



RESOURCES BOARD REPORT

(Incorporating Epworth South Australia, Parkin Mission and Parkin Trust
but excluding the 2015 Mission and Service Fund budget)

1. EXECUTIVE SUMMARY

This report outlines how the Resources Board and Resources Ministry Centre team have implemented the Board's mandate since the 2014 Presbytery and Synod Annual Meeting.

The key strategic areas of focus have been:

- Financial accountability obligations
 - Presentation of Additional 2014 Financial Statements
 - Accountability for separately incorporated bodies
 - Parkin Mission of SA Inc and Parkin Trust Inc
 - Uniting Church Arts and Cultural Development Group Inc.
- Resource Governance
 - Finance
 - Property
 - Investment
- Ethical Investment Working Group
- Review of the Resources Board
- Review of the Property and Insurance Teams
- Risk Management Committee
- Resources Ministry Centre Delegations Policy
- Uniting Venues SA Committee

The key areas and outcomes with an operational focus have been:

- Financial Services
- Human Resources
- Information Technology and Telecommunications (IT&T)
- Insurance Services
- Investment Services
- Property Services
- Uniting Venues SA
- Work Health Safety

The report concludes by once again recognising the excellent contribution of Resources Board members, other committee members and staff and indicating the areas where the Board intends to focus its attention in the next 12 months.

2. INTRODUCTION

The role of the Resources Board is *“To serve the church by maximising financial and property resources available to the Synod for mission and to assist the Synod in allocating such resources efficiently in accordance with the mission priorities of the church whilst managing the risk associated with these decisions”*. Since the previous Annual Report the Board has met on six occasions. The following matters outline strategic items for which the Board has exercised its oversight.

3. SUMMARY OF KEY ACTIVITIES AND OUTCOMES SINCE NOVEMBER 2014

FINANCIAL ACCOUNTABILITY OBLIGATIONS

Presentation of Additional 2014 Financial Statements

At the June Presbytery and Synod meeting the Financial Report disclosed the financial results for various entities within the Uniting Church SA for the year ending 31st December 2014. In total, 37 financial statements for various entities within the Uniting Church will be prepared for the financial year ending 31st December 2014. The Hope Mission Network and Tarooki (Uniting Church Campsite Robe) financial statements which were pending at the time the report was written are now available for approval at this meeting (Financial reports are available on the Presbytery and Synod Annual meeting webpage).

Accountability for separately incorporated bodies

Parkin Mission of SA Inc and Parkin Trust Inc

Under its mandate, the Resources Board has specific accountability for the financial operations of the Parkin Mission and Parkin Trust. Each year the Governors advise the anticipated annual grant to the Mission and Service Fund and Uniting College. During 2015 Parkin Mission and Parkin Trust granted \$1,209,000 and \$285,000 respectively. The Grants are distributed as per the terms of the Mission and Trust through the Mission and Service budget process and approved at the Annual Presbytery and Synod meeting. An annual certificate on behalf of the Mission and Service Fund is provided to the Governors certifying that the funds have been expended in accordance with the deeds of the Mission. The annual summaries produced by the Parkin Mission and Parkin Trust Governors are attached as Appendix 1 and Appendix 2 respectively.

Uniting Church Arts and Cultural Development Group Inc.

The Uniting Church Arts and Cultural Development Group Inc. (UCACDG) was established in 2007 and provides a mechanism for Deductible Gift Recipient funds to be directed to the Wesley Church Kent Town Organ Fund and the Centre for Music Liturgy and the Arts Fund. The UCACDG is registered with the Australian Charities and Not-for-Profit Commission (ACNC) and as such, from 2014, is required to provide financial statements as part of the Annual Information Statement. Previously these funds were prepared separately for the approval of their respective Boards. (Financial reports are available on the Presbytery and Synod Annual meeting webpage). The financial statements for the UCACDG are presented for approval at this meeting.

RESOURCE GOVERNANCE

Finance

Mission and Service Fund

At its planning meeting in January 2015, the Resources Board gave attention to establishing a sustainable financial future for the Mission and Service Fund. As well as considering the financial performance of the Mission and Service Fund the Board gave significant thought to reviewing structures and practices in order to reach a balanced budget. The proposed 2016 Mission and Service Budget has been prepared for the approval of this meeting and is presented in a separate paper.

Mid term Budget Review

As per previous years, the Resources Board received a mid-term 2015 Mission and Service Fund budget review report. The report concluded that the fundamental content of the budget remained unchanged, as no additional matters have arisen, or decisions made, that have impacted the budget and therefore increased expenditure. A detailed analysis of the budget identified that the additional expenditure will be largely offset with additional unbudgeted once-off income items. It should be noted that the budget does not provide for activities relating to the Royal Commission into Institutional Responses to Child Sexual Abuse, the Protect and Provide Funeral Fund and interest expenses associated with the holding of the Brooklyn Park property.

Specific Entities/Funds

The Board has financial governance and oversight responsibilities on behalf of the Presbytery and Synod. Specific entities/funds where the Board has exercised responsibility during this year include:

- RH White Settlement
- Uniting Church Loan Fund (By-law 18.7)
- Cockrell Bequest
- Uniting Foundation

Property

The Property Committee, a sub-committee of the Board, has a defined charter as follows:

“To make property decisions under delegation from the Resources Board and to assist Congregations and the Resources Board to make strategic property-related decisions which optimise the contribution of property towards the achievement of pre-determined missional goals.”

The Property Committee meets bimonthly to make decisions and provide advice regarding:

- i. Sale and purchase of real property and all related property transactions
- ii. Leasing of property
- iii. Property management
- iv. The use of property including risk management
- v. Property development and improvement

Rules of the Committee were agreed by the Resources Board at its meeting in May. The Board also endorsed the following policies and rules developed by the Property Committee:

- Sale of Property – Development and Value-Add Policy
- Uniting Church Building Fund Rules

- Manse Reinvestment Scheme Policy
- Commercial Leasing Policy

Review of the Property Sales Proceeds Policy and By-law

When the current Property Sale Proceeds Policy (PSPP) and By-law 18.5 was approved by Standing Committee in October 2012, it was on the condition that both the policy and by-law be reviewed within two years. In February 2014 the Resources Board requested that the policy be reviewed and in November 2014 the Standing Committee approved that a major revision of the policy be undertaken by a PSPP review team. The revised draft policy and by-law was presented to the June 2015 Presbytery and Synod meeting for comment. The PSPP review team is presenting the revised Draft Property Sale Proceeds Policy (PSPP) and By-law to this meeting for approval.

Adelaide Theological Colleges Campus Inc.

As reported previously, the Catholic Church departed from the Adelaide Theological Colleges Campus Inc. (ATCC) and shortly afterwards advised that it was no longer in a position to financially contribute to the Adelaide Theological Library (ATL). The Property Trust purchased the Catholic Church share of the Brooklyn Park property under the terms set down in the ATCC withdrawal deed. An agreement outlining the terms of transfer for the Catholic Church's share of the library collection, resources and material was executed on the 12th September 2014.

To accommodate these changes, the Adelaide Theological Library Inc. (ATL) was established replacing the ATCC. The ATCC constitution was revoked and was replaced with the ATL constitution. Whilst the property is owned and operated by the Uniting Church it is considered appropriate to continue to operate the library as an independent body in order to sustain the depth of the existing ecumenical collection and also provide room for possible future additional partners. Proceeds from an Early Termination Amount paid by the Catholic Church have been invested in a future fund to assist with future operating costs.

Co-location Task Group

During the last year, the Co-location Task Group, resourced by Barry Atwell, has continued to carefully consider the activities of the UCSA at Pirie Street and Brooklyn Park with a view to finding or building a property which can provide:

- An innovative, accessible, missional and educational Uniting Church community space
- An effective hub of Ministry Centre activity that resources UCA's missional and pastoral issues
- An efficient, active and accessible state-wide business administration function
- Opportunities for commercial services ancillary to the co-located Presbytery and Synod offices and the services provided from these offices

Many options and scenarios were considered, taking account of the approved co-location vision. However the Co-Location Task Group concluded that it could not recommend a co-location option in the short to medium term that satisfies the adopted co-location vision. Furthermore the group believes that it has exhausted all feasible short to medium term co-location options at this time.

The Standing Committee resolved to disband the Co-location Task Group, acknowledging its diligence in addressing the Co-location vision and Terms of Reference. Standing Committee requested the General

Secretary/CEO continue discussions with the Leadership Development Council, Adelaide West Uniting Church Congregation and Resources staff on any short term options available for reconfiguring the existing Uniting College for Leadership and Theology (UCLT) and Adelaide College of Divinity (ACD) operations within the Brooklyn Park site or relocating the UCLT and ACD operations to a Uniting Church agency which has expressed interest in relocating the UCLT and ACD.

It is acknowledged that holding the Brooklyn Park site status quo is not an option because of the financial implications. Therefore, consideration will be given to either reconfiguring how the College and ACD activities are conducted at Brooklyn Park or relocating the College and ACD to an alternative site. The General Secretary/CEO, in consultation with the LDC and Resources Board (or their delegates) will work together to consider accommodation options.

Investment

The Uniting Church Investment Committee (UCIC) was established early in 2013 replacing the UC Invest Board and the Resources Board Investment Committee. The Resources Board has supervisory responsibility for the activities of the UCIC however the UCIC has full accountability for the policy, strategy and financial sustainability of UC Invest and in particular, its assets and liabilities.

The UCIC oversees all of the investment entities that are a part of the Presbytery and Synod structure, including

- ensuring there is a balanced and diversified approach to the Presbytery and Synod's investment strategy
- overseeing the work of UC Invest
- ensuring the consistent application of asset allocation and distribution policies for each of our investment entities
- monitoring and reporting on organisation-wide financial position, risk, returns and treasury issues
- ensuring sufficient regard is given to the volatility of market based investments.

Michael McClaren (Chairperson), Kevin Bengler (Deputy Chairperson), Allison Ashby, Tom Adams and Wayne Matters have been appointed to the UCIC. The Executive Officer, Resources is an ex-officio member of the Committee and Paul Barnett, Manager Investments serves as Resourcing Officer/Secretary.

The Committee meets monthly to assess the performance of the investments for which it has oversight, review policy documents and to identify and manage risks. The Committee recognises its responsibility to protect investor funds and make regular consistent contributions to the Mission and Service Fund.

Epworth SA.

Epworth SA continues to manage the great legacy from the sale proceeds of the Epworth Building. The Epworth funds are managed by the Uniting Church Investment Committee and are held in a distinct fund with its purposes remaining consistent with the Epworth SA Inc. constitution, to honour and sustain the Epworth legacy. Investment decisions are made to achieve optimum investment returns from these funds.

During 2015 Epworth SA Inc. granted the Mission and Service Fund \$630,000. An increased distribution is expected in 2016. Epworth's equity at 30th June 2015 is \$10.8 million.

ETHICAL INVESTMENT WORKING GROUP

The Ethical Investment Working Group (EIWG), established in 2013, meets regularly to review the ethical issues relating to the investments of the Uniting Church in South Australia. More information, including the Ethical Investment Policy and Procedure is available on the UCSA website.

For some time the EIWG has been considering its response to the challenges of climate change and in particular, determining which companies are considered to be causing 'unacceptable levels of damage to the environment' as per the Ethical Investment Policy. The June and November resolutions of the Presbytery and Synod in 2014 amplified the imperative for a response as the Church decided that both individually and corporately, action must be taken to address climate change.

Since last year, the EIWG has increased its focus on the fossil fuel industry, in particular those organisations involved in the extraction and processing of fossil fuels. After extensive research and significant deliberation and with the endorsement of the Resources Board, the EIWG presented to the June 2015 meeting of Presbytery and Synod recommending changes to the Ethical Investment Policy. These changes were approved, seeing the exclusion of industries involved in 'thermal coal extraction or exploration' from the Church's investment portfolio. In response to this decision, the Uniting Church divested its shares in Rio Tinto and BHP Billiton. The EIWG will continue to investigate further de-carbonisation of the UCSA's investment portfolio.

REVIEW OF THE RESOURCES BOARD

As reported previously, the Resources Board agreed to undertake a review, noting the need for a clear succession plan for Resources Board members. This included a review of the Board's composition and operations and focused on determining if improvements could be made to enhance its efficiency and economy of operations. The review yielded 16 recommendations, 15 of which were adopted, all of which are now complete.

Of particular note is the Revision of the Uniting Church in Australia Act, 1976-1977 in relation to the age limit for re-appointment eligibility. Section 11(4) *No person who has attained the age of seventy years shall be eligible for appointment as a member of the Trust* was removed from the Act. The change required State Parliament to agree to the change, through the assent of The Uniting Church in Australia (Membership of Trust) Amendment Act 2015. The Office of the Attorney General confirmed that the Amendment Act was enacted on 11 June 2015. This change provides members of the Church who are seventy years old or older, the opportunity to serve, or continue to serve, on the Property Trust whereas previously they were unable to. As well it better reflects the current thinking of the Uniting Church by respecting people of all ages and valuing volunteers. The Property Trust acknowledges the Honourable John Rau MP Deputy Premier Attorney-General for sponsoring the Bill to amend *The Uniting Church in Australia Act 1976-1977*.

The Resources Board continues to monitor its operation and effectiveness. At its January meeting Resources Board members were requested to conduct a self-assessment of their skills and expertise, providing a ranking for corporate governance, financial management, law, mission resourcing, property, Uniting Church ethos and polity and investment. These rankings were collated, providing a picture of the current spread of skills and expertise across the Resources Board. This revealed the Board's areas of strength and weakness as well as the ideal skills sets of any potential new Board members. . In particular,

the review recognised that Tom Adams who is nearing his final tenure on the Board, possesses extensive investment skills and experience. Therefore action has been taken to identify suitable candidates with comparable investment skills and experience to achieve a balanced board.

REVIEW OF THE PROPERTY AND INSURANCE TEAMS

As part of the continuous improvement process in the Synod office, a review of the Property & Insurance Department was conducted during 2013/2014. The recommendations from the review were adopted, with a view to enhancing operations and identifying efficiencies. The review recommendations can be grouped into four main categories being structure, customer service, efficiencies and work practices. Work continues to complete the final recommendations.

RISK MANAGEMENT COMMITTEE

As stewards of the resources entrusted to us by the Church, we accept that we have a duty to care for these resources in such a way that they remain available to the Church to support its mission. The management of the risks associated with the Church's resources is one way the Resources Board can exercise good stewardship. Second to this is the growing expectation of society that the Uniting Church will exercise good governance including the management of its risk within its organisational structure.

In May 2014 the Standing Committee requested that UnitingCare staff work in cooperation with Resources staff with the aim of bringing a Synod-wide Crisis Management Plan to a future meeting. It was determined that establishing a Synod wide approach to risk management will assist with the completion of this task.

At its planning meeting in January the Resources Board agreed that risk management be a priority for the Resources Board in 2015. Additionally it was agreed to recommend that Standing Committee delegate Synod-wide risk management to the Resources Board as it is already undertaking significant risk management functions which are overseen by Standing Committee. The February 2015 meeting of Standing Committee resolved to delegate Synod-wide risk management to the Resources Board.

Following this decision the Resources Board established a Risk Management Committee (RMC) to operate as one of its sub-committees. The RMC met for the first time in May 2015 and has met four times since then. In that time the RMC has developed the Risk Management Committee Charter which was approved by the Resources Board in May and under which the committee now operates.

As per Standing Committee's request, the RMC has developed a Draft Crisis Management Plan (CMP) which provides a framework to guide decision making and communication in the event of a crisis. The CMP, in its third draft, identifies types of crises, when to call a crisis, communication and pastoral care strategies to be employed during and after a crisis. The CMP recognises that a crisis within the Church has the potential to be felt throughout the state and beyond. It also acknowledges that a crisis may occur within an organisation associated with the Church which in turn may impact the wider Church. It is anticipated the CMP will be tested during a training exercise this year and will be approved early next year. The RMC plans

to begin development of a Business Continuity Plan which will set out how the UCSA will continue to operate if any of its places of business are affected by a crisis or critical incident.

It is expected that during 2016 the RMC will develop a Risk Policy and Framework which will enable the identification of key risks across the Synod. Based on this, a Synod-wide risk register will be established and regular reporting will automatically follow, with key incidents and/or crises reported to the Resources Board, Standing Committee and the General Secretary/CEO, as required.

RESOURCES MINISTRY CENTRE DELEGATIONS POLICY

The Resources Board approved a delegations policy relating to the Resources Ministry Centre as it exercises control and authority for the responsibilities given on behalf of the Uniting Church SA Presbytery and Synod. Financial delegations allow individuals and sub-committees to perform and execute financial transactions on behalf of the Resources Board. Delegations ensure that the organisation operates effectively by empowering its employees or sub-committees with appropriate authority so they can carry out their responsibilities. The Resources Board has the right to revoke any delegations given and understands that by delegating it is not absolved but remains responsible and accountable for what occurs.

Overall delegation principles and processes are as follows:

1. Delegations are generally approved under the following conditions:

That they are:

- exercised within the Uniting Church SA policies and procedures
- appropriate to the functions of the delegated position
- used within budget limitations
- applied to positions within Uniting Church SA rather than individuals

2. Delegates should not authorise expenditure where they have a conflict of interest and where:

- there is any benefit to the delegate,
- the expenditure could be deemed to be extraordinary or unusual,
- the expenditure has not been budgeted or
- the expenditure is greater than the assigned UCSA Corporate Credit Card limit, unless otherwise specified

UNITING VENUES SA COMMITTEE

The Uniting Venues SA (UVSA) Committee provides oversight of the Venues (camp, campsite, conference centre, retreat centre and/or outdoor education service) owned and/or operated by the Synod. The mission of UVSA is to *'provide opportunities for exploring faith, fostering community, creative learning and leadership development through exceptional Christian hospitality'*.

The UVSA Committee, a sub committee of the Resources Board meets quarterly to progress items within its mandate and in accordance with its business plan. In May the Committee hosted an All-Sites workshop which explored what 'exceptional Christian hospitality' looks like for the group.

At its September meeting the Resources Board approved changes to UVSA Committee Membership in accordance with Section 18.4.7 of the UVSA By-laws. The proposed changes to the By-Laws (including Beyond Limits Outdoor Education), consolidate and clarify the roles of the various venue committees and other minor amendments.

KEY MANAGEMENT AREAS AND OUTCOMES

Overview

In March 2014, the Resources staff developed a purpose statement that they believe reflects their aspirations for serving the wider church, being *"The Resources team aims to nurture relationships built on trust and integrity while delivering exceptional, informed service to the Uniting Church SA community."*

The Resources staff members understand the challenges for volunteers, ministers and officers of the Church as they execute their responsibilities within their congregations. Staff members continue to concentrate on providing services and information that enable people in congregations to carry out their responsibilities as efficiently as possible.

Below is a summary of the Resources Team activities as it resources Congregations, the Presbytery and Synod. The reports below highlights some of the improvements to customer service, continuous improvement of processes and other efficiency measures. This report is intended to provide an overview of the nature and breadth of the work the team is responsible for.

3.1 Financial Services (Diane Hughes, Manager Financial Services)

The Financial Services Team (FST) includes the Payroll Bureau, Congregational Bookkeeping Unit (CBU), the Mission and Service Fund Finance Team and the Screening Services Unit (SSU).

Payroll Bureau Service

- The Payroll Bureau Service continues to provide a reliable and cost effective monthly payroll processing service to over 104 congregations and agencies. Each month approximately 375 Uniting Church personnel (ministers and lay people employed by Councils of Synod) are paid through the Bureau.
- System and process changes required to facilitate implementation of SuperStream (the new ATO standard for reporting and paying super contributions electronically) has been a major focus in 2015. Testing has been completed and the new solution went live in September.

Congregational Bookkeeping Unit (CBU)

- The CBU provides full bookkeeping services to 29 Congregations, Faith Communities and other Uniting Church entities and over the past 12 months the team has undertaken 12 consultations initiated by

congregations. Three half-day workshops for treasurers have been held, with all sessions filled to capacity.

- MYOB software installation and training services continue to be offered to Congregations with the software generously funded through the support of the David Williams Memorial Fund. The total number of Congregations supplied with the MYOB package is now 80, with 2 new MYOB installations during the year and 2 pending applications.
- The CBU continue to provide support to Congregations regarding Australian Charities and Not-for-Profit Commission (ACNC) requirements, including ensuring that Annual Information Statement (AIS) reporting obligations are met, in order that charitable status is not forfeited.
- The CBU again acknowledges and gives thanks for the valuable support, professional skills and time given by our congregational auditors, Peter Whiting, Peter Pledge and Ford Topham who continue to audit many Congregations' financial reports.

Mission and Service Fund Finance Team

- The Finance Team has continued to review the services offered to and on behalf of the Uniting Church SA community and to improve the processes behind those services. Achievements to date include the further automation of invoice creation and delivery, credit card processing, the implementation of SuperStream requirements and Fringe Benefits Tax data collection enhancement.
- In recognition of every contribution made in 2014 to the Mission & Service Fund by Congregations and Faith Communities, certificates of acknowledgement were issued in August. The 2014 response rate for contribution requests reached 91% and is currently standing at 90% for 2015.
- In the last 12 months the Finance Team has said farewell and thanks to Paul Lucas and Yvette de Reuver for the contributions they have made in finance and payroll respectively. The team has welcomed Suzie Hodson into the role of Finance Administrator and Sarah Kon as Financial Accountant. These new members of the team bring fresh ideas and skills and challenge processes which have resulted in many of the improvements mentioned above.
- The Screening Services Unit has processed 1,479 police check applications since January 2015 of which 93% relate to volunteer positions within the Uniting Church and related agencies.
- The allocation of expenditure for the Refugee Support Fund, Uniting Church SA Relief Fund, Drought Assistance Appeal, UCSA Building Fund and PWC Library Fund is handled by the Finance Team. Transactions for the period 1st January 2015 to 31st August 2015 are summarised in the following table:

	Receipts (\$)	Payments (\$)	Closing Balance (\$)
Refugee Support Fund	2,724	55	15,343
Uniting Church SA Relief Fund	52,267	26,286	112,873
Drought Assistance (non-DGR)	0	0	28,533
Uniting Church SA Building Fund	2,295	0	198,359
PWC Library Fund	1,953	1,960	2,418

3.2 Human Resources (Karen Granger, Manager Human Resources)

The Human Resources team provides advice, leadership and support on all aspects of human resources and work health and safety (WHS) policy and practices for employees, volunteers and some areas of specified ministries. Congregations are supported by means of advice, resources and facilitation to assist in the fostering of good practices and management of compliance in Human Resources and WHS.

Achievements for 2015

There continues to be improvement in human resources practices encompassing employee relations and work place safety, each contributing to *culture, climate, growth, health and community* within our work environments. These include:

Workplace Compliance and Policy Development

- Workplace policy development and review is an ongoing requirement to ensure legislative compliance and good management practices are adapted. During 2015 emphasis has been placed on developing and broadening the scope of Human Resources and Work Health & Safety policies in addition to amendments impacted by compliance requirements under legislation. Further information and a suite of policies are accessible on the Uniting Church SA website. There are opportunities for congregations to comment on an *approved draft* of all new policies prior to finalising.

Recruitment and appointments of Key Lay Positions

Some of the new positions listed below were a result of staff resignations and ministry centre reviews resulting in structural changes:

- Presbytery & Synod Office: Graphic & Digital Designer, Financial Accountant, Administrator (Pastoral Relations), Executive Officer Mission Resourcing, Transforming Justice Coordinator, Property Administration Assistant, Events Officer (SAYCO&KCO), Receptionist, Synergy Manager.
- Uniting College for Leadership & Theology: PA to Principal (maternity leave)

Communication initiatives

- Continuous review and development of web-based resources with the aim of increasing the customer service levels for congregations and Councils of Synod (this refers to Uniting Church SA Presbytery and Synod Office, Uniting College for Leadership & Theology, Uniting Venues SA (all sites), Uniting Aboriginal and Islander Christian Congress).
- Communication initiatives have seen regular Human Resources and Work, Health & Safety articles in the *Dollars & Sense* publications and opportunities to publish articles in other Uniting Church SA communications. There have also been opportunities to present Human Resource and Work, Health & Safety information in other congregation based meetings, including Mission Networks events/meetings, Treasurers workshops and Ministry Orientation Days. Other opportunities arise when Human Resources and Work, Health & Safety staff work with Congregations and Church Councils on specific matters in this context.

Professional Development:

- Professional development of staff, management and leaders continues to be a focus including initiatives of specific areas of expertise, up-skilling, succession planning and compliance. The professional

development initiatives have been undertaken in both individual and ministry centre group sessions. These have included Customer Service skills, Communication skills and WHS Officer training. Further training is planned to be delivered later this year.

- In response to the recommendations of the *Employee Climate Survey 2013*, an Executive Management Leadership Program was developed in 2014. The program commenced in February 2015 and was completed in June 2015 with ongoing facilitated Executive Group discussions planned to continue for the remainder of 2015 as a follow up to the program.
- A 3-year Workforce Development Plan (WDP) will be developed for 2016-2018 encompassing new and current training and development initiatives. The WDP will better support the development of management and staff of the Councils of Synod and make recommendations for the development of staff and volunteers within congregations. The scope of the plan will also include specialised development resources and mandatory training needs to ensure compliance requirements are met.

Challenges:

The challenges predominantly relate to managing the implications of employee relations, employment law, volunteer engagement and work place health and safety which are all constant within the complex and unique governance structures of the Church. We recognise the challenges faced by volunteer church council's members, ministry teams and other officers of the Church as together we navigate this increasingly complex sphere.

3.3 Information Technology and Telecommunications (Marc Furmage, Manager IT&T)

The Information Technology and Telecommunications (IT&T) team services the needs of the Synod, Uniting College (UCLT), Uniting Venues SA (UVSA), Adelaide College of Divinity (ACD) and the Adelaide Theological Library (ATL). This year has provided learning opportunities as cloud based solutions have been assessed and migrations have been undertaken in some instances. Approval has been granted to proceed with a fundamental change to the way we deliver in-house solutions to meet organisational needs.

Completed Improvements

- The IT&T Audit was conducted during the second half of 2014 and the results were excellent, with only minor recommendations being identified. This showed the maturity of the network and its security measures.
- IT&T worked with Flinders University IT to install a firewall between ACD/ATL/UCLT and Flinders to “decouple” the networks and set a clear demarcation point for support. This has also facilitated a VPN (virtual private network) connection between UCLT and Synod, which provides shared access to resources in a secure environment. The change has also enabled guest networks (for student access) and enhanced security for all users at the Brooklyn Park site.
- IT&T continues to successfully support all Presbytery and Synod meetings.
- IT&T has recently re-signed our mobile fleet with Optus for a further two years. The deal is similar to the previous contract, and significantly better than the current Telstra equivalent.
- IT&T has been working with the insurance team to modify and enhance the insurance section of our main administration system.
- An upgrade to Microsoft Office was completed for all users at Synod, UCLT, UVSA, ACD and ATL.

- Minor hardware upgrades were performed on older client devices at UCLT, ACD, ATL and Synod in order to delay a complete desktop / laptop refresh for Synod until 2017.
- Work was undertaken to change the policy mode of our firewall to increase security. We have moved from “allow all traffic unless specifically blocked” to “block all traffic unless specifically allowed”. This change significantly improves the security offered by the firewall and is considered best practice as this now automatically blocks new types of traffic, allowing scrutiny by IT&T.

Changes

- IT&T is in the process of decommissioning its current on premise “Dropbox equivalent” due to a change of direction by the supplier. IT&T is replacing this with a cloud based solution for the file access and sharing component. The same cloud based solution is also being configured for board paper distribution and access, with the potential for collaboration and other additional features.
- IT&T spent time assessing the future software requirements of UCSA and compared this to staffing resources. It became apparent that the existing “custom .NET development” model was not going to deliver solutions to meet the timelines required by UCSA. Without increasing staffing, the only possible solution was to look at changing the model, and customise off-the-shelf products to meet organisational needs.
- After assessing what was available and the relative costs of each option, we have chosen a CRM system that is highly customisable and can be modified to suit our various and unique needs. A demonstration environment was created and the concept approved by Executive Officers in May 2015. Work is underway to prepare a pilot and testing phase. This shift in focus will allow us to accelerate the delivery of required IT systems and solutions to Synod staff.

Future

- The IT Audit will be conducted again in the second half of 2015.
- The CRM solution (phase one) will begin its rollout later this year with incremental feature releases to follow on a regular basis.
- IT&T is hoping to move email to a cloud based solution and retire the current on-premise email server by the end of 2015. Further adoption of cloud services may follow depending on suitability and need.
- In early 2016 we will be adding additional storage to production as well as disaster recovery to cope with normal growth. This will also have the added benefit of enabling us to provide better protection by enabling a more up to date disaster recovery site.
- Our landline telephone contract with Optus is now up for renewal. Work will be undertaken to ensure the best possible provider and pricing is achieved.

3.4 Insurance Services (Tony Philips, Manager Insurance Services)

Insurance Services provides insurance programs to Uniting Church entities including protection for liability, property, travel and personal accident risks at an affordable premium. This is achievable due in part to the significant purchasing and negotiating power of the Uniting Church “umbrella” group which includes agencies, schools, aged care and St Andrew’s Hospital. Insurance Services works collaboratively with the UCSA group members to present a unified approach and to assume more control of our insurance program.

Last year there were some significant changes in the insurance area. While focusing on reviewing the terms and conditions of our policies and ensuring the best possible protection was provided by our Brokers and Insurers, it was always our goal to achieve greater efficiency in cost control and to improve service to Congregations. As a result a number of initiatives were implemented, which included:

- a review of the sums insured on buildings which are heritage listed and had an agreed value
- the establishment of service providers to assist Congregations in claims management
- the implementation of an option to conduct insurance transactions using BPay.

Insurance Services Website

A new insurance web page is available to provide information on insurance, as well as a comprehensive and user-friendly handbook to assist Congregations and other users. Over the next year Insurance Services will focus on highlighting ways to minimise the risk of claims and maintain properties adequately. Taking proactive measures to reduce claims costs assists in keeping premiums to a minimum whilst not affecting cover.

Claims

The number of insurance claims is lower this year than at the same time last year; however claims can often be reported some time after they occur. The weather this year has also been relatively mild which has contributed to the low numbers and costs of storm claims. Additionally, a number of property losses reported have been under the \$500 excess which has facilitated to lower the number of claims. Congregations are encouraged to report losses or damage as soon as possible after the event to expedite the claims process and resolution and to assist Insurance Services to monitor and control costs.

3.5 Investment Services (Paul Barnett, Manager Investment)

The Uniting Church Investment Committee (UCIC) is mandated to manage the investments of the Presbytery/Synod, including UC Invest, Uniting Foundation and Mission & Service Fund. UCIC also provides oversight to other fund entities that report via the Resources Board. The UCIC is expected to consider investment returns, asset allocations and risk management on an individual investment entity basis as well as the consolidated level of the total asset base of the Synod.

Financial information on UC Invest for the year ended December 2014 was tabled at the June 2015 Presbytery and Synod meeting. The signed and audited financial statements for all UC Invest entities (including their investment portfolios) can be viewed on the website at ucinvest.com.au.

UC Invest has continued to strengthen its financial position in 2015 maintaining an investment portfolio with a focus on quality investments that are paying strong levels of income. At the time of writing this report, investment markets have had a mixed start to the 2015 calendar year. The Australian Stock Exchange indices are now recording negative returns (after being positive for most of the year) and commercial property returns are fair, however interest rate based investment returns are at historical lows. The funds with a diversified investment portfolio should have a flat year assuming the Stock Market does not decrease substantially from here. Investors with a conservative investment portfolio weighted towards fixed interest will also have a flat year, as income continues to decrease.

So far, UC Invest results indicate this will be a fair year, noting that income from many investments is low, but at the same time, interest rates paid to investors have decreased in line with market interest rates. This result bodes well for UC Invest's capacity to continue to produce a sustainable income flow in the form of a grant to the Mission & Service Fund annually (budgeted to be \$2.0 million in 2015).

It must be noted that consumer sentiment is low, economic growth is subdued, local manufacturing is reducing, unemployment is rising and a section of economists are suggesting that house prices may have grown too high in Sydney and Melbourne on the back of historical low interest rates. These are signs that the Australian economy may be in for a bumpy ride over the next couple of years, which will translate to uncertainty on investment markets as well, for both asset pricing and investment returns.

3.6 Property Services (Geoff Watson, Manager Property Services)

The Property Services team has continued to oversee the property assets of the Church including property sales, land purchase and the alternation and upgrade of existing properties. The team has been involved in a number of major activities during the past year including Playford UC and the UAICC project at Salisbury North while other significant projects were approved at Salisbury, The Grove and Croydon Park Uniting Churches. As well, a major review of the Property Sales Proceeds Policy (PSPP) is underway and the Property Services website is being upgraded.

Playford Uniting Church Community Space Building Project

The Playford Uniting Church project has been a focus for the Church over a number of years and has come to fruition this year with the completion of the construction of the new Playford Uniting Church Community Space which was officially opened on 13th September. It was a tremendous occasion to recognise the many individuals, councils, congregations, committees and boards both past and present who have given much to seeing this vision become a reality and to the wider church for its support through financial gifts and prayer. The overwhelming sense of the service was the enormous hope the Uniting Church in South Australia has for the future in this community.

The main site works for the construction of the church facility and carpark commenced on 15th September 2014 and were completed on 15th June 2015. Through diligent project management and limited variations to the original contract the build has come in under budget. Partek as the building contractor and George Apollonio from Hodgkison Architects are to be commended on their excellent management of the construction of the building. Further minor ancillary works still to be completed, such as landscaping and fencing; will continue to be progressed over the next 6 months. Fundraising efforts continue as the project remains underfunded by approximately \$1m.

Salisbury North Project

The existing Congress (UAICC) worship facility at Salisbury North is currently being upgraded with an extension that includes new toilet facilities, meeting spaces and a kitchen. A new bitumised car park will be laid, as required by City of Salisbury as part of the development approval. The City of Salisbury granted development plan consent on 22nd July 2014 and building works are estimated to be completed by late November 2015. An opening service is planned to follow completion of the upgrade.

Salisbury Uniting Church

The Salisbury Uniting Church is currently undergoing works to revitalise and consolidate activity spaces within the church buildings. Stage 1 of this project, to relocate UnitingCare Salisbury to the main church complex, has recently been tendered. During 2014, land sales were approved which will provide funding for Stage 2.

The Grove UC Woodville Gardens

In February 2015 the Resources Board approved funding from the proceeds of the sale of Ridleyton UC for this project, which will refurbish the building and integrate the op shop and community spaces. The Stage 1 works, to relocate the op shop and improve access to the activity and worship spaces, are currently being tendered.

Croydon Park UC

Funding of this project was approved by the Resources Board in May 2014 and will result in improvement of safety and amenities for the church hall. This project is also funded from proceeds of the sale of Ridleyton UC. The contract to build was signed in August 2015 and the work is expected to be completed by late October 2015.

Real Estate Transactions

Since the 2014 Synod meeting property transactions have been finalised, as follows:

Purchase (2)

- Brooklyn Park – Catholic Church portion of the Adelaide College of Divinity site
- Nuriootpa - house adjacent to Nuriootpa UC

Sale of churches (3)

- Pinnaroo
- Wanilla
- Eudunda

Sale of other property (1)

- Kapunda vacant land

Acknowledgements

The Property Committee members volunteer their time and expertise to assist in the consideration of various Uniting Church property related matters. This work is greatly appreciated within Synod and the wider church and in particular by the Property Services and Resources teams.

3.7 Uniting Venues SA (Mark Lee, General Manager Uniting Venues SA)

Mission

The mission of Uniting Venues SA (UVSA) is to provide opportunities for exploring faith, fostering community, creative learning and leadership development through exceptional Christian hospitality.

Overview

UVSA has continued to prosper largely due to the success of Beyond Limits Outdoor Education which has grown from six activity programs in 2012 to an expected 80 programs in 2015. Unfortunately, despite this growth in our program camps, 2014 ended with an unfavourable financial result for Adare and Nunyara. This was due to an unexpectedly high level of cancellations, reduced numbers of schoolies at Adare and costs associated with the construction of Nunyara's playing field. UVSA continues to contribute annually to the Mission and Service Fund, allocating \$20,000 in 2014. The year to date operating result in 2015 is on track to return us to a budgeted surplus, which enables us to fund capital improvements at our facilities.

Adare and Nunyara

Adare and Nunyara have continued to grow in 2015 due to a fresh approach to hospitality as well as the increase in program camps. Adare has had a year of consolidation following three years of significant site improvements and growth. Nunyara has had a solid year despite an unexpected financial deficit in 2014. Nunyara's new playing field, campfire and activities have attracted new schools in 2015 / 16. The Devona / Peter Wood Lodge Trust increased its accommodation options at Adare due to the installation of two cabins (gifted from Leabrook Aged Care).

Beyond Limits

Traditionally Adare has largely hosted school Years Seven and Eight and Nunyara Years 11 and 12. Beyond Limits Outdoor Education has provided new business opportunities for Adare, Nunyara and Tarooki. This year Adare introduced tent style camps for Years 9 and 10 and there has been a focus on Years 4, 5 and 6 at Nunyara. There has been a further focus on meeting with teachers after each camp to discuss our sequential camps experience, seeing students move through different camp models at Adare and Nunyara throughout their school years. This has been a positive initiative and one that is expected to drive business growth.

Emmaus, Tarooki and Thuruna

The Emmaus Committee has been busy with the additional responsibility of managing the nearby Halbury Memorial Hall and sporting oval. The hall has been a focus for the Committee during the reporting period. Tarooki has attracted new groups through their provision of in-house catering activity programs. Four school groups will participate in a program during fourth term. Thuruna has enjoyed a solid year of bookings. The Committee has been active in attending to matters relating to fire safety and protection and has been engaged in planning the next stage of ongoing maintenance.

Conclusion

UVSA is grateful for the support of Presbytery and Synod and the various Uniting Church groups that attend our venues. If you haven't visited for a while and are considering a Church or youth camp in 2016, current information about our venues and Beyond Limits is available on our website (www.unitingvenueessa.org.au). Holiday accommodation is also available for individuals, couples and families at Adare, Nunyara and Thuruna.

3.8 Work Health Safety (Wayne Booth, WHS Coordinator)

This year saw the introduction of a specific Work Health Safety (WHS) Coordinator (0.6 FTE) role within the Presbytery and Synod to provide additional specialist support and guidance across the Human Resources, Property Services and Insurance Services departments. The role is also key in leading WHS and compliance across the entities of the Presbytery and Synod and provides additional specialist support, guidance and resources to facilitate compliance in Congregations.

Since the introduction of this role there has been a comprehensive review of the existing WHS Management System resulting in a gap analysis and the development of a two-year initial action plan to provide a clear strategy for ongoing improvement. The planned developments currently achieved, and in progress during the first phase of the action plan include:

- Provide a specific WHS area on the UCSA website and consolidate existing information to provide clearer access and focus.
- Include WHS specific areas to all UCSA property inspections and provide clearer feedback on compliance issues.
- Support and lead the existing WHS 'corporate' site groups to ensure ongoing improvement, compliance and sharing of good practice and resources.
- Introduce and encourage WHS Officer training to all existing UCSA Presbytery and Synod Officers.
- Support and lead internal investigations, Return to Work (WorkCover) cases, and provide additional support and guidance to Congregations in these areas.
- Review existing WHS Policies, provide improved access, additional guidance material and resources to all UCSA entities.
- Provide a clear plan for the development and implementation of new WHS policies to ensure compliance and best practice.

Challenges

The unique and complex structure of the Uniting Church requires that WHS be managed locally rather than centrally and this adds another area of governance to Congregations, who have varied and often limited levels of resourcing to be able to manage this. Building a clearer picture of WHS implementation across the Uniting Church as a whole will require greater feedback and review from Congregations, which will potentially add to this responsibility.

To facilitate this, there will need to be clearer, more focused methods and resources available to Congregations together with more opportunities for direct and intensive guidance and support. Ensuring that the basic compliance requirements are being met and then feeding in additional and ongoing improvement is a manageable way forward.

RECOGNITION OF RESOURCES TEAM

The Resources team strives to provide exceptional service built on trust, integrity and clear communication and throughout the year the team has been focussing on how it can best serve the Church. Each team member is commended for their valuable contribution to the Presbytery and Synod, applying their knowledge, skills and unique gifts with which they are equipped. The team is grateful for the opportunity to

serve the Church and is mindful of the many others who serve in like roles within their Congregations. We hope that together our service has made the Church stronger.

The contribution of each Team leader (as named against each operational sub-report) is greatly appreciated. Furthermore, we note with particular appreciation the contributions of Astrid Kuivasaari, General Manager Resources and Leah Hopton, Executive Assistant.

RECOGNITION OF COMMITMENT

To conclude this report, the dedication of all Board and Committee members who offer the Church their experience, skills and expertise across the wide range of Resources Board responsibilities is commended. The time given to meeting preparation and attendance as well as the generous sharing of expertise has progressed many matters relating to the Church's property and financial resources. All these people serve the Church with a strong desire to support the mission of the Church.

The table below indicates the range of skills which are offered to the Church by the Resources Board members:

Board Member	Area of Specialisation
Rev Dr Graham Humphris (Chairperson)	Mission Resourcing, Uniting Church Ethos & Polity
<i>Ex Officio</i>	
CEO/General Secretary Rev Nigel Rogers	Corporate Governance, Uniting Church Ethos & Polity, Mission Resourcing
Moderator Dr Deidre Palmer	Mission Resourcing, Uniting Church Ethos & Polity
Executive Officer, Resources Peter Battersby	Financial Management, Corporate Governance
Executive Officer, Mission Resourcing Rev Dr Amelia Koh-Butler	Mission Resourcing, Uniting Church Ethos & Polity
<i>Other</i>	
Tom Adams	Investment
Rob Williamson	Property
Dr Alice McCleary	Financial Management, Corporate Governance
Steve Roder	Law, Corporate Governance, Property, Financial Management
Rev Ross Honey	Mission Resourcing, Uniting Church Ethos & Polity
Observer (non-voting)	
General Manager Resources Astrid Kuivasaari	
Manager Investment Paul Barnett	
Secretary (non-voting)	
Leah Hopton	

4. FORWARD THINKING

During 2016, the Resources Board will focus on:

1. Overseeing the implementation of the 2016 budget
2. Developing relationships through the Resources Team throughout the Presbytery
3. Continuing conversations regarding strategies for enhanced property stewardship
4. Understanding and engaging in the Presbytery and Synod key directions
5. Agreeing on future accommodation arrangements for the Uniting College for Leadership & Theology
6. Establishing a risk management framework

In addition to these, the Resources team will continue to focus on strengthening its service to congregations and Presbytery and Synod and looks forward to working alongside volunteers and Church Officers as together we seek to grow God's Church.

5. PROPOSALS

That the Synod:

Approve the adoption of the Tarooki (Uniting Church Campsite Robe), Hope Mission Network and the Uniting Church Arts and Cultural Development Group Incorporated Financial Statements for the year ending 31st December 2014.

Proposers:

Tom Adams, Member and Representative, Resources Board

Peter Battersby, Executive Officer, Resources

Rev Dr Graham Humphris

Chair, Resources Board

Peter Battersby

Executive Officer, Resources

7th October 2015

The Parkin Mission of South Australia Incorporated

Report to Synod for the Year ended 31st December 2014

The Mission was established by the Hon William Parkin in 1882 and incorporated in 1888. The main purposes of the Mission and the functions of its Governors are:

1. The management of its funds.
2. The payment of grants to Synod for congregations, rural ministry and other ministries including chaplaincies.
3. The payment of annuities to twenty widows.

Summary of Finances to 31st December 2014

	Actual		Intended	
	2013 \$000	2014 \$000	2015 \$000	2016 \$000
Grant to Synod***	1,100	1,128	1,159	1,188
Widows Benefactions	23	23	24	
Operating Income before Grant and Benefactions	1,357	1,531		
Capital gain/(loss)*	3,467	332		
Capital and Reserves** (excluding accrued income)	19,117	19,449		

*Under the terms of the Deeds, the realised gains on the sale of investments are not part of the Mission's Operating income and are not available for distribution.

** Value of Funds. The Mission invests for long term gain to increase the value of Funds, but this is affected by market fluctuations.

*** The Mission aims to increase the annual grant to Synod by the percentage increase in stipends and related allowances for the year of the grant, but this is dependent on accrued income and the income earned on investments during the year.

Performance of Funds to 31st December 2014

	1 year %	3 years %pa	5 years %pa
Income return (including imputation credits)	7.9	8.2	7.7
Capital gain/(loss)	1.7	13.0	2.8
ASX200 increase/(decrease)	1.1	11.1	2.2

Don Noblet: We pay tribute to the life and dedication of Don Noblet, who faithfully served The Parkin Mission of South Australia Incorporated, as a governor and investment advisor for over 20 years, resigning due to poor health in February 2015. He died in August 2015 aged 82 years.

Donald Sarre
President

Annuity to widows

Widows Benefactions for 2015 will be \$1,200 each (\$1,150 in 2014)

The Parkin Trust Incorporated

Report to Synod for the Year ended 31st December 2014

The Trust was established by the Hon William Parkin in 1872 and incorporated in 1876. The main purposes of the Trust and the functions of its Governors are:

1. The management of its funds.
2. The payment of grants to the Uniting College for Leadership and Theology for the education and maintenance of students for the Ministry.

Summary of Finances to 31st December 2014

	Actual		Intended	
	2013 \$000	2014 \$000	2015 \$000	2016 \$000
Grant to the Uniting College For Leadership and Theology***	270	277	285	292
Operating Income before Grant*	346	386		
Capital gain/(loss)*	888	105		
Value of Funds** (excluding accrued income)	4,571	4,676		

*Under the terms of the Deeds, the realised gains of the sale of investments are not part of the Trust's Operating income and are not available for distribution.

** Value of Funds. The Trust invests for long term gain to increase the value of Funds, but this is affected by market fluctuations.

*** The Trust aims to increase the annual grant to the Uniting College by the percentage increase in stipends and related allowances for the year of the grant, but this is dependent on accrued income and the income earned on investments during the year.

Performance of Funds to 31st December 2014

	1 year	3 years	5 years
	%	%pa	%pa
Income return (including imputation credits)	7.9	8.3	7.7
Capital gain/(loss)	2.1	13.8	3.4
ASX200 increase/(decrease)	1.1	11.1	2.2

Don Noblet: We pay tribute to the life and dedication of Don Noblet, who faithfully served The Parkin Trust Incorporated, as a governor and investment advisor for over 20 years, resigning due to poor health in February 2015. He died in August 2015 aged 82 years.

Donald Sarre
President