

The FAPS Committee is charged with managing the Synod's finances and properties for the greatest good of the Synod and the Church generally.

An overview of the performance of funds held by the Northern Synod during the year 2018 is given below.

1. Common Investment Fund

The following balances were held as at 31 December 2018

Harry Griffiths Fund	\$2,193,043
NRCC Mission & Service Fund	\$2,720,295
Synod Ministers' Entitlement Fund	\$289,292
Synod Insurance Fund	\$202,186
Pilgrim Presbytery	\$102,935
PPNA Congregations Account	\$200,460
ARDS Investment Account	\$441,319
Other Payables	\$76,437
TOTAL	<u>\$6,225,967</u>

These were represented by:

Cash	\$2,363,224
Capital Growth Managed Funds	\$677,276
Loans – Kormilda College	\$805,525
Loans (i)	\$2,379,942
TOTAL	<u>\$6,225,967</u>

Note(i)

This includes property loans for Lot 1422 Nhulunbuy \$600,130 and 40 Robinson Street, Broome \$1,764,812 transferred from Synod.

2. Retail Development Fund (CBD Plaza)

Retail Development Fund continues to be the main income earner for the Northern Synod and generates significant net cash flow.

During 2018, Northern Synod purchased 9 Searcy Street, Darwin property for \$4.5 Million.

This purchase was financed by a loan of \$2 Million from UC Invest (South Australia Synod) and the balance out of Asset Replacement Fund. We are happy to inform you that out of a total loan of \$2 Million, we have repaid almost \$700,000 as at end August 2019.

Out of an Operating Profit of \$1,340,277 in 2018, the Fund has distributed \$1,009,049 as follows:

Distributions 2018

Synod	\$684,000
Reimbursement of Nungalinya Lecturer	\$101,248
Reimbursement for Youth Worker PPNA	\$38,622
Reimbursement for DMUC 2 nd Placement	\$125,179
PPNA – Operations (budget Shortfall)	\$60,000
TOTAL	<u>\$1,009,049</u>

An amount of \$ 684,746 has been set aside for future replacement of the CBD Plaza in accordance with Synod resolution for Asset Replacement Fund.

For this purpose, funds are invested with UCA Funds Management of VIC / TAS Synod and totalled \$1,029,432 as at 31 December 2018. An amount of \$2,746,500 was withdrawn out of this account to partly finance the purchase of 9 Searcy Street building.

As mentioned in our report last year, we have reserved 15% of the total CBD Plaza surplus and other significant property revenues, for future “lean years” in addition to asset replacement reserves.

An amount of \$170,333 has been transferred to the Future Fund created for this purpose with UCA Funds Management of VIC / TAS Synod. As at 31 December 2018, the fund has a balance of \$753,926.

3. Synod Fund

The Northern Synod showed a surplus of \$240,481 (2017 -\$1,563) in 2018 as opposed to a budgeted surplus of \$2,100.

Synod received an additional grant of \$451,864 from Common Investment Fund. This helped Synod to show the above surplus.

Attached is an Income and Expenditure Statement showing:

2018 Actual & Budget
2019 Estimate & Budget
and;
2020 Budget

A Full set of Audited Financial Statements for the year ended 31 December 2018 is tabled.

4. Pilgrim Presbytery of Northern Australia

Pilgrim Presbytery of Northern Australia had a surplus of \$33,933 (2017 -\$26,571) in 2018. In 2018, the grant from Synod to Pilgrim Presbytery was reviewed so that enough funds are available for Pilgrim Presbytery to carry out its activities. As a result of the review, Pilgrim

Presbytery received a grant of \$60,000 from Retail Development which helped to record the above surplus.

5. Finance and Property Services (FAPS) Committee

The FAPS Committee had six meetings since the last Synod up to now and in addition, the members communicated and decided on important and urgent issues via emails.

Members of the current FAPS Committee are: Barry Hansen (chair), Rev. Haloti Kailahi, Cathy Spurr, Matthew Kennon, Howard Amery, Rev. Lee Levett-Olson, Mike Lane, Sue Smith, Lal Wijeratne, Djawut Gondarra and Dale Chesson.

We thank the former General Secretary of the Synod, Peter Jones, who concluded his placement in December 2018 and PPNA Chairperson, Rev. Felicity Amery, who concluded her placement mid 2019, for their help, guidance and advice to the Committee. We also thank Maratja Dhamarrandji and Rose Gurlarrangi who were members of the FAPS Committee during the year. Our prayers and good wishes are with them.

This year we welcomed Rev Lee Levett-Olson, Howard Emery and Djawut Gondarra to the FAPS Committee.

The highlights of the year for FAPS Committee were:

Proceeding to the transfer of all assets & liabilities of St. Philip's College, except the land, to a newly incorporated company
Arranging purchase of two properties in Alice Springs
and Continued successful operations of CBD Plaza

On the negative side, we are concerned about the deterioration in the finances of some Congregations. We look forward to working with Synod Standing Committee to seek renewed energy in the life of all Congregations.

On behalf of the FAPS Committee we wish to thank our Synod office staff for their support. The Committee looks forward to continuing to service the Church in Christ's name.

Finally, I thank the Committee members for their commitment to FAPS Committee and the work they are performing for the Uniting Church.

6. Procedural Matters

We recommend to Synod that it:

- 1. Receives the FAPS report;**
- 2. Receives the 2018 audited financial statements;**
- 3. Approves the Synod Budget for 2020; and**
- 4. Appoints BDH Consulting Pty Ltd as auditor for 2019 for a fee of \$23,600 (Increase of 4.9% - \$22,500 for 2017 and 2018. 2019 figure will be fixed for 2020 as well).**

On behalf of the FINANCE AND PROPERTY SERVICES (FAPS) COMMITTEE

Barry Hansen, Chairperson

**UNITING CHURCH IN AUSTRALIA - NORTHERN SYNOD
SYNOD INCOME & EXPENDITURE ACTUALS & BUDGETS COMPARISON - SUMMARY**

	2018 ACTUAL	2018 BUDGET	2019 Estimate	2019 BUDGET	2020 BUDGET
INCOME					
Income from Investments	\$ 99,169	\$ 170,000	\$ 75,000	\$ 75,000	\$ 75,000
Synod Contrib. - PPNA Cong. 10% Levy	\$ 115,486	\$ 125,000	\$ 95,000	\$ 100,000	\$ 100,000
NRCC Uniting House Contrib.	\$ 38,000	\$ 38,000	\$ 39,000	\$ 39,000	\$ 39,000
PPNA Office and Admin Fee	\$ 22,000	\$ 22,000	\$ 23,000	\$ 23,000	\$ 23,000
Income from CBD Plaza	\$ 720,000	\$ 720,000	\$ 1,065,000	\$ 1,065,000	\$ 1,065,000
Other Income	\$ 751,343	\$ 270,700	\$ 305,000	\$ 279,700	\$ 380,700
Other Property Income	\$ 77,385	\$ 94,000	\$ 65,000	\$ 69,200	\$ 76,270
Theological Education Grant (NRCC & Retail)	\$ 177,544	\$ 315,000	\$ 215,000	\$ 294,000	\$ 213,000
Korrilda College Chaplaincy	\$ -	\$ -	\$ -	\$ -	\$ -
School Chaplaincy	\$ 146,259	\$ -	\$ 7,000	\$ 100,000	\$ -
Uniting House Income	\$ 677	\$ 1,000	\$ 1,200	\$ 1,000	\$ 6,000
TOTAL INCOME	\$ 2,147,963	\$ 1,755,700	\$ 1,890,200	\$ 2,045,900	\$ 1,964,400
EXPENSES					
Administration	\$ 830,065	\$ 780,500	\$ 865,000	\$ 862,100	\$ 888,000
Annual Synod + Assembly Meeting Costs	\$ 78,524	\$ 60,000	\$ 62,000	\$ 65,000	\$ 29,000
Assembly Levy	\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ 30,000
Audit Fees	\$ 4,800	\$ 7,000	\$ 7,000	\$ 7,000	\$ 17,500
Grants to Affiliated Bodies	\$ 42,617	\$ -	\$ 48,000	\$ -	\$ 32,000
Grant to PPNA/CSIS	\$ 303,000	\$ 311,000	\$ 363,000	\$ 363,000	\$ 363,000
Ministers Removal/Resettlement	\$ 13,158	\$ 8,000	\$ 24,000	\$ 16,000	\$ 21,000
Moderator Expenses	\$ 112,136	\$ 68,000	\$ 104,000	\$ 110,000	\$ 120,000
Motor Vehicle Lease exp - PPNA	\$ 4,654	\$ 8,000	\$ 8,000	\$ 8,000	\$ 6,000
Property Inspection Costs	\$ 1,177	\$ 2,500	\$ 1,500	\$ 2,500	\$ 5,000
Standing Committee	\$ 20,980	\$ 15,000	\$ 5,000	\$ 5,000	\$ 5,000
Uniting House Running Costs	\$ 64,443	\$ 71,500	\$ 56,876	\$ 60,700	\$ 60,000
Theological Education Grant (NRCC & Retail)	\$ 166,334	\$ 315,000	\$ 215,000	\$ 294,000	\$ 294,000
Korrilda College Chaplaincy	\$ -	\$ -	\$ -	\$ -	\$ -
School Chaplaincy	\$ 132,324	\$ -	\$ 7,500	\$ 100,000	\$ -
Rental Property Expenses	\$ 99,778	\$ 61,000	\$ 105,000	\$ 108,500	\$ 78,000
TOTAL EXPENSES	\$ 1,903,990	\$ 1,737,500	\$ 1,871,876	\$ 2,031,800	\$ 1,948,500
NET SURPLUS BEFORE OTHER INCOME & INTEREST	\$ 243,973	\$ 18,200	\$ 18,324	\$ 14,100	\$ 15,900
Add Other Income/Exp	\$ 7,168	\$ -	\$ -	\$ -	\$ -
Profit / (Loss) on Sale of Assets	\$ 10,660	\$ 24,000	\$ 4,500	\$ 12,000	\$ 6,000
Interest Paid to CIP	\$ -	\$ -	\$ -	\$ -	\$ -
NET SURPLUS / (DEFICIT)	\$ 240,481	\$ 5,800	\$ 13,824	\$ 2,100	\$ 9,900
2020 Notes:					
Grant to PPNA/CSIS					
PPNA			Actual 2019		Budget 2020
CSIS			\$ 327,000.00		\$ 327,000.00
			\$ 36,000.00		\$ 36,000.00
Total			\$ 363,000.00		\$ 363,000.00

CAPITAL EXPENDITURE 2020	
Website	\$ 50,000
Computer Equipment	\$ 10,000
TOTAL	\$ 60,000