

**ATTENTION**

Ministers, Wardens and Treasurers

SUBJECT**Prescribed Financial Statements for 2016****DATE**

16 November 2016

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KEY POINTS

- Parishes are required to prepare their audited annual Financial Statements for 2016 EITHER–
 - (a) in one of the two formats prescribed by the Finance Committee, namely –
 - (i) as Prescribed Financial Statements (“PFS”) spreadsheets (Excel or PDF), or
 - (ii) as reports printed from the Sydney Anglican Parish Accounting System (“SAPAS”), OR
 - (b) in a different format designed to suit local requirements that provides at least the same level of information as the PFS, plus an audited Declaration of Parish Net Operating Receipts.
- The audited annual Financial Statements and associated reports plus the Statement of Parish Insurances (plus the Declaration of Parish Net Operating Receipts, where applicable) are to be forwarded to the Diocesan Secretary within 7 days of the AGM of parishioners.

DETAIL

Copies of the final format of the PFS and associated reports and declarations as approved recently by the Finance Committee are available on the links below and from the SDS website (www.sds.asn.au).

There have been no material changes to the format of the PFS for 2016, however two minor clarifications relating to disclosure in the Statement of Comprehensive Income are explained below.

This year parishes may report their financial affairs in a format different to the PFS designed to suit their local circumstances. However, parishes that choose this option must provide financial statements with at least the same level of information as the PFS, and must also submit a Declaration of Parish Net Operating Receipts.

Wardens are required to prepare the financial statements and associated reports and declarations for presentation to the Annual General Meeting of Parishioners (“AGM”) to be held in February or March 2017. Those financial statements and associated reports and declarations must then be forwarded to the Diocesan Secretary within 7 days of the AGM.

Parishes choosing to report in the format of the PFS should submit –

- a) Financial Statements using either of these [Excel](#) or [PDF](#) format files which include Wardens’ and Treasurer’s Report, and Wardens’ Declaration, and Independent Assurance Practitioner’s Review Report (Auditor’s Report), and
- b) [Statement of Insurance Policies](#).

Parishes using SAPAS to report should submit –

- a) A level 3 Profit and Loss Account and Balance Sheet (including prior year comparatives and budget for the following year),

- b) [Wardens' and Treasurer's Report, and Wardens' Declaration](#) in relation to the financial statements (page 1) and [Independent Assurance Practitioner's Review Report](#) (Auditor's Report) (page 2), and
- c) [Statement of Insurance Policies](#).

Parishes reporting in a format different to the PFS should submit –

- a) Financial Statements comprising Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Funds (where applicable), and Notes to the Financial Statements (including prior year comparatives and budget for the following year) providing at least the same level of information as the Prescribed Financial Statements,
- b) [Wardens' and Treasurer's Report, and Wardens Declaration](#) in relation to the financial statements,
- c) [Wardens' and Treasurer's Declaration of Parish Net Operating Receipts](#) (page 1) and [Independent Assurance Practitioner's Review Report](#) (Auditor's Report) (page 2) which incorporates a statement of satisfaction with the Declaration of Parish Net Operating Receipts , and
- d) [Statement of Insurance Policies](#).

All parishes should refer to the following additional resources where applicable –

- [Explanatory Notes](#) to the 2016 PFS.
- **Building Insurance valuation summary.** The information available from the [Secure SDS Extranet](#) by clicking on the 'Parish insurance' and then 'Insurance Report' tabs should be used as the basis for the amounts shown for buildings and contents in your 2016 financial statements.
- **ACPT Client Fund statements.** The 'market value' information available from the [Secure SDS Extranet](#) by clicking on the 'ACPT Client Fund Statements' tab should be used for the amounts shown for any ACPT investments in your 2016 financial statements.

Changes to the format of the 2016 PFS

The only changes to the format of the PFS for 2016 are to –

- Clarify that the LSL amount shown at item 4-6630 should be just the notional stipend portion retained by the parish (the Sabbatical Allowance paid on to the minister should be handled through a liability account as it is not parish revenue).
- Provide a new line item (6-1170) for those parishes that wish to identify the ministry costs portion of their PCR charge as a staff expense, leaving just the parochial network costs (insurance, etc) to show under the existing line item for the PCR charge (item 6-1990).

Timing

The Wardens are required to forward a copy of the financial statements presented to the AGM, together with the Wardens' and Treasurer's Report, Wardens' Declaration(s) and Independent Assurance Practitioner's Review Report, and the Statement of the Insurance Policies they have arranged to the Diocesan Secretary within 7 days of the AGM of parishioners (which must be held between 1 February 2017 and 31 March 2017).

(Parishes may choose to submit their financial statements, reports and declarations by email to – parish.services@sydney.anglican.asn.au)

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