
Resources Board

Chairperson	Rev John Dunn
General Secretary	Rev David de Kock
General Manager (Resources) and Synod	Robert Locke
Property Officer	
Chair, UCA (WA) Property Trust	Rev Raymond Clee
Members	Tom Stokes
	Ian Harris
	Greg Howlett
	Robert Kronberger
	Graham Reynolds
	Marie Yuncken
	Michael Patchell
	Maureen Bourke
In attendance CFO	
In attendance Minute Secretary	

1. INTRODUCTION

The By-Laws of the Resources Board (and Resources Division) clearly sets out its purpose (2.12.6) “The Board shall provide a unified governance of Synod resources to allow for reflection on and development of optimum policies and practices for the current and future resource needs that support ministry and mission of the Uniting Church Synod of Western Australia.”

The Resources Board endeavours to ensure that the Synod’s resources are well and strategically managed. The Board seeks to ensure stewardship of the assets of the Synod and Presbytery to enable a fair sharing of resourcing across the whole diversity of our Synod. The Board consistently ask the question “does our decision enhance the work of God through the Synod of Western Australia?”

2. MEMBERSHIP

The Resources Board is appointed annually by Synod and consists of: a Chairperson, General Secretary; Associate General Secretary (Resources) now the General Manager (Resources); Synod Property Officer (currently GMR); two members of the Uniting Church in Australia Property Trust (WA) and a further five to seven other persons elected by Synod.

The Synod should note that four of the six elected members of the Board have been members since the inception of the Board in 2010. The Board is concerned that it has never managed to achieve gender equality and seeks the Synod’s assistance in addressing this. Another area of concern is the need to ensure generational change as most members of the Board could be said to be in the ‘third third’!

The Board has four committees reporting to it:-

- Business & Financial Services
- Investment and Corporate Finance
- Property Services
- Governance

The committees and the Resources Division key functions include property, insurance, risk management, information and communication technology, human resource management, occupation safety and health, administrative services, asset management, financial services, investment and resource planning and process management.



3. BUSINESS AND FINANCIAL SERVICES COMMITTEE (BFSC)

The BFSC provides governance to the financial services team of the Resources Division. The Committee comprises:

Graham Reynolds (Chairperson)	Robert Locke
David Beards	John Pallathil
David Blythe	Tom Stokes

In Attendance

David de Kock General Secretary

Michael Patchell, CFO

Minute Secretary

Maureen Bourke

The Committee advises the Resources Board in respect of the annual budget, tracks merging financial risks and development of appropriate policies. In addition, the BFSC has responsibility for the Accounts Committee of Review and Uniting Church Insurance Services (UCIS). (Please see the Budget Booklet which promotes the Budget and outlines how the financial resources of the Synod have been and are planned to be used.)

4. 2015 FINANCIAL RESULTS

The 2015 financial result for the Synod was a deficit of \$186,784 against a budgeted deficit of \$568,498.

Whilst this improved result was due to some positions of the Church Office staff being vacant, expenses were also reduced due to diligent effort. The on-going use of reserve and trust funds as well as a heavy reliance on grants from the Insurance and Investment Funds and the continuing generosity of the large contribution to our budget from the Uniting Church in the City continues to be of concern to the Board

and presents an increasing level of risk as the Australian community continues to face economic and financial stress.

The intention is to return to surplus budget as quickly as achievable and to move to three-year rolling budgets is being formulated to strategically plan towards this goal.

4.1 FOUNDATION

	2015	2014
Operating Revenue	721,261	1,993,903
Operating Expenditure	2,198,846	654,664
Operating Deficit/Surplus	(1,477,585)	1,339,239
Total Assets	\$12,863,775	\$14,341,360

The Foundation made a significant grant of \$1,500,000 to the establishment of a community centre at the Uniting Church Billabong in 2015. Whilst we should rejoice with the Billabong Community, we need to note that grants and operating expenses from the Foundation regularly exceeds the interest received – thus providing more than the Fund earns cannot be sustained over the long term.

4.2 UNITING CHURCH INSURANCE SERVICES (UCIS)

	2015	2014
Operating Revenue	4,706,563	4,360,269
Operating Expenses	3,665,887	3,479,331
Synod Grant	500,000	500,000
Operating Surplus	\$540,676	\$380,938

The UCIS had a successful year whilst dealing with the risk management issues facing the operations of the Church, schools and agencies. During 2015 UCIS continued its excellent work is assisting the Synod and its entities to understand risks faced and provided assistance and advice in practical ways to mitigate risks identified. The following risk factors were identified and staff, Commissions and Boards are working to mitigate these identified risks.



5. SYNOD RISK SUMMARY

- Lack of capacity to respond to matters arising from the Royal Commission into Institutional Responses to Child Sex Abuse
- Failure to ensure financial sustainability
- Failure to anticipate and manage adverse health, safety and security challenges for ministers, staff and volunteers on foreign missions
- Inability of people in Ministry to manage workload challenges and individual work-life balance
- Failure to establish the Synod as an overarching organisation to lead and guide its constituent parts (Congregations, Agencies and Schools)
- Ineffective identification, response and management of litigious claims
- Inability to ensure activists/activist groups at UCA Social Justice rallies and events are aligned with UCA values and objective
- Failure to take reasonable care for the safety of ministers, staff and volunteers from unnecessary and foreseeable risks of injury
- Failure to align business unit activities with strategic directions and budget
- Failure to provide adequate safety, health and administrative support for inbound UCWA visitors on ministry programs

6. PROPERTY SERVICES COMMITTEE (PSC)

The PSC in addition to assisting the Board, carry out functions and responsibilities of the Synod Property Board providing governance to the Property Services Unit of the Resources Division. The staff of the PSC provide valued and important assistance particularly to congregations and acts as the Presbytery Property Committee. The PSC comprises:

Ian Harris (Chairperson)	Robert Locke
Steve Artelaris	Darren Mouchmore
Peter Jodrell	Alan Stewart
Bob Kronberger	

In Attendance

Ian Healey

Minute Secretary

Sandra Ackoy

The Property Services Unit is responsible to service the property requirements of both the Presbytery and the Synod and provides essential and practical assistance to many. The establishment of a Synod-wide property data base assists in the management of all property.

Visits to congregations over the year have enabled the team to put in place strategies and to provide advice on the effective management of church assets. Early advice allows the team to be more effective and forms can be downloaded from the website.

7. INVESTMENT AND CORPORATE FINANCE SERVICES COMMITTEE (ICFC)

The ICFC provides governance to the Uniting Church Investment Fund (UCIF) as well as undertaking analysis, developing implementation strategies and oversight of resources investment and development strategies. The Committee is listed in the appendix which provides the 45th annual report of the UCIF.

The UCIF now employ the services of Simon Montgomery of Entrust Private Wealth Management Ltd as an asset allocation advisor and the managed investments are professionally managed by Macquarie Private Portfolio

Management. The Board believes this provides the level of professional advice required and details its mandate in the UCIF Investment Policy Statement.

Whilst the fund recorded a deficit in a volatile market for 2015, when the grant to Synod of \$1,800,000 is taken into account we can be satisfied with the overall performance.

The ICFC oversees the mandate and ethical screen for the investment portfolio of the UCIF. The UCIF does not have any investment in fossil fuels and adheres to the WA Synod proposal.



8. RESOURCES GOVERNANCE COMMITTEE (RGC)

The RGC has responsibility to review the performance of the Resources Board and permanent committees with respect to compliance, strategies and processes and efficiency. The Committee reviews annually the performance of the Resources Division. The Governance Committee commends the staff of the Division for their work and the continuing contribution to developing an efficient and

effective operation within the life of the Synod and Presbytery.

The RGC membership is the Chairperson, Committee Chairpersons, the General Secretary and the now General Manager Resources.

During the year, the RGC also acted on behalf of the Resources Board in relation to Pier Street properties which saw the sale of St Andrews Church and the UCA leaving the site.

9. RESOURCES BOARD

Recognising that for many years much of the financial resourcing of the Synod has been through the generosity of past generations the Resources Board has taken steps to review property holdings and to look to ways the enormous property asset of the Synod may be better leveraged to provide on-going resources for the life of the church.

The Resource Board has worked diligently to meet its purpose and wishes to acknowledge the efforts of the staff of the Resources Division during a year that had been filled with a number of uncertainties. The members of the Resources Board and its committees are also acknowledged for their considerable efforts towards the stewardship of the resources of the Church generously donating their gifts and time.

Robert V Locke
General Manager (Resources)
Robert.locke@wa.uca.org.au

Rev John Dunn
Chair, Resources Board
John.dunn@wa.uca.org.au



Uniting Church Investment Fund – 45th Annual Report 2015 UCIF

1. MISSION

The mission of the Uniting Church Investment Fund is:

- to enlarge and extend the wider work of the Uniting Church in Western Australia
- to encourage and foster a greater appreciation and understanding of the value of Christian stewardship within both the Church and the community

UCIF assisted the wider work of the Church with a grant of \$1,800,000 for the year 2016. Since the inception of the Fund in 1971, grants now total \$31,158,000.

The UCIF strives to achieve its mission objectives while providing a competitive and

ethical investment service to Uniting Church people, congregations, agencies, instrumentalities and the Synod of Western Australia.

UCIF investors have the satisfaction of knowing their investment is a commitment to Christian stewardship. By investing with the UCIF they are supporting the work of the wider Church in areas such as:

- social justice
- community outreach
- youth leadership development
- resourcing congregational mission

2. ETHICAL INVESTMENT

The UCIF is committed to ethical investment. The UCIF strictly adheres to the ethical investment principles and procedures of the Uniting Church in Australia NSW and ACT Synod.

The UCIF subscribes to the Responsible Investment Association Australasia which provides ethical screening research. UCIF investments are constantly monitored and revised in accordance with updated ethical research data.

3. UCIF COMMITMENT TO INVESTORS

UCIF is committed to offering a personal and professional service dedicated to the real needs of our Church community.

We provide our investors:

- flexibility and understanding to suit your individual needs
- fee-free accounts
- competitive interest rates
- security for investments
- friendly, helpful staff

When you invest with UCIF you don't just benefit yourself, you benefit your Church community. Investments at UCIF help fund a range of important services and projects. So while you get the benefit of a UCIF savings investment, your investment also has an important flow-on effect to the wider Church.

4. UCIF ADVISORY COMMITTEE

The activity of UCIF is overseen by the Investment and Corporate Finance Committee (ICFC). The ICFC is directly responsible to the Resources Board and ultimately the Uniting Church General Council.

The ICFC is comprised of professional people with a strong commitment to Christian values, who give generously of their time and energy to advance the Church's mission. Membership is completely voluntary.



The Committee has representation from the fields of law, accounting, financial investment, property and banking.

Greg Howlett, Chair, (Architecture)

Mitch Artus (Law)

Rev Brian Carey

David Gray

Robert Locke General Manager (Resources)

Graham Reynolds (Business Management, Insurance)

All appointees to the ICFC are required to promote the vision and ethos of the Uniting

Church and demonstrate a desire to uphold the standards of active oversight of the operations of the Fund.

All Committee members are chosen for their ability to offer wise counsel to management.

The Committee meets a minimum of four times each year, often more regularly. The Committee ensures the UCIF is prudently managed with the aim of achieving the maximum return possible to investors, while providing funds to extend the missional work of the Uniting Church.

5. HOW CAN I HELP? THE BENEFIT IN GIVING ALWAYS GOES TO THE GIVER.....

Think about the many blessings we have – our talents, abilities, family, home, possessions and income. These gifts are ours by God’s grace. We are blessed so that we may be a blessing to others.

The Bible talks about generosity as being a sign of our relationship with God. Our acts of care toward one another reflect our faith in a God who provides all our needs. Giving is a response to gratitude for the whole earth, the Church and everything in it God has given us to share.

There are many ways we can give. WE can offer our time, our love, our strength and our prayers. We can also give our money to help areas of need in the world.

Sharing your financial resources with the Uniting Church in Australia helps to finance pastoral care and supports mission activities both at home and abroad, and provides a voice for the disadvantaged in our community.

As a Christian, you may ask yourself, "How can I help?"

- Giving directly to your congregation.
- Giving to specific projects
- Leaving a Bequest to the Uniting Church
- Investing with UCIF

6. SPONSORSHIP

UCIF is committed to and has been actively involved in supporting the Uniting Church’s community service programs in Western Australia.

7. FINANCIAL REPORT

The financial information on the following pages has been extracted from the statutory accounts of the Uniting Church Investment Fund. Full copies of the accounts are available on request.



8. AUDIT REPORT

The statutory accounts were audited by RSM Australia Partners, Chartered Accountants.

Investment and Corporate Finance Committee (ICFC) of the Resources Board

The ICFC has determined that this special purpose financial report is prepared in accordance with the appropriate accounting policies.

The financial statements and notes fairly represent the entity's financial position as at 31 December 2015 and its performance for the year ended on that date in accordance with the accounting policies described in the financial report.

In the opinion of the Resources Board, there are reasonable grounds to believe the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Advisory Committee and for and on behalf of the Board by:

Greg Howlett
Chairperson

Robert Locke
General Manager (Resources)

During 2015 the investment base was \$80,559,575 across 643 customers. We paid to our investors \$1,529,537 in interest. New loans to ministers, agencies and congregations totalled \$3,159,083.

Results Summary for the year ended 31 December 2015

Year	Total Deposits (\$)	Operating Surplus – Deficit (\$)	Synod Grant (\$)
2006	52,703,000	7,947,334	1,340,000
2007	52,785,000	1,092,515	1,490,000
2008	60,510,000	(21,414,562)	1,620,000
2009	62,967,000	10,229,552	1,650,000
2010	62,373,000	(3,119,323)	1,675,000
2011	66,791,000	(7,921,220)	1,690,000
2012	66,286,000	1,455,687	1,250,000
2013	65,856,000	5,356,156	1,690,000
2014	65,667,000	1,919,106	1,715,000
2015	80,753,000	(243,014)	1,800,000



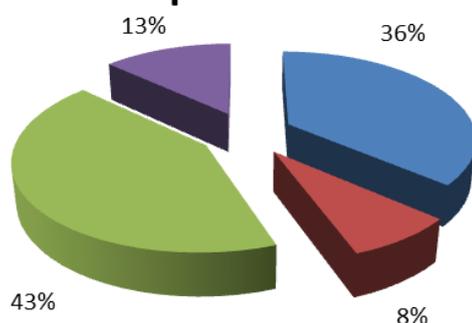
Financial Performance for the year ended 31 December 2015

	2015	2014
Investment Revenue	3,510,575	5,739,813
Interest Revenue	822,822	912,664
Interest Expense	(1,530,232)	(1,822,519)
	2,803,165	4,829,958
Expenses	(3,046,179)	(2,910,852)
Operating Surplus/Deficit	(243,014)	1,919,106

Balance Sheet for the year ended 31 December 2015

	2015	2014
We own		
Cash and Investments	96,709,806	81,781,651
We owe		
Accrued Expenses	-	-
Investors' Funds	80,753,410	65,667,241
Provision for Grant	1,800,000	1,715,000
	82,553,410	67,382,241
Our Net Worth	14,156,396	14,399,410

Source of Deposits



Synod (Inc Trust Funds)	\$29.4M
Parishioners	\$ 6.5M
Agencies/Instrumentalities	\$34.3M
Congregations	\$10.6M
TOTAL	\$80.8M



