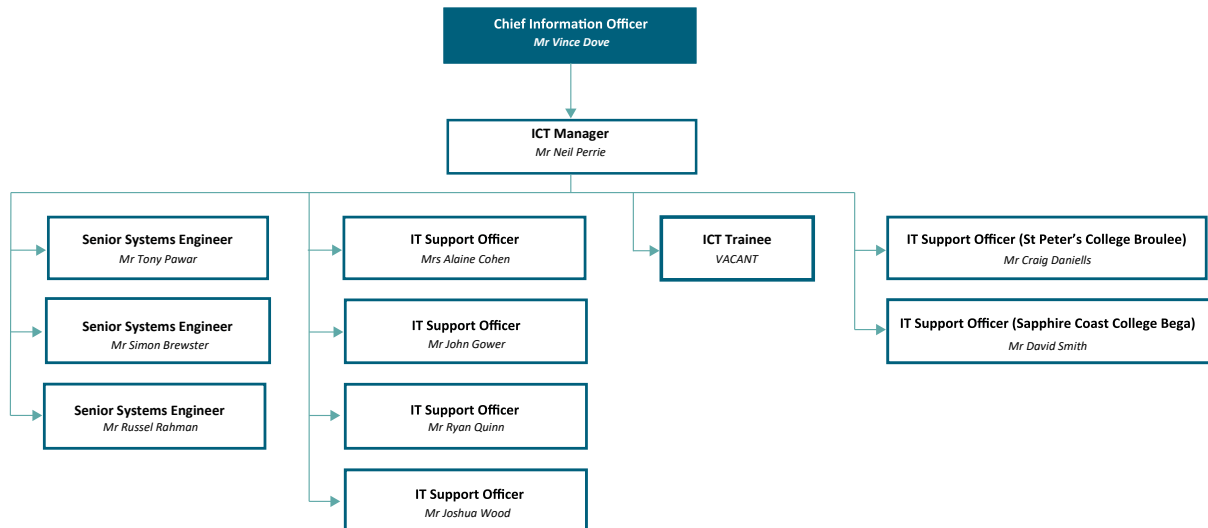
Significant insurance matters in 2019 include:

- Foster Carer Personal Accident policy for Anglicare was reviewed resulting in savings in excess of \$20,000.
- New system for insurance renewals reduces the time required.
- Property (ISR) insurance changed to be Diocese specific instead of being a group policy. This meant our Diocese avoided significant premium increases.
- A dedicated schools' insurance policy introduced offering significant benefits over the major market competitor.
- ADS Fleet claims are now processed through Risk and Compliance – 27 claims in 2019.
- 28 potential insurance claims received with 12 finalised before the end of 2019:
 - o 2 for Anglicare
 - o 3 for Diocesan schools
 - o 7 for Parishes



INFORMATION & COMMUNICATION TECHNOLOGY

OVERVIEW



ADS Information and Communication Technology (ICT) is responsible for the delivery and support of communication technologies. Our services are delivered through a Service Level Agreement (SLA) that is in place with each Diocesan agency that partners with ADS or under the requirements of various Ordinances.

ADS ICT is primarily located at the ADS headquarters, with additional offices in Wagga Wagga and Goulburn co-located with Anglicare. Technical staff are also located at The Riverina Anglican College in Wagga Wagga, St Peters Anglican College in Broulee, Sapphire Coast Anglican College in Bega and a part time technician based on site at The Anglican School Googong.

The ADS ICT Directorate offers a permanently serviced helpdesk staffed by four (4) technicians as well as a sophisticated data centre supported by high quality technical staff and access to internal ICT resources. Level three (3) technical support is offered to all hosted services across the agencies we serve. The ICT team is also responsible for the account management of 'Zoom' and other video conferencing services as well as telephones and mobile phone management.

Each agency receives communication support to all PABX telephone systems. The ICT team has also coordinated the migration of PABX connectivity from Integrated Services Digital Network (ISDN) technology to Session Initiation Protocol (SIP) technology, ensuring greater speed, versatility and portability for communication systems.

The Directorate assists with the procurement of communication technologies and has a replacement schedule for desktop hardware. In addition, ADS ICT provides project management and services managed with an Information Technology Infrastructure Library (ITIL), which enables the opportunity to focus on aligning our ICT services with the needs of individual agencies. The team is also responsible for the implementation and support of a Wide Area Network (WAN) allowing multiple office locations to connect; and provides informatics support, and aids with backup and disaster recovery.

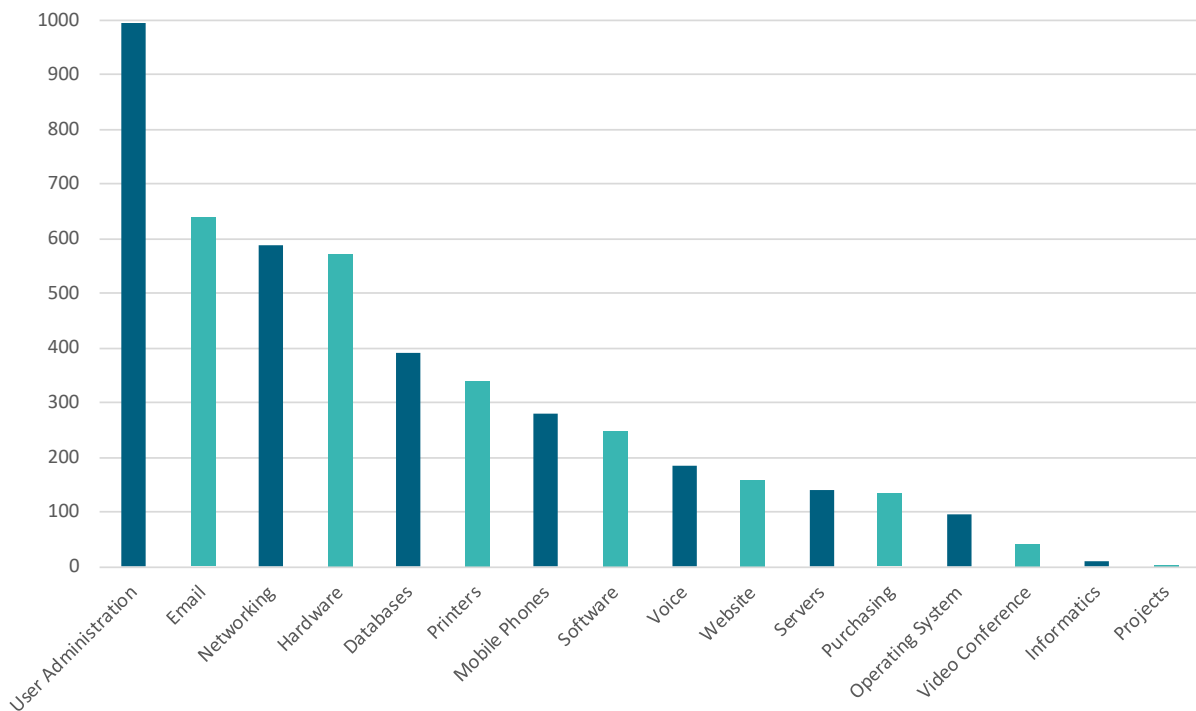
KEY HIGHLIGHTS/ACTIVITIES

2019 proved to be another busy year for ADS ICT as the team responded to day-to-day support requests. As these are received into the helpdesk, they are logged and triaged using our ITIL compatible service desk database and then attended or escalated to specialist technicians for resolutions. The technical functions of the staff within the ICT team continue to change as the needs of our clients evolve. As a result, the ADS ICT staff numbers increased in 2019, with the inclusion of a trainee role.

5,200 SUPPORT REQUESTS

22 MAJOR ICT PROJECTS

COMPLETED SUPPORT REQUESTS



ADS

- Core infrastructure upgrade to complete the project providing redundancy at all levels within the ADS data centre
- New Intranet created (on-going)
- Backup and DR upgrade (on-going)
- New multi department service delivery and reporting system created (on-going)
- Implement the Password reset user portal
- Setup and install a new SMS gateway
- Upgrade Sophos XG Firewall firmware on all firewalls
- Replace 20 PC's and laptops under the ADS Hardware refresh plan



The Anglican School Googong



Sapphire Coast Anglican College



Bishop Mark at The Riverina Anglican College

The Anglican School Googong

- Creating local file stores for The Anglican School Googong (TASG) then migrating their SharePoint data from a hosted environment to the site
- Upgrade of backup and Disaster Recovery for TASG
- Compass link installation at TASG
- Commissioning Kosciuszko at TASG
- Deliver 10 Dell - All In Ones (AIO's)
- Deliver 45 new HP x360's for Teachers
- Setup and install 45 new HP x360's for Teachers
- Supply and setup 20 i-Pads for use in the Junior school

The Riverina Anglican College

- Upgrade all unsupported servers at TRAC to a modern Operating System
- Assist TRAC to convert from Public Switched Telephony to the NBN and VOIP
- Setup backup and DR with new instance of management software. Confirm restores

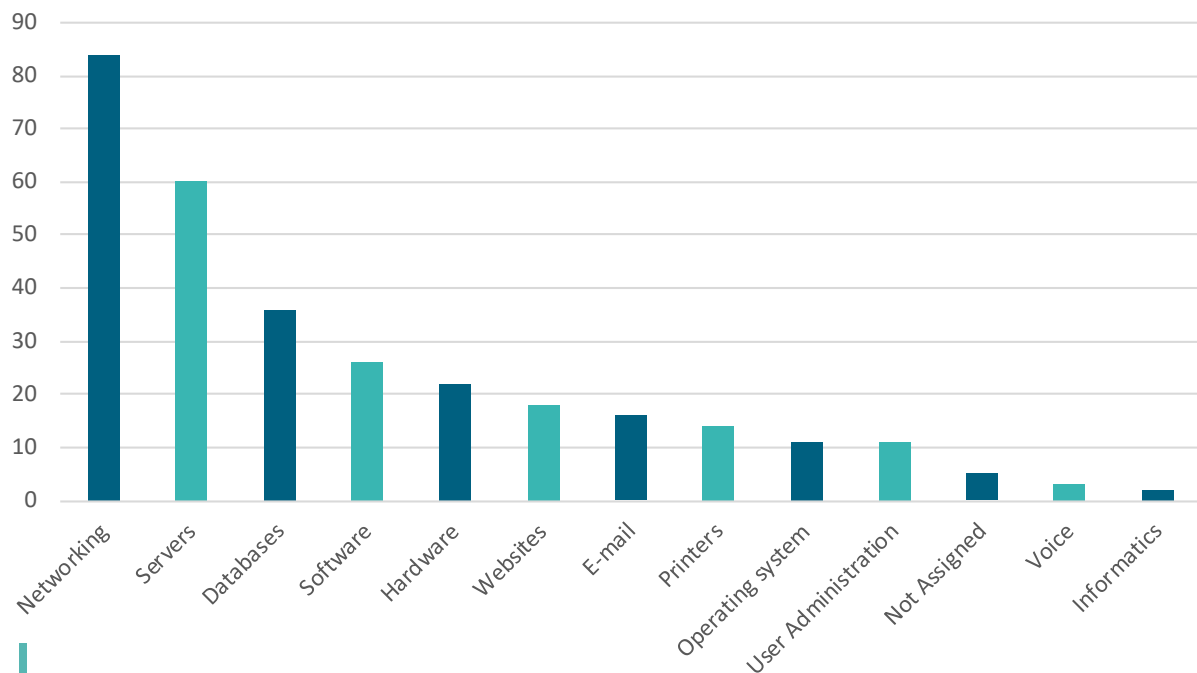
St Peters Anglican College

- Deliver image and install 40 Dell AIO's at no cost
- Setup and install 45 new HP x360's for Teaching staff
- Setup backup and DR with new instance of management software. Confirm restores

Sapphire Coast Anglican College

- Delivery of 40 Dell AIO's at no cost
- Deliver image and setup 10 HP elite laptops at no cost
- Purchase and install 24 x 75" LCD video display units in classrooms on site
- Reconfigure basic network topography to support additional hardware

CHANGE REQUESTS



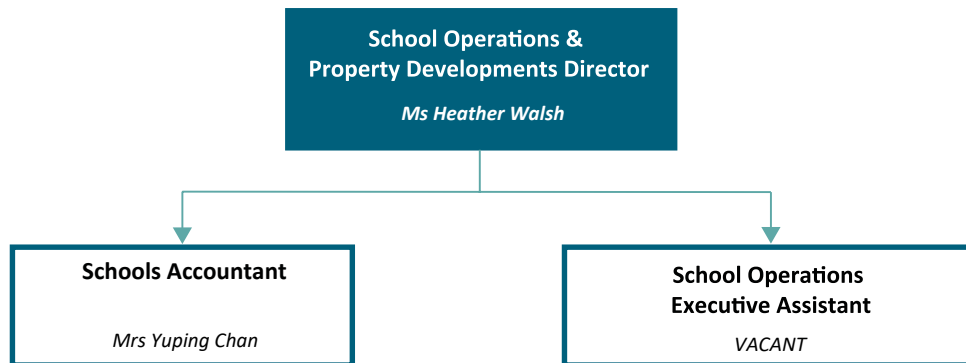
308 CHANGE REQUESTS

Anglicare

- Network refresh at Franklin Early Childhood Education Centre (ECEC)
- Wi-Fi upgrade at Franklin ECEC
- Wi Fi Upgrade at Southern Cross ECEC
- Hardware refresh at Southern Cross ECEC
- Wi Fi upgrade at Southern Cross ECEC
- Upgrade data and telephony at Goulburn TAFE ECEC
- Upgrade to the NBN at Calwell ECEC
- Local file store installed at Southern Cross ECEC
- Hardware refresh at Albury
- Hardware refresh at Liverpool
- Upgrade The Junction Youth Health Service clinical database Best Practise
- Implement OOH Placement Surveys

SCHOOLS OPERATIONS & PROPERTY DEVELOPMENT

OVERVIEW



The Schools Operations and Property Development directorate supports the ongoing delivery of services provided by the ADS to Diocesan schools, consistent with the requirements of Service Level Agreements (SLAs) or under the requirements of various ordinances. The Directorate provides Secretariat and business management services and administration for the Anglican Schools Commission of the Diocese of Canberra and Goulburn and the Property Development Commission. The Directorate also has responsibility for the strategic review and development of the property assets of the Diocese.



Burgmann Early Learning Centre built in 2019

KEY HIGHLIGHTS/ACTIVITIES

Schools Operations

Significant levels of service continue to be provided to the Diocesan schools under the SLAs. The Director of Schools Operations is the Business Manager for St Peter's Anglican College Broulee, Sapphire Coast Anglican College Bega and The Anglican School Googong as well as mentoring the Business Manager of The Riverina Anglican College.

The Director is also the Secretary for the Anglican Schools Commission of the Diocese of Canberra and Goulburn (ASCCG) and works closely with the ASCCG to ensure the implementation of strategic priorities in relation to the Diocesan schools. For further details on work of the Schools Commission, please refer to the ASCCG report contained in the Bishop-in-Council annual report to Synod.

At the end of the reporting year the South Coast Anglican Schools were heavily impacted by the fires on the South Coast. St Peter's Anglican College had parts of its infrastructure either damaged or destroyed, as well as families and staff who lost homes. The ADS has worked closely with the College and insurance company to ensure that the College was able to return to normal operations as soon as it was possible. Sapphire Coast Anglican College did not sustain damage, however the school had a significant number of families and staff directly impacted.

All Schools have been affected by the COVID-19 pandemic shutdowns during first term. It is pleasing to note that all schools had the infrastructure (information technology) in place to enable them to provide remote learning to the students.



St Peter's Anglican College, Broulee during NYE 2019 Bushfires



The services provided to the schools include the following:

The Anglican School Googong

- Secretariat services for the Board and Committees
- Preparation and production of Financial reports:
 - Monthly financial management reports
 - Statutory reporting
 - Budget preparation
 - Forecast projections and financial modelling
 - Cash management reports
- Continued implementation of Synergetic (learning management system)
- Preparation of development plans and building works reports, in consultation with the Principal

South Coast Schools

- Secretariat services for the Board and Committees
- Preparation and production of Financial reports
 - Monthly financial management reports;
 - Statutory reporting;
 - Budget preparation;
 - Forecast projections and financial modelling; and
 - Cash management reports.
- Management of cash flow
- Assistance with personnel matters
- Preparation and lodgement of the Block Grant Authority (BGA) submission
- Preparation of development plans and building works reports
- Continued implementation of Synergetic (learning management system)

The Riverina Anglican College

- Assistance with the continued implementation of Synergetic (learning management system)
- Negotiations regarding the SLA
- Possible new opportunities and land releases
- Support to the Business Manager and the Board and Committees
- Preparation and production of Financial reports
 - Monthly financial management reports;
 - Budget preparation;
 - Forecast projections and financial modelling; and
 - Cash management reports.
- Assistance with personnel matters
- Preparation and lodgement of the Block Grant Authority (BGA) submission
- Preparation of development plans and building works reports

Strategic Goals

Strategic Planning and Performance

- Implementation of the strategic priorities of ADS and the Anglican Schools Commission CG, relevant to the directorate.
- Continuing consultations and engagement with each Diocesan School.
- Ensuring relevant Key Performance Indicators (KPIs) are developed and agreed with the General Manager to achieve strategic objectives and monitor organisational performance.
- Liaising with the General Manager to report results and progress and to initiate remedial action where shortfalls are identified.
- Ensuring the Directorate meets its performance and financial targets.

Operational Service Delivery

- Implementation and oversight of policies and systems to improve quality, manage risk and ensure compliance with legislative, regulatory, funding body and policy requirements relevant to the School Operations and Property Development directorate.
- Collaboration with other Directors in relation to the above action, where necessary.
- Ensure satisfactory delivery of services to schools by ADS consistent with the requirements of the SLAs.
- Develop and manage the review of Diocesan assets including development of business plans, tendering processes, and monitoring of developments to completion.
- Ensure a directorate structure & workforce that supports the achievement of the School Operations & Property Development directorate's performance and financial targets.
- Foster staff training and development opportunities and ensure succession planning for key positions.

Property Developments

The Director is the Secretary of the Property Development Commission (PDC) – please refer to the PDC report in the Bishop-in-Council report for further details on the work of the PDC.

SAFE MINISTRY UNIT

OVERVIEW



The role of the Safe Ministry Unit is to ensure the delivery of safe ministry across the Diocese. Safe Ministry is ministry that is spiritually, emotionally and physically safe. It is based on the premise that Diocesan ministries and entities should be person valuing and respectful (i.e. life-giving), abuse-free and harm-free, spaces for ministry to God's glory. This includes, but is not limited, to Ministry Units and entities fulfilling pastoral, legal (including Duty of Care) and Diocesan responsibilities and obligations.

The Safe Ministry Administrator is a member of the Professional Standards Reference Group and works with the Professional Standards Director as required and refers safe ministry concerns to the Professional Standards Director.

The Diocesan Safe Ministry Administrator is also responsible for:

- the implementation of the Screening and Training standards of the Safe Ministry to Children Canon and other Diocesan Safe Ministry requirements;
- the retrieval of records and response to requests for information in regards to the National Redress Scheme; and
- administration and authorisation of SRE Teachers.



The Alpine Church, Perisher



All Saints, Bodalla

KEY HIGHLIGHTS/ACTIVITIES

Safe and Sustainable Ministry

Throughout 2019 the Safe Ministry Unit (SMU) began planning and implementing processes to enable the SMU to act as the Bishop's Safe Ministry Screening authority for the Diocese.

This change was necessary in light of the adoption of the Safe Ministry to Children Canon in March 2018, the recommendations arising from the Royal Commission into Institutional Responses to Child Sexual Abuse and the ever changing legislative landscape in relation to Child Safe Standards, Mandatory reporting and Reportable conduct.

The changes necessitated the need to review Safe Ministry Policies, Protocols and Guidelines. At the October 2019 Bishop-in-Council meeting the New Safe Ministry Policy and the Diocesan Screening Protocol and Guidelines were adopted. These documents reflected the changes that were required, particularly in regards to the adoption of the Safe Ministry to Children Canon.

As a consequence of adopting the Safe Ministry to Children Canon, all the Diocesan screening checks for those who work with or have a ministry to children also had to be changed. Those changes were considerable in that we were required to use General Synod forms that had been created for this purpose.

In response to the changes and as a result of the Parish Safe Ministry Check in July 2019, it was identified that an online Safe Ministry Information Records System was required so safe ministry screening for the Diocese could be more effectively managed and safe ministry records could be securely centralised. In consultation with the Chief Information Officer, Vince Dove, the Diocesan Bishop and the Professional Standards Director, Peter Barnett, a process was commenced to design an online records system. It is hoped that this will be become available in the latter half of 2020 with comprehensive training in this system to be provided by the Safe Ministry Administrator to Parish Safe Ministry Coordinators and Rectors.

National Redress Scheme

From May until December 2019 there were 11 Requests for Information (RFI) for applicants with the National Redress Scheme. Of those RFIs, 4 Redress offers have been sent to applicants by the Redress Scheme and 2 have been accepted; applicants are given up to six months to accept or decline a Redress offer.

Further information in regards to Redress will be provided in the Professional Standards report.

Creating Safe Ministries Training

During 2019 there were 5 induction workshops with 75 Participants and 6 Refresher workshops with 140 participants. The number of face-to-face workshops was down from previous years with a number of them cancelled due to low registrations.

During the year, 216 people completed the Online Induction course and the Online Refresher became available in May with 106 people completing their refresher training up to December 2019.

In total 537 people trained in safe ministry throughout the year.

FINANCIAL STATEMENTS



ANGLICAN DIOCESAN SERVICES



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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DECLARATION BY MEMBERS OF THE ANGLICAN DIOCESAN SERVICES BOARD

The Anglican Diocesan Services Board declares the Financial Statements and notes thereto, set out on pages 6 to 23, give a true and fair view of the financial position of Anglican Diocesan Services as at 31 December 2019 and of its performance for the financial year ended on that date.

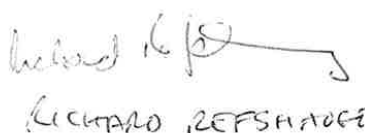
In the opinion of the Board

- (a) the Financial Statements and notes are in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Finance and Annual Reports Ordinance 2003* and satisfy the requirements of the *Australian Charities and Not-for Profit Commission Act 2012*; and
- (b) There are reasonable grounds to believe the Anglican Diocesan Services will be able to pay its debts as and when they become due.

This statement is made in accordance with the resolution of the Board and is signed for and on behalf of the Board by:



The Right Reverend Dr Mark Short
Bishop, Diocese of Canberra and Goulburn



Member

Canberra 26 June 2020

Canberra 26 June 2020



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Independent Auditor's Report to the Bishop-in-Council and Synod of the Anglican Diocese of Canberra and Goulburn

Opinion

We have audited the financial report of Anglican Diocesan Services, which comprises the statement of financial position as at 31 December 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Anglican Diocesan Services Board's declaration.

In our opinion, the accompanying financial report of Anglican Diocesan Services is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Anglican Diocesan Services' financial position as at 31 December 2019 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, *the Finance and Annual Reports Ordinance 2003* of the Anglican Church of Australia Diocese of Canberra and Goulburn and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Anglican Diocesan Services in accordance with the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Impact of the Coronavirus (COVID-19) Outbreak

We draw attention to Note 14 of the financial report which notes the World Health Organisation's declaration of the outbreak of COVID-19 as a global pandemic subsequent to 31 December 2019 and how this has been considered by the Members in the preparation of the financial report. As set out in Note 14, no adjustments have been made to financial statements as at 31 December 2019 for the impacts of COVID-19. Our opinion is not modified in respect of this matter.



Responsibilities of the Anglican Diocesan Services Board for the Financial Report

The Anglican Diocesan Services Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, *the Finance and Annual Reports Ordinance 2003* of the Anglican Church of Australia Diocese of Canberra and Goulburn and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the Anglican Diocesan Services Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Anglican Diocesan Services Board is responsible for assessing Anglican Diocesan Services' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Anglican Diocesan Services Board either intends to liquidate Anglican Diocesan Services or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Anglican Diocesan Services' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Anglican Diocesan Services Board.
- Conclude on the appropriateness of the Anglican Diocesan Services Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Anglican Diocesan Services' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Anglican Diocesan Services to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Anglican Diocesan Services Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Ernst & Young

Ben Tansley

Ben Tansley
Partner
Canberra
26 June 2020

Anglican Diocesan Services Financial Statements | 2019

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

	Note	2019 \$	2018 \$
Revenue			
Service level revenue		6,792,758	6,071,158
Management fees		1,995,108	1,838,119
Fleet charges		1,733,784	1,688,381
Grant revenue		565,531	534,280
Other income		297,679	279,730
Donations		159,696	168,652
Gain on sale of assets		167,276	277,142
Interest income		205,333	189,105
Total Revenue		11,917,165	11,046,567
Expenditure			
Salaries and associated costs	3	7,255,508	6,201,111
Fleet management costs		724,651	669,413
Office expenses		789,457	799,656
Finance costs		301,916	240,831
Depreciation of right of use asset	8	288,347	318,161
Clergy, Ministry, Cathedral & Chaplaincy expenses		503,922	554,322
Consultancy costs		293,326	396,056
Depreciation expenses		1,909,655	1,537,383
Other expenditure	4	292,235	278,064
Total Expenditure		12,359,017	10,994,997
(Deficit)/ Surplus for the year		(441,852)	51,570
Other comprehensive income for the year		-	-
Total comprehensive income		(441,852)	51,570

The accompanying notes form part of this financial report.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash and cash equivalents		841,433	943,269
Right of use asset	8	255,006	-
Receivables	5	1,031,115	1,174,249
Prepayments		96,082	76,150
Total Current Assets		2,223,636	2,193,668
Non-Current Assets			
Property, plant and equipment	6	10,456,810	9,013,359
Intangible assets	11	196,161	-
Total Non Current Assets		10,652,971	9,013,359
Total Assets		12,876,607	11,207,027
Current Liabilities			
Trade and other payables		1,461,294	822,973
Interest bearing liabilities	7(a)	290,944	-
Provisions	9 (a)	1,520,707	1,364,442
Total Current Liabilities		3,272,945	2,187,415
Non-Current Liabilities			
Provisions	9 (b)	95,795	58,423
Interest bearing liabilities	7 (b)	5,741,902	4,706,527
Total Non-Current Liabilities		5,837,697	4,764,950
Total Liabilities		9,110,642	6,952,365
Net Assets		3,765,965	4,254,662
Accumulated funds		3,765,965	4,254,662
Total Equity		3,765,965	4,254,662

The accompanying notes form part of this financial report.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

	2019	2018
	\$	\$
Cash Flows from Operating Activities		
Receipts from operations	11,952,302	12,225,618
Payments to suppliers and employees	(9,892,616)	(11,732,982)
Cash on *ADCG transfer	-	160,487
Interest received	205,333	189,105
Finance costs	(272,681)	(240,831)
Net Cash from Operating Activities	1,992,338	601,397
Cash Flows used in Investing Activities		
Payments for fixed asset purchases	(3,690,807)	(2,403,542)
Payments for intangible assets	(196,161)	-
Proceeds from the sale of fixed assets	466,474	913,898
Net Cash Used in Investing Activities	(3,420,494)	(1,489,644)
Cash Flows from Financing Activities		
Proceeds from borrowing	6,172,958	363,083
Repayment of borrowings	(4,846,638)	-
Net Cash from Financing Activities	1,326,320	363,083
Net decrease in cash held	(101,836)	(525,164)
Cash at the beginning of the period	943,269	1,468,433
Cash at end of the year	841,433	943,269

The accompanying notes form part of this financial report.

*Anglican Diocese of Canberra and Goulburn (ADCG)

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2019

	Accumulated funds	Total
	\$	\$
Balance at 1 January 2018	3,292,320	3,292,320
Gain on transfer *ADCG as at 1 January 2018	910,772	910,772
Surplus for the year	51,570	51,570
Balance at 31 December 2018	4,254,662	4,254,662
Changes in Equity for 2019		
Adjustment for change in accounting policy	(46,845)	(46,845)
Balance at 1 January 2019 (restated)	4,207,817	4,207,817
Deficit for the year	(441,852)	(441,852)
Balance at 31 December 2019	3,765,965	3,765,965

The accompanying notes form part of this financial report.

*Anglican Diocese of Canberra and Goulburn (ADCG)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

Note 1: Details

The principal place of business of Anglican Diocesan Services (ADS) is 221 London Circuit, Canberra.

The Anglican Diocesan Services was incorporated under the *Diocesan Services Incorporation Ordinance 2010* effective 1 July 2013.

The purpose of Diocesan Services is to provide administrative, financial, and property services effectively and efficiently to Diocesan Agencies.

Note 2: Summary of significant accounting policies

2.1 Basis of preparation

The financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements are reported in Australian dollars and have been prepared on an accruals basis of accounting including the historical cost convention, and the going concern assumption.

Where necessary, the figures for the previous year have been reclassified and repositioned for consistency with current year disclosures.

2.2 New accounting standards and interpretations

ADS has adopted all the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, including AASB 16 *Leases*, AASB 15 *Revenue from contracts with customers* and AASB 1058 *Income of Not-for Profit Entities*, that are mandatory for the current reporting period. The adoption of AASB 1058 and AASB 15 did not have a material impact on any financial statement line items. ADS applied AASB 16 *Leases* for the first time. The nature and effect of the changes as a result of adoption of the new accounting standards are described below.

AASB 1058 *Income of Not-for Profit Entities*

ADS has adopted AASB 1058 from 1 January 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation.

AASB 1058 was adopted using the modified retrospective method and ADS management have assessed that there is no effect on retained earnings from adoption of the standard.

2.2 New accounting standards and interpretations (continued)

AASB 15 Revenue from contracts with customers

ADS has adopted AASB 15 from 1 January 2019. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

AASB 15 was adopted using the modified retrospective method and ADS management have assessed that there is no effect on retained earnings from adoption of the standard.

AASB 16 Leases

AASB 16 *Leases* represents a significant change for lessees of operating leases. With the exception of low value and short-term leases, all leases must be recognised on the lessee's balance sheet. The lessee will recognise an asset, reflecting its right to use the underlying asset, and a liability, in respect of its obligation to make lease payments. ADS has elected to not apply the requirements of AASB 16 for short term and low value leases in accordance with the standard.

Lessor accounting under AASB 16 is substantially unchanged, lessors will continue to classify leases as either operating or finance leases, therefore AASB 16 does not have an impact for leases where ADS is the lessor as detailed in accounting policy note 2.11 *Leases*.

ADS adopted AASB 16 using the modified retrospective method of adoption, with the date of initial application of 1 January 2019. The cumulative effect of adopting AASB 16 is recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods are not restated.

The effect of adopting AASB 16 is as follows:

Impact on the statement of financial position (increase/(decrease)):

	31 December 2019	1 January 2019
	\$	\$
Current Assets		
Right of use asset	255,006	255,009
Total Current Assets	255,006	255,009
Non-Current Assets		
Right of use asset	-	255,006
Total Non Current Assets	-	255,006
Total Assets	255,006	510,015
Current Liabilities		
Interest bearing liabilities	290,944	265,916
Total Current Liabilities	290,944	265,916
Non-Current Liabilities		
Interest bearing liabilities	-	290,944
Total Non-Current Liabilities	-	290,944
Total Liabilities	290,944	556,860
Net Assets	(35,938)	(46,845)
Accumulated funds	(35,938)	(46,845)
Total Equity	(35,938)	(46,845)

2.2 New accounting standards and interpretations (continued)

AASB 16 Leases (continued)**Impact on the statement of comprehensive income (increase/(decrease)):**

	31 December 2019 \$	31 December 2018 \$
Cash payments*	295,151	284,483
Depreciation	(255,006)	(255,006)
Interest expense	(29,235)	(41,967)
Increase/ (decrease) for the year	10,910	(12,490)

* lease payment previously in statement of comprehensive income

Upon adoption of AASB 16, ADS applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. ADS recognised lease liabilities which represent the obligation to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, ADS applied AASB 16 at the date of initial application as if it had already been effective at the commencement date of existing lease contracts.

As at 1 January 2019:

- 'Right-of-use assets' were recognised and presented separately in the statement of financial position.
- Additional lease liabilities were recognised and included under 'Interest bearing liabilities'.
- 'Retained earnings' decreased due to the net impact of these adjustments.

For the year ended 31 December 2019:

- Depreciation expense increased because of the depreciation of additional assets recognised. This resulted in expenditure increases of \$255,006 (2018: \$255,006).
- Rent expense included in the Statement of Comprehensive Income, relating to previous operating leases rental, decreased by \$295,151 (2018: \$284,483).
- Finance interest costs increased by \$29,235 (2018: \$41,967) relating to the interest expense on additional lease liabilities recognised.
- There was no impact to cash flows.

2.3 Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. Anglican Diocesan Services is a not-for-profit, private sector entity which is not publicly accountable. Therefore, the financial statements for Anglican Diocesan Services are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs).

2.4 Income tax

The Anglican Diocesan Services is exempt from the payment of Income Tax under Section 50-5 of the *Income Tax Assessment Act 1997*.

2.5 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Revenue is recognised for the major income sources as follows:

Interest income

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocation of the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Service Level Agreements

The ADS provides corporate support services and leases to diocesan agencies under Service Level Agreements (SLA's).

SLA corporate support services revenue is recognised monthly as there is a direct correlation between the effort (primarily staff time) and the transfer of service to diocesan agencies. The SLA fee is renegotiated and set annually.

Management fees

The ADS provides various support services to the Diocese which are funded through management fees. The management fees are generally recognised monthly as there is a direct correlation between the effort (primarily staff time) and the transfer of service to the Diocesan agencies. Agency, parish and third party contributions are recognised within management fees and are recognised under AASB 1058 when an asset is received in a transaction. The majority of these payments are received in even monthly amounts.

Grant revenue

Grant revenue to fund chaplaincy services is recognised on receipt of the grant, unless the grant agreement is sufficiently detailed enough to apply AASB 15 then it will be when performance obligations are met.

Donations, fundraising income and conference income

Donations, fundraising income and conference income are recognised under AASB 1058 when an asset is received in a transaction.

Rental income

Rental income is recognised when it is received or when the right to receive payment is established.

Fleet charges

Fleet charges are recognised when the service has been provided or when the right to receive payment is established.

Other revenue

Other revenue is recognised when the right to receive payment is established.

2.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at either amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and ADS's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, ADS initially measures a financial asset at its fair value. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under applicable revenue recognition principles.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

ADS's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

ADS measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

ADS's financial assets at amortised cost includes trade receivables and prepayments.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from ADS's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- ADS has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) ADS has transferred substantially all the risks and rewards of the asset, or (b) ADS has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When ADS has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, ADS continues to recognise the transferred asset to the extent of its continuing involvement. In that case, ADS also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that ADS has retained.

2.6 Financial instruments (continued)

Impairment of financial assets

For trade receivables, ADS applies a simplified approach in calculating expected credit loss (ECL). Therefore, ADS does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. ADS has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit loss allowance on trade receivables for 2019 is \$7,504 (2018: \$10,460).

ii) Financial liabilities

Classification and subsequent measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

ADS's financial liabilities include trade and other payables and loans and borrowings.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

This category generally applies to interest-bearing loans and borrowings.

2.7 Cash and cash equivalents

Cash in the statement of financial position comprises cash at banks and on hand and short-term deposits with a maturity of three months or less.

2.8 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Impairment

ADS assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, ADS estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Diocese were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

2.8 Property, plant and equipment (continued)

Property, plant and equipment that has been contributed for no cost, or nominal cost, is initially measured at fair value at the date on which control is obtained. Assets transferred from Anglicare and the Anglican Diocese of Canberra and Goulburn (ADCG) to ADS, during the year ended 31 December 2018, were transferred by direction of Bishop in Council with nil encumbrances.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the useful lives of the assets. The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Furniture and fittings	10%
Plant and equipment	10%
Motor vehicles	20%
Computer equipment	25%
Buildings	2%

2.9 Employee entitlements

- a) Liability for annual leave is recognised, and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date including on costs. Expenses for sick leave are recognised when the leave is taken and are measured at the rates paid or payable.
- b) The liability for long service leave is recognised and measured at the present value of all amounts accrued as at reporting date including on costs.

2.10 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense, or when receivables and payables are stated with the amount of GST included.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

2.11 Leases

ADS assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

ADS as a lessee

ADS applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. ADS recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

ADS recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

2.11 Leases (continued)

i) Right-of-use assets (continued)

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office rental 5 years

No ownership of the leased asset transfers to ADS at the end of the lease term.

ii) Lease liabilities

At the commencement date of the lease, ADS recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by ADS and payments of penalties for terminating the lease, if the lease term reflects ADS exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, ADS uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

ADS's lease liabilities are included in interest bearing liabilities (see Note 7).

iii) Short-term leases and leases of low-value assets

ADS applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

ADS as a lessor

Leases in which ADS does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Some plant and equipment, computing equipment and motor vehicles are owned by Anglican Diocesan Services to provide services under the SLA agreements to related entities.

ADS's lease assets are included in Property, plant and equipment (see Note 6).

The related charges are discussed earlier in Note 2.5 'Revenue recognition'.

2.12 Significant accounting judgments, estimates and assumptions

Revaluation of land and buildings

ADS measures land and buildings at revaluation amounts with changes in fair value being recognised in other comprehensive income. ADS engages an independent valuation specialist to determine fair value. The last valuation conducted was during the financial year ended 31 December 2017. Management has performed an internal assessment in the current year which has determined no material change in fair value has occurred since the last independent valuation.

Provision for expected credit loss on trade receivables

Trade receivables include amounts owed from Parishes, Anglican schools and other Diocesan agencies. For trade receivables, ADS applies a simplified approach in calculating expected credit loss (ECL). Therefore, ADS does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. ADS has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit loss allowance on trade receivables for 2019 is \$7,504 (2018: \$10,460).

No other accounting judgments, estimates or assumptions have been identified that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period.

2.13 Intangible assets

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

2.13 Intangible assets (continued)

Capitalised development costs

Capitalised development expenditures on an individual project are recognised as an intangible asset when ADS can demonstrate:

1. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
2. Its intention to complete and its ability and intention to use or sell the asset
3. How the asset will generate future economic benefits
4. The availability of resources to complete the asset
5. The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

Note 3: Salaries and associated costs

	2019	2018
	\$	\$
Wages and salaries	5,617,079	5,139,240
Superannuation	592,076	537,152
Leave entitlements	771,492	374,345
Other associated costs	274,861	150,374
Total salaries and associated costs	7,255,508	6,201,111

Note 4: Other expenditure

Travel	70,223	105,643
Conferences and training	40,367	30,976
Information technology	181,645	141,445
Total other expenditure	292,235	278,064

Note 5: Receivables

Trade debtors	897,738	1,117,324
Expected credit loss provision	(7,504)	(10,460)
Accrued income	140,881	58,399
Accrued income - insurance premiums*	-	8,986
Total receivables	1,031,115	1,174,249

Trade receivables include amounts owed from parishes, Anglican schools and other Diocesan agencies. ADS management assesses the expected credit loss provision at \$7,504 (2018: \$10,460)

Note 6: Property, plant and equipment

	Furniture and fittings \$	Computing equipment \$	Motor Vehicles \$	Plant and equipment \$	Land, Houses & Buildings \$	Total \$
Cost						
Opening balance as at 1 January 2019	475,317	3,224,780	5,595,591	186,276	4,615,310	14,097,274
Additions	13,045	1,797,932	1,500,668	366,661	12,501	3,690,807
Disposals at cost	-	-	(992,747)	-	-	(992,747)
At 31 December 2019	488,362	5,022,712	6,103,512	552,937	4,627,811	16,795,334
Accumulated depreciation						
At 1 January 2019	355,908	1,764,890	2,589,062	81,820	335,891	5,127,571
Depreciation charge for the year	36,915	755,682	1,051,336	14,161	45,696	1,903,790
Depreciation on disposals	-	-	(692,837)	-	-	(692,837)
At 31 December 2019	392,823	2,520,572	2,947,561	95,981	381,587	6,338,524
Net book value						
At 31 December 2019	95,539	2,502,140	3,155,951	456,956	4,246,224	10,456,810

The motor vehicles are owned by Anglican Diocesan Services to provide services under the SLA agreements to related entities. The related charges are based on a monthly per use rate which is renegotiated annually.

Note 7: Interest bearing liabilities

	2019	2018
	\$	\$
Rental lease liabilities	290,944	-
Loans - AIDF - Super Wind Up Loans *	-	2,052,093
Loans - AIDF - MAFF	2,509,246	454,434
Loans - AIDF - Insurance Fundings	-	593,930
Loans - AIDF - Motor Vehicle	3,232,656	1,606,070
	6,032,846	4,706,527
a) Current borrowings	290,944	-
b) Non-current borrowings	5,741,902	4,706,527
Total borrowings	6,032,846	4,706,527

* This relates to an operation previously undertaken by the ADCG which has continued within ADS due to the Bishop-in-Council restructure resolution in 2017 (8609/17).

The insurance funding loan is used to assist entities within the Diocese who wish to pay for the annual cost of insurance under the Anglican National Insurance Program in installments over a 1 year period.

The Master Asset Finance Facility (MAFF) loans are used to purchase equipment leased to Diocesan entities.

Motor vehicle loans have terms of 4 years covering interest and principal.

Note 8: Leases**ADS as a lessor**

ADS has entered into operating leases of MAFF assets for non-cancellable equipment leases to Diocesan entities. The leases have terms between 3 and 7 years. Operating lease income recognised by ADS during the year is \$814,443 (2018: \$618,082).

Future minimum rentals receivable under non-cancellable operating leases as at 31 December 2019 are as follows:-

	2019	2018
	\$	\$
Within one year	1,015,225	402,018
After one year but not more than five years	1,651,431	743,548
More than five years	23,079	97,727
	2,689,736	1,243,293

ADS has entered into cancellable short term operating leases of Motor Vehicles. The motor vehicles are owned by ADS to provide services under the SLA agreements to related entities. The related charges are based on a monthly per use rate which is renegotiated annually. Motor vehicle fleet operating lease income recognised by ADS during the year is \$1,733,784 (2018: \$1,688,381).

ADS as a lessee

ADS has entered into an operating lease rental of office space with an unrelated entity.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

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Note 8: Leases (continued)

	Office rental	
	\$	
As at 1 January 2019 (restated)	510,012	
Additions	-	
Depreciation expense	(255,006)	
As at 31 December 2019	255,006	
	31 December 2019	1 January 2019
	\$	\$
	Restated	
a) Current right of use	255,006	255,009
b) Non-current right of use	-	255,006
Total right of use	255,006	510,015

The operating lease rental typically has a term of 5 years. Operating lease rental expense recognised by ADS during the year is \$255,006 (2018:\$318,161). The rental agreement is due to expire in December 2020.

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	Rental lease liabilities	
	\$	
As at 1 January 2019 (restated)	556,860	
Additions	-	
Accretion of interest	29,235	
Payments	(295,151)	
As at 31 December	290,944	
	31 December 2019	1 January 2019
	\$	\$
	Restated	
a) Current liability	290,944	290,944
b) Non-current liability	-	265,916
	290,944	556,860

Note 9: Provisions

	2019	2018
	\$	\$
a) Current		
Short term employee benefits	1,520,707	1,364,442
b) Non Current		
Long term employee benefits	95,795	58,423
Total provision for employee benefits	1,616,502	1,422,865

Note 10: Commitments and contingencies

There are no commitments or contingent liabilities at 31 December 2019 and 31 December 2018.

Note 11: Intangible assets

	Development Costs (WIP) \$	Total \$
Cost		
Opening balance as at 1 January 2019	43,656	43,656
Additions	196,161	196,161
Disposals at cost	(43,656)	(43,656)
At 31 December 2019	196,161	196,161
Accumulated amortisation		
At 1 January 2019	-	-
Amortisation charge for the year	-	-
At 31 December 2019	-	-
Net book value		
At 31 December 2019	196,161	196,161

Note 12: Related parties**The ultimate parent**

The ultimate parent entity is the Synod of the Anglican Diocese of Canberra and Goulburn.

Loans with key management personnel

There were no loans provided to or from key management personnel during the financial year and there were no loans outstanding at the end of the financial year.

Key management personnel

Key management personnel is defined by AASB 124 Related Party Disclosures as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the entity.

The directors of the Board did not receive or become entitled to receive any remuneration in respect of the management of the organisation during the financial year.

The aggregate remuneration paid to key management personnel during the financial year was \$2,012,423 (2018 \$1,652,339).

Other related parties

During the year Anglican Diocesan Services carried out transactions with other Diocese entities as follows:

SLA charges received from Diocese entities	6,792,758
Management fees and fleet charges received	3,917,659
Interest received on AIDF deposits	15,370
Drawdowns on AIDF loans	6,172,958
Repayment of AIDF loans	4,846,638
Interest and bank charges paid to AIDF	272,681

Note 13: Member of the Anglican Diocesan Board

The members of the Anglican Diocesan Services Board at any time during the year are as follows:

The Right Reverend Dr Mark Short (Chair effective from 6 April 2019)
 The Right Reverend Trevor Edwards (Chair until 6 April 2019)
 The Right Reverend Professor Stephen Pickard
 The Venerable Dr Brian Douglas
 The Honourable Richard Refshauge
 Mr Mark Le Couteur
 Mr Wayne Harris
 Mrs Margaret Wheelwright
 Mr Trevor Ament - General Manager/ Secretary -
 not a member of the ADS Board

Note 14: Events after the reporting period

The financial statements have been prepared based upon conditions existing at 31 December 2019 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at the end of the reporting period. As the outbreak of COVID-19 occurred after 31 December 2019, its impact is considered an event that is indicative of conditions that arose after the reporting period and accordingly, no adjustments have been made to financial statements as at 31 December 2019 for the impacts of COVID-19.

The ADS has determined it is eligible for the Jobkeeper scheme and is forecasting a small deficit for 2020 with the inclusion of the government stimulus packages.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of Anglican Diocesan Services or the results of those operations in subsequent financial years.

Note 15: Economic Dependency

The Anglican Diocesan Services was incorporated under the *Diocesan Services Incorporation Ordinance 2010*.

The Anglican Diocesan Services is dependent on the Diocese and the service level agreements it has with diocesan entities for its continued existence.



ANGLICAN DIOCESAN
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