



**Anglican
Church**
Diocese of Perth



Parish Treasurers' Training

11th November 2017



Presentation Outline

- Diocese organisation structure – People, roles and responsibilities
- Parish Governance for Treasurers
- Parish Assessments
- GST – Common questions and issues



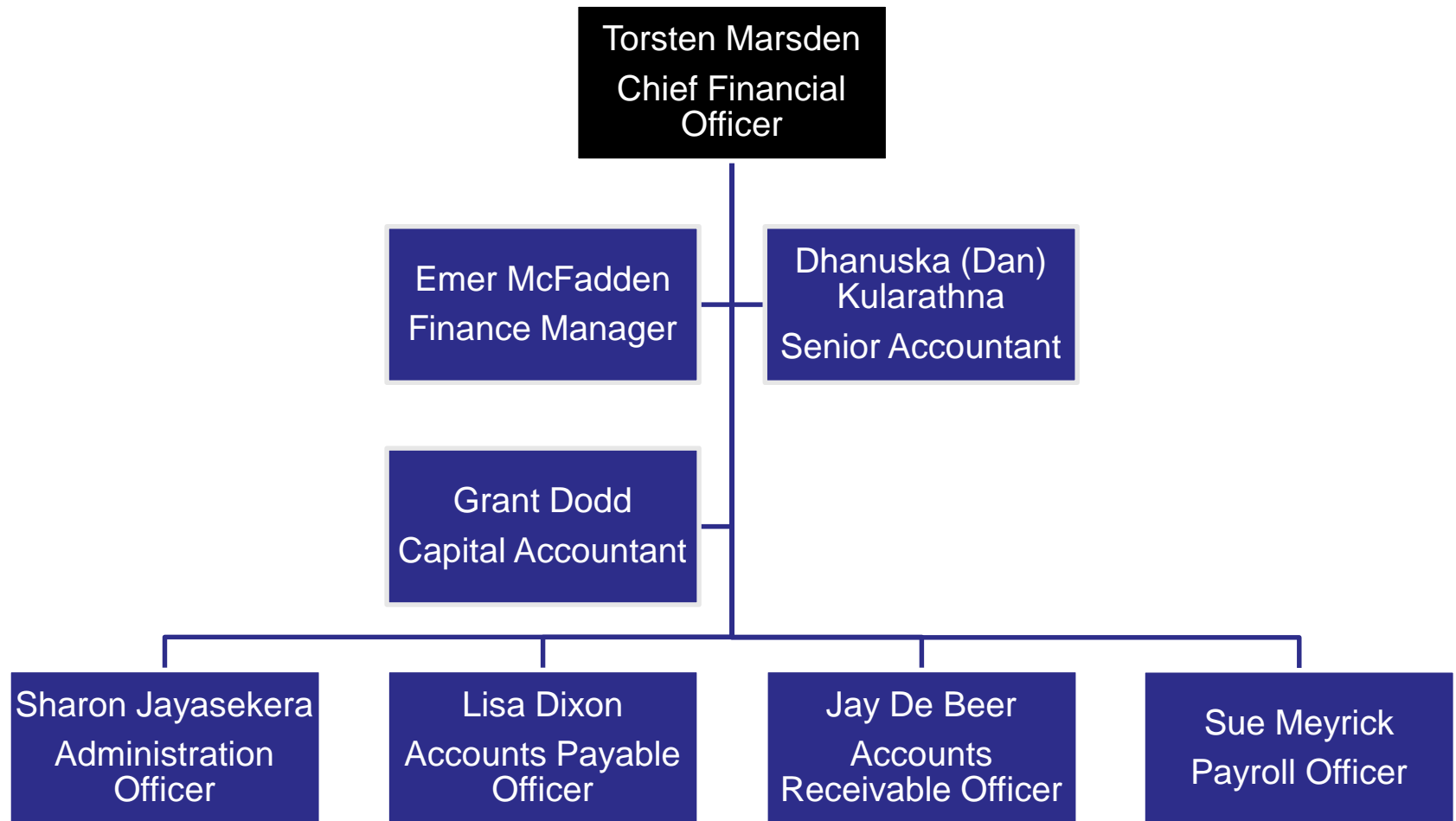
Diocesan Office Support



Note: Hospitality & Catering (Hazel Blackmore) not shown.



Finance Team Organisation





Parish Governance

- Parish Governance Statute (2016):
Available on the Diocesan Web Site:

<https://www.perth.anglican.org/governance/canons-and-statutes/>

The screenshot displays the Anglican Church Diocese of Perth website. The header features the diocese's logo and name. A navigation menu on the left includes links for Policies, Forms, Governance (highlighted with a red box), Resources, Events & News, Parish Directory, and Ministry Opportunities. The main content area is titled 'Governance' and contains a sub-section 'Canons and Statutes' (also highlighted with a red box). This section lists various documents, including 'The Perth Diocesan Trustees', 'Diocesan Council', 'Synod', and 'Policies'. A list of 'Governance Statutes' is shown on the right, with the '2016 Parish Governance Statute' (2016/2017) highlighted with a red box.

Anglican Church
Diocese of Perth

Policies

Forms

Governance

Resources

Events & News

Parish Directory

Ministry Opportunities

Anglican Church
Diocese of Perth

Governance

Canons and Statutes

The Perth Diocesan Trustees

> Diocesan Council

> Synod

Policies

Anglican Church
Diocese of Perth

Who are we? What do we do? Parish in the Community: Feel So

Governance Statutes

5 Appellate Tribunal Canon (1971/1972)

7 Canon: Synod Election Statute (1971/1972)

8 Synod Standing Orders of Perth Diocese: Synod 2007 (2006/07)

9 Canon Concerning Authority in Certain Matters (1995/1996)

10 Diocesan Trustees Statute (2016/2017)

12 Parish Governance Statute 2016/2017

13 Cathedral Statute (1966/1967)

14 Perth Diocese Co-operating Community Action Statute (1971/1972)



Office of Treasurer

- Parish Council must elect a Treasurer after the AGM and may elect a new Treasurer at any time (PGS14.1, 20.2, 20.3)
- The Rector cannot also be Treasurer. Warden can be Treasurer only with the permission of Diocesan Council (PGS 12.7, 14.2)
- Treasurer must be at least eighteen years old (PGS14.3)
- Treasurer may not undertake any paid position of the parish or enter into any contract until the person has resigned from that office, unless the parish council resolves otherwise (PGS 51.1).



Duties of Treasurers

- The Treasurer is to keep such accounts as the parish council determines (PGS 64.1).
- Every Treasurer or other person acting on behalf of the parish council who has custody or control of any money raised for or contributed to a parish for any purpose connected with the Church or for any other purpose whatsoever, must render to the parish council:
 - a) not less than fourteen days before the date fixed for the annual meeting; and
 - b) at other times when called upon by the parish council,the statements required under section 59.1(i) (PGS 64.2).



Financial Reports

- Accounts as at 30 April in each year to be prepared and presented to the annual meeting in May/June :
 - a) audited, reviewed or examined statements of income and expenditure for the financial year;
 - b) a statement of assets and liabilities, or at least a statement of uncollected revenue and outstanding liabilities, at the end of the financial year; and
 - c) a budget of anticipated income and expenditure for the ensuing financial year;

(PGS 59.1 (i))



Audits, Reviews & Examinations

- Every parish whose "gross income" i.e. income before deduction of expenses:
 - a) exceeds \$1,000,000 must appoint an Auditor;
 - b) exceeds \$250,000 but does not exceed \$1,000,000, must appoint either an Auditor or a Reviewer, at the direction of parish council and subject to the discretion of parish council; and
 - c) is less than \$250,000, must appoint an Independent Examiner.

(PGS 65.1)

- "Independent Examiner" Is a person certified by the Diocesan Secretary as having a appropriate experience
- "Reviewer" is an accountant qualified to perform and independent review
- "Auditor" is a qualified auditor



Annual Returns

- Audited, reviewed or examined statements and the budget of anticipated income and expenditure; and
- The financial return in the prescribed form are forwarded to the Diocesan Registrar by 31 July.

(PGS 59.1 (ii))



Annual Financial Returns

Introduction

- Important items to be included with the Annual Financial Return information:
 - Annual Return Worksheet
 - ACNC information
 - Income Statement for 12 months ending 30 April
 - Balance Sheet as at 30 April
 - Budget for the next financial year
 - Auditor / Independent Examiner / Reviewer Report
- Assessment completed by September



Annual Financial Returns

- Annual Financial Return template:



Microsoft Excel
Worksheet

- Main Areas in the Return:
 - Current Working Income
 - Income not subject to assessment
 - Commercial Income
 - Expenses not deductible
 - Deductible expenses
 - Assessment Calculation
 - Bank Balance Reconciliation



Annual Financial Returns

Income Subject to Assessment on Net Basis

Income net of related expenses:

- i. receipts from fetes, bazaars, all other special activities;
- ii. rental from rectories leased out by a parish; and
- iii. income from opportunity shops or similar.



Annual Financial Returns

Income Not Subject to Assessment as Ordinary Income

- Diocesan Grants, Loans, Insurance Proceeds, Sale of Assets
- Legacies subject to specific purposes
- Monies collected for specific purposes e.g. Capital works approved by Diocesan Council, Restoration of heritage buildings, missions outside of the parish
- Monies raise to discharge arrears with Diocesan Council approval
- Commercial Income (assessed separately)



Annual Financial Returns

Deductible Expenses

- Standard Deduction of \$15,000
- Donations to listed missionary agencies:
 - i. Anglican Board of Mission – Australia;
 - ii. Church Missionary Society;
 - iii. SparkLit (formerly the Society for the Propagation of Christian Knowledge Australia or SPCK Australia);
 - iv. Bush Church Aid; or
 - v. The Mission to Seafarers.
- Monies paid in respect of OCF, other Diocesan parishes, excess clergy travel costs, approved theological education and formation programmes, curacy in another parish.



Annual Financial Returns

Commercial Income

- Commercial properties assessed net of related expenses:
 - residential,
 - industrial,
 - office,
 - retail
- Assessed at 35%
- Commercial income excludes properties in use for normal purposes of a parish (eg hall, worship centre, courts) – assessed on a gross basis as ordinary income.



Annual Financial Returns

- Areas for attention:
 - Providing all the documents required to finalize the assessments. (Return, P&L, Balance Sheet, ACNC information, Auditors Reports)
 - Fully completing returns. For example, ensuring all relevant parts of the assessments return sheet are complete.
 - Supporting information provided matches the return. For example, “Offerings” to match the figures in the P&L
 - Providing only the required information. For example, AGM and council minutes and reports not required.
 - Providing the information on time.



Treasurer's Workbook

- Link between monthly/ weekly transactions and the Annual Return
- Transactions classified into categories
 - From PGS s.66



Microsoft Excel
Worksheet



GST

Outline

- Areas that attract GST in Parishes
- “Authorised Persons” for ATO
- Auskeys



GST

Areas that Attract GST

Three types of supplies:

Supply	Example	Implication
Taxable	GST is payable on taxable supplies and Parishes must charge GST on their taxable supplies.	GST Output on supplies the parish make that are taxable GST input on supplies the parish receives which are taxable
Input Taxed Supplies	Residential rents	GST is not charged on the supply but a parish cannot claim input tax credits on supply costs
GST Free	GST free categories	GST is not charged or payable to the ATO

Nominal consideration rule – GST Free

Price charged and received is less than 50% (75% if the supply is accommodation) of the market value or less than 75% of the cost of making the supply



GST

Areas That Do NOT Attract GST

- Donations, tithes, offerings and bequests are not subject to GST as they are not payment for any supply. No benefit flows to the payer as a result of the donation. However, the payment must be unconditional.
- The Taxation Office has issued a ruling that considers donations to non-profit bodies. To be a donation, certain tests must be met:
 1. The payment is made voluntarily;
 2. The payer receives no material benefit for making the payment; and
 3. The payment proceeds from the detached and disinterested generosity of the payer.



GST Examples

Residential Rent

Item	Amount	GST	Net
Residential Rent	\$10,000	N/A	\$10,000
Repairs expense	(\$1,100)	(\$100)	(\$1,100)
Electricity	(\$550)	(\$50)	(\$550)
Surplus			\$8,350

Costs include GST which cannot be claimed as the residential rent is input taxed and does not attract GST

Fundraising Activities

Activity	Attract GST	Related Expenses
Fete Sales, Sausage Sizzles, Book clubs	Yes, unless nominal consideration rule is applicable	GST can be claimed on expenses



GST

Examples

- Fetes
 - Treat as an input taxed fundraising event:
 - No GST charged on sales or claimed on supplies
 - Charge GST on certain sales:
 - GST remitted on taxable sales and claimed on GST supplies



GST

Auskeys and Authorised Persons

- Authorised Persons
- Auskey – Online submission of BAS
- Steps to get an Auskey
 - Register for and Auskey (Administration Auskey)
<https://abr.gov.au/AUSkey/Registering-for-AUSkey/Register-for-an-AUSkey/>
You will require the ABN of the Parish and an email address
 - Download the Auskey Software
<https://abr.gov.au/AUSkey/Help-and-support/Setting-up-AUSkey-troubleshooting/Download-software-for-AUSkey/>
 - Follow the email prompt for the final part for setting up the Auskey



GST

Auskeys (Con't)

Tips for Auskeys

- Use a common computer to download the Auskey or use a USB Flash Drive
- Keep the information for login simple
- Keep a note of who has Auskeys



Contact

T: (08) 9425 7200

Accounts

accounts@perth.anglican.org

Payroll

payroll@perth.anglican.org

ACF

info@anglicancf.com.au



Questions & Thank You

- Questions ?
- Thank you for volunteering





PGS - Tier 1 and Tier 2 Parishes

- Parishes are designated Tier 1 parishes or Tier 2 parishes.
- The Statute has been drafted to deal principally with the governance of Tier 1 parishes.



Tier 1 and Tier 2 Parishes

- **71 Tier 1 parishes**
- 71.1 In order to be designated and remain a Tier 1 parish, a parish must:
 - (a) have at least 30 enrolled members;
 - (b) have a "gross income" of not less than two hundred and twenty percent (220%) of the stipend in order to sustain parish ministry, including the payment of the parish assessment, a full stipend and other entitlements due to a Rector; and
 - (c) be able to keep its Church building, rectory and other property in good repair and set aside an adequate amount for maintenance of parish property.



Tier 1 and Tier 2 Parishes

- **72 Tier 2 parishes**
- 72.1 In order to be designated and remain a Tier 2 parish, a parish must:
 - (a) have at least 5 enrolled members;
 - (b) have a "gross income" of not less than twenty-five percent (25%) of the stipend in order to sustain parish ministry; and
 - (c) be able to keep its Church building, rectory and other property in good repair and set aside an adequate amount for maintenance of parish property.