THE REPORT OF THE TREASURER OF THE
General Synod / te HĪnota WhĀnui 2022

Title B, Canon I, Clause 5.5(h) requires the General Secretary / Treasurer to “*present to the General Synod / te Hīnota Whānui a statement of receipts and expenditure duly audited and a report thereon, and to provide printed copies of such statement and report for the use of the members of Synod.”*

The audited statements of receipts and payments for the 2020 and 2021 calendar years, respectively, are presented separately. These reports follow the Generally Accepted Accounting Practice (GAAP) statutory format of Accounts for Financial Reporting purposes.

It is important to be aware that the two-year cycle budgeted by Synod Statute differs, by necessity of reporting, with the two years audited and presented to the Synod / te Hīnota.

The statements presented include the audited consolidated summary of income and expenditure for Parts A and B, and for those bodies whose budgets and finances are managed through the General Synod Office, together with the Statement of Financial Position of the General Synod / te Hīnota Whānui for 2020 and 2021.

If members have any specific questions about the accounts, it would be helpful to receive these before the Synod/ te Hīnota, so responses can be researched and prepared.

**INCOME**

**Part A**

Part A funding comes from Income derived from The General Church Trust Board. The income usage is prescribed by the General Church Trust Statute (1928) and by Title F, Canon V. The Reports of the General Church Trust Board are provided annually to the Standing Committee of the General Synod / te Hīnota Whānui. Part A funds the Archbishops, the meetings of General Synod / te Hīnota Whānui and Standing Committee, many of the Councils, Committees and Commissions of the Church, the Anglican Consultative Council Membership contribution and the General Synod Office. It also contributes to the funding of the Media Office and Anglican Taonga in Part B.

The General Church Trust Board is required to balance careful and prudent Trusteeship with the need to enable the Church to fulfil its five-fold mission statement. It is fortunate that due to the careful stewardship exercised by the Trust Board, an increase in the level of distribution has been made on a regular basis. We are extremely grateful for the work that they do for this Church. In 2020 and 2021 the first, and second, of three years additional funding was made available to establish the Ministry Standards Office. Where these funds were not all expended, they have been reserved for future MSC use.

**Part B**

Part B represents the contributions from Tikanga and from Episcopal Units. Much of this funding is used to support our national and international ecumenical obligations such as the World Council of Churches, Christian Conference of Asia, Uniting Congregations, Tikanga and Polynesia Ecumenical Memberships and the Anglican Roman Catholic Dialogue. It also funds many of the Common Life activities of the Church such as the Media Office, Anglican Taonga, commitments to the Churches Education Commission, the Interchurch Bioethics Council, Interchurch Council for Tertiary Chaplaincy, and the Anglican Legislative Unit.

Both the Standing Committee and the Distribution Advisory Committee would wish to acknowledge with gratitude the amounts contributed from the Episcopal Units and the regular remittance of funds, which is so important for cash flow purposes. Much of the work of the Church is heavily reliant on this funding and we are extremely grateful that several Units have been able to commit to a small increase in their contribution over the next two years. Other Units are encouraged to consider if any increase were possible. As previously noted, there will continue to be pressure on the cash flow in Part B and this may result in the need to make hard decisions about what areas of the Part B mission can be afforded in the future.

**General Synod Office**

Part of the of the General Synod Office accounting is outsourced to Trust Management but the overall financial oversight and management for the following budgets, as well as Part A and Part B, remains with the General Secretary / Treasurer. These areas include:

* New Publications
* Lectionary
* Clerical Directory
* The Anglican Military Affairs Fund
* The Hooper Estate
* The Youth Putea
* Royal Commission Joint Legal Representation

**Other Bodies Managed through the General Synod Office**

These bodies, listed below, mostly source their income from the St Johns College Trust Board and primarily for educational purposes, and their accounts are managed through the General Synod Office.

* Te Kotahitanga and Executive Officer, Forum, and
* The Three Tikanga Social Justice Unit
* The Bishops Training Events
* The Centre For Anglican Women’s Studies
* The Three Tikanga Youth Commission and Commissioner
* TUIA a daily prayer app.

**Expenditure**

The ‘Statement of Financial Performance’ for both Parts A and B provide a comparison between budgeted and actual, receipts and expenditure, for the categories set by the 2020 Finance Statute.

Please note that the Statute authorises the Standing Committee to make adjustments during that time, as and when necessary and appropriate.

In Part A, the following significant differences are noted:

1. *Episcopal and Primatial*

Archbishops Tikanga grants mainly cover administrative support and contribute to the costs of staffing required to support each Archbishop in their role. There was only a partial grant made later in 2021 to Tikanga Pasefika due to the vacancy following Archbishop Cama’s death, while some of the shared workload was picked up by the other Archbishops acting as Bishop of Polynesia. It should be noted that the Category “Archbishop – Pākeha” is a higher grant than that of the other two Archbishops due to an agreement between the three that Archbishop Richardson’s office be the hub for much of the Common Life Episcopal work that is generated. This has resulted in a larger portion of the grants being applied to enable that work. Archbishops Expenses in this Part covered the costs of the Kooyoora workshop with Australian presenters and handled contributions in and koha out for the return of the Maniapoto Korowai.

1. *Communications Grant, ACC and IAFN/IAWN Grants*

These grants were all to budget, despite some exchange rate challenges as they are paid in UK pounds. The 5,000 IAFN/IAWN grant was split equally between these two Networks.

1. *General Synod / te Hīnota Whānui and Standing Committee*

The two-year comparison reflects the two-yearly Synod / te Hīnota. The 2020 Synod/ Hīnota was moved to Zoom due to COVID19 preventing travel and in-person meeting. Much of the provision balance was thus reserved against 2022 GSTHW and future costs. The provision for a Bicultural Conference was not used in these years. The Standing Committee operated well within its overall budgets for both years, as did the Other Groups, due largely to COVID19 preventing travel and in-person meeting.

1. *General Synod Administration*

Administration spending was within overall budgets in 2020 and 2021 despite being affected by COVID19 and long periods of work from home for staff.

1. *3 Tikanga Commissions*

Savings continue to be made where possible, and some provisions were not required in this period, as some bodies did not get called to meet, though were provided for in case, and many did not meet in person due to COVID19.

1. *Reserves*

Careful forward planning is being undertaken in the provision of these reserves for anticipated costs, and some of these reserves have been drawn on in this period, but the overall balances remain very healthy.

1. *Retained Earnings*

On behalf of the whole church DAC agreed to utilise some retained earnings to cover costs of the Royal Commission legal representation in both 2020 and 2021, where those costs were above the totals collected from contributing entities who make up the common representation group.

In Part B, the following significant differences are noted:

Despite the relatively fixed nature of contributions in Part B, acknowledging with thanks those Units who have made some increase in contribution, due to careful management of spending and deferred restructure in the Anglican Taonga, Media and Communications budgets across both years, a lower than budgeted call from the Legislative Unit, and generous donations in both years, it has meant that Part B reports a surplus rather than the deficit budgeted in both 2020 and 2021, when transfers from reserves are taken into account.

A small overspend in some budgets within Ecumenism is due to increased membership costs for WCC and CCA being coded here, for which we annually reserve and which were balanced from those reserves. The Assemblies of both these ecumenical bodies have been postponed from this period - WCC into 2022 and CCA into 2023.

In both years the Military Affairs expenditures are covered by transfers from the respective reserve held for this purpose.

**Future Budget Predictions**

The revised budget for the year 2022, and budgets for 2023 to 2024, are the subject of the Finance Statute to be considered by this Synod / te Hīnota and are set in consultation with GCTB about available distributions.

**Audit**

BDO continue to provide an excellent service and have been the Auditors for these Accounts. The Audits for 2020 and 2021 were unqualified.

**Thanks**

Special thanks to the members of the Distribution Advisory Committee for their practical advice and assistance to me as General Secretary, and to the Standing Committee of the General Synod / te Hīnota Whānui. I particularly acknowledge the Chair of the DAC, Mr Selwyn Parata, who succeeded Mr Ian Pask, for his careful advice and response to questions.



*Michael Hughes (Rev’d)*

General Secretary and Treasurer