

# REACH OUT



## COMMUNITY OF CHRIST LTD 2018 FINANCIAL REPORT



Community of Christ

12 TAYLOR ST, WEST PENNANT HILLS NSW 2125

# FINANCIAL REPORT

## COMMUNITY OF CHRIST LTD

ABN 58 071 050 710

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

**Community of Christ Ltd** is part of the international Christian denomination, Community of Christ, which, on a global basis, has about 250,000 members in 1,500 congregations in approximately 51 countries.

The mission of the church is to proclaim Jesus Christ and promote communities of joy, hope, love and peace.

In Australia, the Community of Christ offers:

- A community of people where the gospel of Jesus Christ is the focus of worship, learning, caring and mission.
- Local congregations where deep friendships are established and individual ideas are valued.
- A global community with a worldwide mission that values all cultures and celebrates the rich diversity of human life.
- Meaningful opportunities to serve Jesus Christ by helping others and promoting peace.

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## **Directors' Report**

The directors of Community of Christ Ltd submit this report on the company for the financial year ended 30 June 2018.

### **Directors**

The names of each person who has been a director during the year and to the date of this report are:

1. Benjamin Smith
2. Julie Crittenden
3. Warwick Sarre
4. Malcolm Stephenson
5. Adam Wade
6. Lisa Yen

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### **Mission Statement**

Community of Christ Ltd was formed to help facilitate the operations of Community of Christ (the church) by enabling the church to properly function from a legal perspective in Australia.

The mission of the church is to proclaim Jesus Christ and promote communities of joy, hope, love and peace.

All ministries, personnel, and resources of the church are focused on the mission of Jesus Christ through five, life-changing, church-changing mission initiatives.

#### **1. Invite People to Christ**

Christ's mission of evangelism

#### **2. Abolish Poverty, End Suffering**

Christ's mission of compassion

#### **3. Pursue Peace on Earth**

Christ's mission of justice and peace

#### **4. Develop Disciples to Serve**

Equip individuals for Christ's mission

#### **5. Experience Congregations in Mission**

Equip congregations for Christ's mission

### **Objectives and strategies**

The short term and long term objectives of Community of Christ Ltd are to support the functioning of the church in Australia.

Strategies of Community of Christ Ltd include, but are not limited to:

- Holding legal title to properties on behalf of the church and its associate companies, including Saints Care Ltd
- Holding legal title to investments and other operational assets used by the church
- Entering into legal contracts, including employment contracts, as agent for the church in Australia

The short-term and long-term objectives of the church in Australia are:

1. *To support church congregations in the Australia Mission Centre*
2. *To facilitate church expansion in Australia*
3. *To provide linkage between world church ministries and congregations*

Strategies of the Australia Mission Centre include, but are not limited to:

- Enhance Discipleship formation
  - Build continual leadership development pathways from high school age through to retirement age
  - Deepen our understanding of scripture, spirituality and our identity as Community of Christ in Australia
  - To increase the number of participants and members in church life under 50 years of age
  - Create two new congregational models
  - Create a volunteer ministry team to strengthen existing congregational life
  - Create a team(s), focused on outreach ministries directed toward the marginalised in our community such that we become clearly known as a people focused on justice in order to create peace.
  - Structure communications to report on progress being made across the Mission Centre, and to share the Good News
-

- Build interfaith and ecumenical alliances
- Enhance how Community of Christ gather physically and operates sustainably into
- Create a Disciples Generous Response team
- Aim to become 100% carbon neutral in all church life

### Information on directors

#### Benjamin Smith

Qualifications/Experience: Bachelor of Arts (Community Development)  
 Special responsibilities: Mission President and Chair

#### Julie Crittenden

Qualifications/Experience: BCom, MCom, CPA  
 Special responsibilities: Mission Financial Officer and Company Secretary  
 Chair Remuneration Committee

#### Warwick Sarre

Qualifications/Experience: Doctor of Legal Science (Canberra)  
 Professor School of Law, University of South  
 Australia  
 Immediate Past President, Australian and New  
 Zealand Society of Criminology  
 Special responsibilities: Counsellor to Mission Financial Officer

#### Malcolm Stephenson

Qualifications/Experience: Bachelor of Arts (Liberal Studies) Business  
 Administration (Graceland University), Master of  
 Religion, Retired Community of Christ Appointee  
 minister  
 Special responsibilities: Counsellor to Mission Financial Officer  
 Chair pro-tem Investment Committee

#### Adam Wade

Qualifications/Experience: Bachelor of Engineering (Chemical Engineering)  
 (Monash University), Master of Arts in Christian  
 Ministries (Graceland University - Community of  
 Christ Seminary)  
 Special responsibilities: Counsellor to Mission President

#### Lisa Yen

Qualifications/Experience: Doctor of Philosophy (Macquarie University)  
 Special responsibilities: Counsellor to Mission President

### Meeting of directors

During the financial year nine meetings of directors were held. Attendances by each director were as follows:

	<u>Number eligible to attend</u>	<u>Number attended</u>
Benjamin Smith	9	9
Julie Crittenden	9	9
Warwick Sarre	9	6
Malcolm Stephenson	9	9
Adam Wade	9	8
Lisa Yen	9	9

### Indemnification of officers and auditors

During the year Community of Christ Ltd paid professional indemnity and director's and officer's liability insurance for all of its directors and officers.

### Directors Interests

The directors had no material interests in contracts or proposed contracts with Community of Christ Ltd during the financial year other than those disclosed in Note 15 Related Parties.

### Events Subsequent to reporting date

In 2017 after many decades of service, the Bulahdelah congregation made the decision to close. Approval was made after 30 June 2018 by the relevant bodies to list the associated property at Bulahdelah for sale and direct the net sale proceeds to the Tiona Chapel development.

An offer was subsequently accepted in December 2018 for \$385,000 including GST. Settlement occurred on 11 February 2019.

Bulahdelah is currently valued by deemed cost in 2004 at \$150,000, therefore a gain on sale of \$187,696 resulted after expenses associated with the sale were deducted.

### Company limited by guarantee

Community of Christ Ltd is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 30 June 2018 the total amount that members of the company are liable to contribute if the company is wound up is \$120.

### Auditor's Independence Declaration

The Auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on the following page of the annual report.

**Registered Office**

The registered office and principal place of business is 12 Taylor St, West Pennant Hills, New South Wales 2125.

**Notice of Meeting**

The Annual General Meeting of Community of Christ Ltd will be held on 22 March 2019, where this report will be presented.

Signed in accordance with a resolution of the Board of Directors



Benjamin Smith  
Director/Chair



Julie Crittenden  
Director/Company Secretary

Dated: 21 March 2019





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**COMMUNITY OF CHRIST LTD  
ABN 58 071 050 710**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 AUSTRALIAN  
CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

TO THE DIRECTORS OF COMMUNITY OF CHRIST LTD

I declare that, for the year ended , to the best of my knowledge and belief, there have been;

- i. no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



14/3/2019

Frost Crane & Co  
Bruce Frost CA  
Carlingford. NSW  
Registered Company Auditor

## Financial Reports

COMMUNITY OF CHRIST LTD

ABN 58 071 050 710

### Statement of Comprehensive Income

For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Investment income - interest and distribution	5	838,213	817,774
Investment income - distribution gain/(loss) on sale	5	58,428	58,428
Partnerships	6	260,947	363,822
Rental & lease income	7	209,490	206,435
Gain on disposal of property, plant and equipment		-	3,704,063
Camps & events	9	170,453	157,743
Donations & bequests	10	89,211	99,899
Other income	11	78,928	633,808
<b>Total revenue from operating activities</b>	4	<b>1,705,670</b>	<b>6,041,972</b>
Congregational support		(802,858)	(2,238,550)
Finance & facilities		(449,006)	(358,069)
Communications		(35,599)	(39,546)
Kallara campground		(84,557)	(69,321)
<b>Total expenses from operating activities</b>	4	<b>(1,372,020)</b>	<b>(2,705,486)</b>
<b>Result before investment (loss)/gain</b>		<b>333,650</b>	<b>3,336,486</b>
Net loss/gain on re-measurement of investments at fair value		482,092	82,297
<b>Result for the year</b>		<b>815,742</b>	<b>3,418,783</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>815,742</b>	<b>3,418,783</b>

The accompanying notes form part of these financial statements.

COMMUNITY OF CHRIST LTD

ABN 58 071 050 710

**Statement of Financial Position**

**As at 30 June 2018**

	Notes	2018	2017
		\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	16	224,636	346,201
Receivables		214,035	43,121
Assets Held for Sale	17	-	10,857
Financial investments	18	4,513,054	5,114,594
<b>Total Current Assets</b>		<b>4,951,725</b>	<b>5,514,773</b>
<b>Non-Current Assets</b>			
Receivables		17,918	20,927
Financial investments	18	13,389,162	11,905,687
Property, plant & equipment	19	9,172,886	9,156,508
<b>Total Non-Current Assets</b>		<b>22,579,966</b>	<b>21,083,122</b>
<b>Total Assets</b>		<b>27,531,691</b>	<b>26,597,895</b>
<b>Current Liabilities</b>			
Payables	20	2,475,047	2,307,055
Provisions		188,636	248,662
<b>Total Current Liabilities</b>		<b>2,663,683</b>	<b>2,555,717</b>
<b>Non-Current Liabilities</b>			
Provisions		23,730	13,642
<b>Total Non-Current Liabilities</b>		<b>23,730</b>	<b>13,642</b>
<b>Total Liabilities</b>		<b>2,687,413</b>	<b>2,569,359</b>
<b>Net Assets</b>		<b>24,844,278</b>	<b>24,028,536</b>
<b>Equity</b>			
Retained Funds		21,995,244	21,265,525
Reserves		2,849,034	2,763,011
<b>Total Equity</b>		<b>24,844,278</b>	<b>24,028,536</b>

The accompanying notes form part of these financial statements.

**COMMUNITY OF CHRIST LTD**

ABN 58 071 050 710

**Statement of Cash Flows  
For the year ended 30 June 2018**

	Notes	2018	2017
<b>Cash flows from operating activities</b>			
Receipts from Community of Christ members, congregations & organisations		<b>585,150</b>	1,179,969
Receipts from other supporters		<b>377,103</b>	527,391
Payments to suppliers and employees		<b>(1,529,218)</b>	(2,951,680)
Interest Received & Investment Income		<b>896,641</b>	780,860
<b>Net cash provided by operating activities</b>	21	<b>329,676</b>	<b>(463,460)</b>
<b>Cash flows from investing activities</b>			
Principal loan repayments from congregations		<b>3,009</b>	2,892
Deposits from members and congregations to depositor accounts		<b>66,731</b>	595,046
Withdrawals by members and congregations from depositor accounts		<b>(43,322)</b>	(69,070)
Proceeds from sale of property, plant and equipment		<b>43,436</b>	3,987,268
Payment for property, plant and equipment		<b>(121,252)</b>	(261,205)
Redemption of Investments		<b>876,175</b>	1,062,534
Payment for investments		<b>(1,276,018)</b>	(4,972,591)
<b>Net cash used in investment activities</b>		<b>(451,241)</b>	<b>344,874</b>
Net increase/(decrease) in cash held		<b>(121,565)</b>	(118,586)
Cash and cash equivalents at the beginning of financial year		<b>346,201</b>	464,787
<b>Cash at and cash equivalents at the end of financial year</b>	16	<b>224,636</b>	<b>346,201</b>

The accompanying notes form part of these financial statements

Statement of Changes in Equity  
 For the year ended 30 June 2018

	Note						
	2(j), 22	Retained Funds	Capital Reserve	Asset Revaluation Reserve	Tiona Chapel Reserve	Special Purpose Reserves	Total
<b>Balance at 30 June 2016</b>		<b>17,998,655</b>	<b>1,286,649</b>	<b>611,410</b>	<b>(18,602)</b>	<b>826,983</b>	<b>20,705,095</b>
<b>Comprehensive income</b>							
Result for the year		3,323,441	-	-	-	-	3,323,441
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>3,323,441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,323,441</b>
Net transfer to Reserves		(56,571)	-	-	4,975	51,596	-
<b>Balance at 30 June 2017</b>		<b>21,265,525</b>	<b>1,286,649</b>	<b>611,410</b>	<b>(13,627)</b>	<b>878,579</b>	<b>24,028,536</b>
<b>Comprehensive income</b>							
Result of the year		815,742	-	-	-	-	815,742
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>815,742</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>815,742</b>
Net transfer to Reserves		(86,023)	-	-	354,475	(268,452)	-
<b>Balance at 30 June 2018</b>		<b>21,995,244</b>	<b>1,286,649</b>	<b>611,410</b>	<b>340,848</b>	<b>610,127</b>	<b>24,844,278</b>

For a description of each reserve, please refer to note 2(j)

The accompanying notes form part of these financial statements

## **Notes to the Financial Statements**

**For the year ended 30 June 2018**

### **Note 1 Organisation and Nature of Operations**

Community of Christ Ltd is part of the international Christian denomination, Community of Christ, which, on a global basis, has about 250,000 members in 1,100 congregations in approximately 51 nations. The mission of the church is to proclaim Jesus Christ and promote communities of joy, hope, love and peace. In Australia, the Community of Christ offers:

- A community of people where the gospel of Jesus Christ is the focus of worship, learning, caring and mission.
- Local congregations where deep friendships are established and individual ideas are valued.
- A global community with a worldwide mission that values all cultures and celebrates the rich diversity of human life.
- Meaningful opportunities to serve Jesus Christ by helping others and promoting peace.

### **Note 2 Statement of Significant Accounting Policies**

#### **(a) Statement of Compliance**

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards (AASBs) adopted by the Australia Accounting Standards Board and the Australian Charities and Not-for-profit Commission Act 2012 except for the AIFRS standards as more fully explained in note 3.

The financial statements cover Community of Christ Ltd, a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 21 March 2019 by the directors of the company.

#### **(b) Basis of Preparation**

The financial statements have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

These financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

## Statement of Significant Accounting Policies (continued)

### (c) Taxation

#### *Income tax*

No provision for income tax has been made in these accounts as the company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

#### *Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances it is recognised as part of the cost of acquisition of an asset or as part of an item of expense as applicable.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the Australian Taxation Office is included with other receivables or payables (current) in the statement of financial position.

Cash flows are included in the statements of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which are recoverable from or payable to the Australian Taxation Office, are classified as operating cash flows.

### (d) Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates are underlying assumptions are reviewed on an ongoing basis.

#### *Significant Accounting Judgements*

##### Grants Received

Once the company has been notified of the successful outcome of a grant application, the terms and conditions of each grant are reviewed to determine whether the funds relate to a reciprocal grant (i.e. payment for services rendered) in which case it is accounted for under AASB 118 Revenue or a non-reciprocal grant in which case it is accounted for under AASB 1004 Contributions.

### (e) Property, Plant, and Equipment

Each class of property, plant, and equipment is carried at cost, less where applicable, any accumulated depreciation, amortisation or impairment losses.

The carrying amount of property, plant, and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. In the situation where the carrying value is greater than the estimated recoverable amount, the carrying value is immediately written down to its estimated recoverable amount. The estimated recoverable amount is assessed as the greater of fair value less costs to sell and value in use.

Fair value is 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'. The highest and best use of the land and buildings are considered in determining valuation.

## Statement of Significant Accounting Policies (continued)

### (e) Property, Plant, and Equipment (continued)

Directors' valuations are used if an independent valuation does not take place during an annual reporting period.

Where property, plant or equipment is held to provide a service rather than to generate cash, value in use is determined as the depreciated replacement cost.

#### Depreciation

The depreciable amount of property, plant and equipment is depreciated over their estimated useful lives to the company commencing from the time the asset is held ready for use on a reducing balance basis.

Properties held for service purposes (congregational churches) are held at deemed cost and are not depreciated. Land is not depreciated.

The depreciation rates for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Campground plant & equipment	25-30%
Office equipment	25-60%
Motor vehicles	23%
Buildings	3.75%

Assets residual values and useful lives are reviewed and adjusted, if appropriate, at each financial year-end.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

### (f) Financial Investments

Financial investments represent the unit value of funds invested in Community of Christ Ltd's pooled investment fund.

Financial investments have been reported as 'fair value through profit or loss' to enable performance evaluation on a fair value basis in accordance with a documented risk management or investment strategy. Fair value represents the amount for which an asset could be exchanged between knowledgeable willing parties. This applies to all financial assets. It does not apply to two residential properties that aren't held strictly for investment purposes, these properties are held at deemed cost in 2004 of \$775,000 (2017 \$775,000).

Investments in the fund are initially measured at cost on trade date when the related contractual or obligations exist. Then subsequently measured, at each reporting date, at fair value with realised and unrealised gains and losses arising from changes in the fair value of these assets included in the income statement in the period in which they arise.

Community of Christ Ltd apportions the financial investments unit value between current and non-current assets based on Community of Christ Ltd's pooled investment fund determination.



## Statement of Significant Accounting Policies (continued)

### (g) Employee Entitlements

Employee entitlements comprise wages and salaries (including non-monetary benefits), non-vesting accumulating sick leave, annual and long service leave.

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are recognised in payables (current) in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date are recognised in provisions (current) as the Company does not have an unconditional right to defer settlement of these liabilities for at least 12 months after the end of the reporting period). Both liabilities are measured at the amounts expected to be paid when the liabilities are settled including the on-costs of applicable government superannuation guarantee contribution and workers compensation. Annual leave not expected to be paid within 12 months has been based on current pay rates and not discounted as the difference is immaterial.

The liability for long service leave is recognised in current provisions when the Company does not have an unconditional right to defer settlement of this liability for at least 12 months after the end of the reporting period otherwise the liability is recognised as non-current and measured as the present value of expected future payments to be made in respect of services provided by the employees. This non-current liability has been calculated using a recognised shorthand method that recognises a liability for employees who meet the minimum continuous service periods under state long service leave legislation based on current pay rates as there is an immaterial difference using this method. On-costs of applicable government superannuation guarantee contribution and workers compensation have been included when they are expected to be paid.

No liability has been recognised for sick leave as it does not vest and past experience indicates that on average, sick leave taken each reporting period is less than the entitlement accruing in that period.

### (h) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less. For the purposes of the cash flow statement cash and cash equivalents is as defined above net of any outstanding bank overdrafts.

### (i) Revenue

Revenue is recognised as follows:

#### *Investment Income*

Distributions from Community of Christ Ltd's pooled investment fund are recognised as income when declared.

Interest revenue is recognised as it accrues, taking in to account the interest rates applicable to the financial assets.

#### *Rental & Lease Income*

Rental and lease incomes are recognised when the right to receive it as per the lease occurs.

#### *Donations*

Donations collected from congregations of Community of Christ are recognised in the reporting period in which funds are collected and due. Other donations are recognised when received.

## **Statement of Significant Accounting Policies (continued)**

### **(i) Revenue (continued)**

#### *Government Grants*

Grants are recognised when control or the right to receive the contribution is received and it is probable that the economic benefits gained from the grant will flow to Community of Christ Ltd and the grant can be reliably measured.

#### *Other Income*

Revenue from sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Other revenue is recognised when the right to receive the revenue has been legally established and the amount can be reliably measured.

No amounts are included in the statements for services donated by volunteers.

### **(j) Reserves**

#### *Asset Revaluation Reserve*

The Asset Revaluation Reserve has been created from historical directors revaluations of land & buildings held by the company as per the applicable accounting standard prior to decision to hold them at deemed cost in 2004.

#### *Capital Gains Reserve*

The Capital Gains Reserve has been created from the sale of property owned by Community of Christ Ltd. The primary purpose of the reserve is to help fund the operation of Community of Christ Ltd from the income received from the capital invested.

#### *Special Purpose Reserves*

Various reserves have been created by the donation or allocation of moneys for a specific purpose. The reserves will be extinguished when the money is used for the purpose specified by the donor.

### **(k) Comparatives Edited**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **(l) New Standards and Interpretations Not Yet Adopted**

At the date of authorisation of the financial report, the following material Standards and Interpretations were issued but not yet effective:

- AASB 15 Revenue (applies to annual reporting periods beginning on or after 1 January 2019)
- AASB 16 Leases (applies to annual reporting periods beginning on or after 1 January 2019)

Community of Christ Ltd is assessing the potential impact on its financial statements of these new and revised Standards & Interpretations.

### **Note 3 Compliance with Australian equivalents to International Financial Reporting Standards**

Consideration was given to the requirements contained in Australian Accounting Standards that are equivalents to the International Financial Reporting Standards (AIFRS). The directors consider that, given the size and nature of the company and its operations, the adoption of all AIFRS is not warranted. Many of the provisions in the AIFRS are not applicable to the company including the regulations relating to dividends, borrowing, debt equity ratios, consideration of employee incentive schemes involving shares and share options, contracts when purchasing another company, and other similar transactions. If the said standard was adopted then there would be no material impact on the financial statements.

Further, AASB 1053 Application of Tiers of Accounting Standards, commenced 1 July 2013. As a not-for-profit entity, the company is eligible to apply Tier 2 reporting requirements. As the company has decided to apply some of the available reduced disclosure this precludes compliance with some AIFRS.

### **Note 4 Operational Divisions**

Community of Christ Ltd comprises the following two main operational divisions:

- 1. Australia Mission** operations are focused on supporting Community of Christ congregations, facilitating church expansion and providing a linkage between world church ministries and congregations in Australia.
- 2. Kallara Conference Centre** is a unique self-catering venue open to the public, situated on 60 acres, 2 hours drive north of Melbourne in the foothills of the Strathbogie Ranges.

The company has delegated its authority to manage the affairs of Kallara Conference Centre to the Kallara board of management except in relation to employment and property matters.

**Note 4 Operational divisions (continued)**

2018	Note	Australia Mission			Kallara	Total
Investment Income	5	895,276			1,365	896,641
Partnerships	6	260,947				260,947
Rental & Leases	7	209,490				209,490
Gain on disposal of PPE	8	-			-	-
Camps & Events	9	70,707			99,746	170,453
Donations & Bequests	10	88,367			844	89,211
Audit Fees		10,129				10,129
Other Income		66,408			2,391	68,799
<b>Total Revenue</b>		<b>1,601,324</b>			<b>104,346</b>	<b>1,705,670</b>
		<i>Finance &amp; Facilities</i>	<i>Congregation Support</i>	<i>Communication</i>		
Personnel expenses	12	(219,008)	(581,188)			(800,196)
Camps & Events	9		(119,439)			(119,439)
Direct Congregational Support			-			-
Tiona Chapel Development	13		(41,422)			(41,422)
Australia Herald				(21,605)		(21,605)
AEST			(2,743)			(2,743)
Leading Congregations Mission Training			(5)			(5)
Occupancy & maintenance		(43,671)	(7,336)	(35,099)		(86,106)
Legal		(48,998)				(48,998)
Depreciation		(9,470)	(33,059)	(23,704)		(66,233)
Interest paid to Depositors		(68,036)				(68,036)
Audit expense		(19,000)				(19,000)
Other		(40,822)	(17,666)	(13,994)	(25,754)	(98,236)
<b>Total expenses</b>		<b>(449,006)</b>	<b>(802,858)</b>	<b>(35,599)</b>	<b>(84,557)</b>	<b>(1,372,020)</b>
<b>Result for the year before investment (loss)/gain</b>		<b>313,861</b>			<b>19,789</b>	<b>333,650</b>
Investment (loss)/gain		482,092				482,092
<b>Result for the year</b>		<b>795,953</b>			<b>19,789</b>	<b>815,742</b>

  

2017	Note	Australia Mission			Kallara	Total
Investment Income	5	779,978			882	780,860
Partnerships	6	363,822				363,822
Rental & Leases	7	206,435				206,435
Gain on disposal of PPE	8	3,704,063				3,704,063
Camps & Events	9	89,208			68,535	157,743
Donations & Bequests	10	99,669			230	99,899
Audit Fees		9,481				9,481
Other Income		33,554			590,773	624,327
<b>Total Revenue</b>		<b>5,286,210</b>			<b>660,420</b>	<b>5,946,630</b>
		<i>Finance &amp; Facilities</i>	<i>Congregation Support</i>	<i>Communication</i>		
Personnel expenses	12	(189,792)	(811,121)			(1,000,913)
Camps & Events	9		(151,653)			(151,653)
Direct Congregational Support			(1,195,023)			(1,195,023)
Green Cathedral Development	13		(2,246)			(2,246)
Australia Herald				(24,609)		(24,609)
AEST			(4,301)			(4,301)
Leading Congregations Mission Training			(12,081)			(12,081)
Occupancy & maintenance		(39,539)	(7,331)	(33,660)		(80,530)
Legal		(14,995)				(14,995)
Depreciation		(10,526)	(32,518)	(20,586)		(63,630)
Interest paid to depositors		(52,115)				(52,115)
Audit expense		(16,000)				(16,000)
Other		(35,102)	(22,276)	(14,937)	(15,075)	(87,390)
<b>Total expenses</b>		<b>(358,069)</b>	<b>(2,238,550)</b>	<b>(39,546)</b>	<b>(69,321)</b>	<b>(2,705,486)</b>
<b>Result for the year before investment (loss)/gain</b>		<b>2,650,045</b>			<b>591,099</b>	<b>3,241,144</b>
Investment (loss)/gain		82,297				82,297
<b>Result for the year</b>		<b>2,732,342</b>			<b>591,099</b>	<b>3,323,441</b>

**Note 5 Investment Income**

	2018	2017
	\$	\$
Interest from cash deposits & loans	2,928	4,519
Endowment Fund surplus investment income distribution	145,689	89,983
<u>Community of Christ Ltd Investment Fund distribution</u>		
Interest	256,941	278,688
Distributions	443,440	445,984
Rent from direct property	34,720	50,605
Franking credit refund from ATO	23,890	27,697
Gain/(loss) on sale of investments	58,428	(36,914)
Portfolio management expenses	(58,351)	(69,740)
Property management expenses	(11,044)	(9,962)
	<u>748,024</u>	<u>686,358</u>
Gain/(loss) on re-measurement of investments at fair value	482,092	82,297
Total Community of Christ Ltd Investment Fund distribution	<u>1,230,116</u>	<u>768,655</u>
Simple net return on 1 July opening balance units in Community of Christ Investment Fund (operating net (drawdowns)/additions of (\$543,871) in 2018 (\$3,133,716 in 2017) affected return).	7.23%	5.90%

Community of Christ Ltd Investment Fund changed their method of valuing investments at fair value from cum dividend to ex dividend in 2017. This resulted in a distribution of \$194,718 for 2016 being recognised as income in 2017 and distributed to Community of Christ Ltd as part of the overall 2017 distribution. Further, Community of Christ Ltd Investment Fund discovered \$17,395 had not been distributed to Community of Christ Ltd in 2016 and 2015 relating to direct property net income, this was corrected in 2017.

**Note 6 Partnership Funding**

	2018	2017
	\$	\$
Saints Care Ltd	256,640	302,022
Community of Christ - Congregations	4,307	61,800
	<u>260,947</u>	<u>363,822</u>

Further information is provided in note 14

**Note 7 Rental & Lease Income**

	2018	2017
	\$	\$
Green Cathedral Chapel Hire	-	5,500
Boatshed & Sundowner Tiona Tourist Park, Forster NSW	172,529	168,858
Laycock St, Cranebrook NSW ( <i>Preschool</i> )	36,961	32,077
	<u>209,490</u>	<u>206,435</u>

**Note 8 Gain on Sale of Assets Held for Sale**

	2018	2017
	\$	\$
Gain on sale of Hughesdale	-	973,023
Gain on sale of Ryde	-	2,731,039
	<u>-</u>	<u>3,704,062</u>

Gain on sale of Hughesdale

On 3 February 2017, settled occurred for the property at 241 Poath Rd, Murrumbena Victoria; Community of Christ congregation known as 'Hughesdale' was located on this property. The Company received net proceeds of \$1,195,023 for the property; the net proceeds were transferred to 'Hughesdale'. The property was valued by deemed cost in 2004 at \$222,000 therefore a significant gain on sale of \$973,023 resulted.

Gain on sale of Ryde

On 17 January 2017, settled occurred for the property at 176-178 Blaxland Rd, Ryde New South Wales. The Company received net proceeds of \$3,081,039 for the property; a 10% deposit was received in 2016 financial year(see note 16). The Ryde property was valued by deemed cost in 2004 at \$350,000 therefore a significant gain on sale of \$2,731,039 resulted.

**Note 9**

**Camps & Events**

	2018			2017		
	\$	\$	\$	\$	\$	\$
	Income	Expense	Surplus/ (Subsidy)	Income	Expense	Surplus/ (Subsidy)
<b>Australia Mission</b>						
<i>Camps held at Sundowner Tiona Tourist Park</i>						
Children's Camp	-	(65)	(65)	-	-	-
Reunion	34,478	(76,552)	(42,074)	37,114	(78,458)	(41,344)
Total	34,478	(76,617)	(42,139)	37,114	(78,458)	(41,344)
<i>Camps held at Kallara Conference Centre</i>						
Australia Mission						
Conference	-	(84)	(84)	8,727	(14,799)	(6,072)
Children's Camp	3,640	(3,703)	(63)	4,323	(8,001)	(3,678)
CPlus Major Camp	5,115	(8,507)	(3,392)	-	-	-
CPlus Unplugged	-	-	-	1,390	(1,313)	77
Reunion	-	-	-	3,208	(3,510)	(302)
Total	8,755	(12,294)	(3,539)	17,648	(27,623)	(9,975)
Accommodation paid to Kallara included		(2,369)			(7,924)	
<i>Camps held at Koonjearre</i>						
Reunion	3,212	(6,266)	(3,054)	4,200	(7,086)	(2,886)
Total	3,212	(6,266)	(3,054)	4,200	(7,086)	(2,886)
<i>Camps held at Other venues</i>						
National Leaders						
Gathering	14,142	(16,677)	(2,535)	8,493	(14,509)	(6,016)
CPlus - Camps General	-	-	-	-	(55)	(55)
Cplus Major Camp	-	-	-	8,000	(17,152)	(9,152)
Yarrahapinni	-	(10)	(10)	4,363	(4,385)	(22)
Cruise Reunion	-	-	-	3,620	(2,024)	1,596
WOW	2,220	(2,923)	(703)	1,370	(1,079)	291
CPlus Unplugged	2,870	(1,293)	1,577	-	-	-
NSW Women's Retreat (previously at Tiona)	5,030	(5,728)	(698)	4,400	(7,206)	(2,806)
Total	24,262	(26,631)	(2,369)	30,246	(46,410)	(16,164)
<b>Australia Mission Total</b>	<b>70,707</b>	<b>(121,808)</b>	<b>(51,101)</b>	<b>89,208</b>	<b>(159,577)</b>	<b>(70,369)</b>

**Expenses exclude the cost of staff & volunteer time planning and attending these events**

	2018	2017
	\$	\$
<b>Kallara Conference Centre</b>		
Camps & Events Fees from Congregations & Others	99,746	68,535
Camps & Events Fees from Australia Mission	2,369	7,924
<b>Kallara Conference Centre Total</b>	<b>102,115</b>	<b>76,459</b>

**Note 10 Donations & Bequests**

	2018	2017
	\$	\$
<b>Australia Mission Centre</b>		
Donations - General	48,335	67,904
Donations - Tiona Chapel Development	6,245	4,580
Donations - Green Cathedral Chapel	32,020	20,400
Donations - Community Plus	1,767	6,785
	<u>88,367</u>	<u>99,669</u>
<b>Kallara Conference Centre</b>		
Donations - General	844	230
	<u>844</u>	<u>230</u>
	<u>89,211</u>	<u>99,899</u>
<b>Donations to Camps &amp; Events included in Camps &amp; Events Income (see Note 9)</b>		
NSW Women's Retreat	40	-
Community Plus	1,500	530
Kallara Reunion	-	73
Australia Mission Conference	-	1,163
National Leaders Gathering	-	310
Yarrahapinni	-	94
WOW	-	600
	<u>1,540</u>	<u>2,770</u>

**Note 11 Other Income**

	2018	2017
	\$	\$
Grants - Kallara Campground from Hughesdale	-	589,718
- Other	3,271	1,229
Closed congregations bank account funds (Bulahdelah 2018, Rosanna 2017)	53,909	19,650
Fees	18,927	18,970
Other	2,820	4,241
	<u>78,927</u>	<u>633,808</u>

**Note 12 Personnel Expenses**

	2018	2017
	\$	\$
Wages, salaries, allowances, benefits & superannuation	552,012	712,114
Motor vehicles	41,384	53,833
Equipment eg. Laptops	3,832	3,623
Ministerial expenses	43,779	52,123
Provision for annual & long service leave	6,975	45,338
Workers compensation insurance	8,192	8,050
Other	14,101	15,938
	<u>670,275</u>	<u>891,019</u>
Saints Care Ltd administrative staff fee	129,921	109,894
	<u>800,196</u>	<u>1,000,913</u>
<i>Employee numbers</i>		
Average number of full-time equivalent employees - Australia Mission	7	9
Average number of full-time equivalent employees - Saints Care Ltd	1	1



**Note 13 Tiona Chapel Development**

	Total	2018	2017	2016	2015	2014	2013	2012	2011	2010	2004-8
<b>Income</b>											
Donations	<b>84,543</b>	<b>6,245</b>	4,580	2,217	7,929	20,227	1,193	3,214	36,246	-	2,692
Fundraising	<b>17,842</b>	<b>1,200</b>	2,640	2,039	2,649	9,314	-	-	-	-	-
<b>Total Income</b>	<b>102,385</b>	<b>7,445</b>	7,220	4,256	10,578	29,541	1,193	3,214	36,246	-	2,692
<b>Expenses</b>											
Development	<b>(288,053)</b>	<b>(41,384)</b>	(31)	-	(9,189)	(32,796)	(14,242)	(75,511)	(41,118)	(18,089)	(55,693)
Fundraising	<b>(101,321)</b>	<b>(38)</b>	(2,215)	(361)	(12,782)	(85,813)	(112)	-	-	-	-
<b>Total Expenses</b>	<b>(389,374)</b>	<b>(41,422)</b>	(2,246)	(361)	(21,971)	(118,609)	(14,354)	(75,511)	(41,118)	(18,089)	(55,693)
<b>Net</b>	<b>(286,989)</b>	<b>(33,977)</b>	4,974	3,895	(11,393)	(89,068)	(13,161)	(72,297)	(4,872)	(18,089)	(53,001)
<b>Fund Allocations</b>	<b>627,837</b>	<b>388,452</b>				100,000					139,385
<b>Net after Fund Allocations</b>	<b>340,848</b>	<b>354,475</b>	4,974	3,895	(11,393)	10,932	(13,161)	(72,297)	(4,872)	(18,089)	86,384

*AMCC 2005 (Special Australia Mission Centre Meeting)*

RESOLVED, that approval is given to the Mission Centre President and Mission Centre Bishop for expenditure up to \$300,000 for a building to be erected at Tiona together with the landscaping, fit out and other associated costs.

*AMCC 2006-2 Tiona Building*

RESOLVED, that approval is given to the Mission Centre President and the Mission Centre Financial Officer for expenditure up to \$450,000 for a building to be erected at Tiona together with the landscaping, fit out and other associated costs.

*AMCC 2013-2: Reaffirm Construction of an All-weather Facility at Tiona campground and Authorization for Additional Funding*

RESOLVED That delegates to the 2013 Australia Mission conference reaffirm their commitment to proceed with the construction of an all-weather facility on the site of the old Mission tent; and

RESOLVED That approval be given for a further expenditure of \$950,000 (\$250,000 previously authorized but not expended and \$700,000 additional funding) be given to pursue construction of this all-weather facility with these funds being generated from fundraising activity and lease payments received from Sundowner under the management lease; and

RESOLVED that cash advances or loans of AMC funds beyond the \$450,000 (\$200,000 spent and \$250,000 yet to be spent) approved at prior conferences will be made only after a fundraising plan is enacted and at least \$350,000 in gifts and firm pledges are in place, and

RESOLVED That the Australia Mission officers be authorized to expend up to 10% over the total amount approved for this project should that become necessary to complete it without further conference action.

*MCC 2018: Reaffirm Commitment, Reestablishment of Fund-Raising Body and Approve Estimated Build Cost*

RESOLVED That the Australia Mission Centre Council:

1. confirms its resolve to develop an all-weather facility at Tiona:
2. commits to the reestablishment of the fund-raising body:
3. sets an upper limit of the cost of the all-weather facility at \$1.6million (ex GST) with an allowance of a 10% variation
4. communicates this decision to the Australia Mission Centre as soon as possible by the use of electronic and printed means.

**Note 13 Green Cathedral Outdoor Chapel Income & Expenditure**

	2018	2017
	\$	\$
<b>Income</b>		
Donations	32,020	20,400
Hire Fees	-	5,500
<b>Total Income</b>	<u>32,020</u>	<u>25,900</u>
<b>Expenses</b>		
Advertising	(1,316)	(42)
Cleaning	-	(2,520)
Equipment	(109)	(3,196)
Insurance	(1,895)	(1,290)
Legal & Rent	(381)	(355)
Repairs & Maintenance	(344)	(710)
Staff costs*	(3,646)	(300)
Other	(149)	(166)
<b>Total Expenses</b>	<u>(7,838)</u>	<u>(8,579)</u>
<b>Net Lease Income/(Expense)</b>	<u>24,182</u>	<u>17,321</u>

\* Staff costs reflects preparation for services & associated cleaning, it does not include staff time for managing the chapel or bookings thereof.

**Note 14 Sundowner Tiona Tourist Park Lease Income & Expenditure**

	2018	2017
	\$	\$
<b>Income</b>		
Sundowner Lease Income	171,034	162,889
<b>Total Income</b>	<u>171,034</u>	<u>162,889</u>
<b>Expenses</b>		
General	(1,004)	(1,403)
Legal	(11,522)	(589)
Staff - 5% of Green Cathedral Ministries position based on review of actual time spent on planning and attending camps & events held at Tiona + estimate of other staff time for planning and attending these camps & events	(20,571)	(17,638)
Subsidy for Camps & Events held at Tiona	(42,837)	(44,150)
<b>Total Expenses</b>	<u>(75,934)</u>	<u>(63,780)</u>
<b>Net Lease Income/(Expense)</b>	<u>95,100</u>	<u>99,109</u>
<b>Transfer to Maintenance/Capital Reserve</b>	<u>(70,000)</u>	<u>(50,000)</u>
<b>Net Lease Income/(Expense) after Reserve Transfers</b>	<u>25,100</u>	<u>49,109</u>

The above has been prepared from the perspective that Sundowner lease income covers only staff time spent on planning and attending camps and events at Tiona. Therefore, no cost has been included for time spent on the general duties of the Green Cathedral Ministries position. Community of Christ Ltd acknowledges that from a historical perspective there is evidence an argument could be made for all or a portion of this to be included.

## **Note 15                      Related Parties**

The Presiding Bishopric of Community of Christ is trustee of all assets of the church worldwide. Community of Christ's Australia Mission Financial Officer acts as agent for the Presiding Bishopric in Australia and serves as a director and company secretary for Saints Care Ltd. Community of Christ's Australia Mission President serves as chair & CEO for Saints Care Ltd. Saints Care Ltd is the charity arm of Community of Christ in Australia.

Community of Christ Ltd (Australia Mission) provides staffing and administration to Saints Care Ltd; \$230,117 of the 'partnership funding' income (see note 6) was for ministerial and administrative staff expenses recouped by Community of Christ Ltd (Australia Mission) during the 2018 year (\$281,168 in 2017).

Community of Christ Ltd and Saints Care Ltd also share an office; \$26,523 of 'partnership funding' income was for occupancy and general office running costs recouped by Community of Christ Ltd during the 2018 year (\$20,854 in 2017). Other shared expense were split at the time of payment to the supplier.

Saints Care Ltd provides accounting services to Community of Christ Ltd; \$129,921 of the 'personnel expenses' (see note 4 & 12) incurred was paid to Saints Care Ltd during the 2018 year (\$109,894 in 2017).

Community of Christ Ltd receives a consolidated flat audit fee from Frost Crane & Co for audit services rendered for Community of Christ Ltd, Presiding Bishopric and Saints Care Ltd. During the 2018 year, Community of Christ Ltd received \$7,004 (7,089 in 2017) from Saints Care Ltd and \$1,606 (\$1,814 in 2017) from the Presiding Bishopric.

Community of Christ Ltd received \$4,307 during 2018 (\$61,800 in 2017) from Community of Christ congregations for contributions to the funding of specific employment contracts and the Co-Mission Leaders training program (see note 6).

### *Directors Compensation*

Except for Community of Christ Australia Mission President and Financial Officer (as mentioned above) and an ex-officio director who is a counsellor to the Financial Officer employed part-time by Saints Care Ltd for part of the year to assist Financial Officer, directors act in an honorary position and receive no compensation for their services. The Australian Mission President role was paid by The Presiding Bishopric prior to the 2017 year. The Australia Mission President and Financial Officer roles are paid by Community of Christ Ltd with an appropriate amount recouped from Saints Care Ltd, similarly Saints Care Ltd recouped an appropriate amount from Community of Christ Ltd for ex-officio director (as mentioned above).

During the year travel expenses totalling \$460 (\$393 in 2017) incurred by the other directors in fulfilling their role were reimbursed.

**Note 16 Cash and cash equivalents**

	<b>2018</b>	2017
	<b>\$</b>	<b>\$</b>
Cash at bank	<b>224,388</b>	345,901
Others	<b>248</b>	300
Total cash and cash equivalents as stated in the statement of financial position	<b>224,636</b>	346,201

**Note 17 Assets Held for Sale**

	<b>2018</b>	2017
	<b>\$</b>	<b>\$</b>
Motor Vehicle	-	10,857
	-	10,857

**Note 18 Financial Investments**

**Current**

	<b>2018</b>	2017
	<b>\$</b>	<b>\$</b>
ANZ Term Deposit	<b>50,000</b>	-
Financial assets at fair value through profit or loss		
- Unit value of funds invested in Community of Christ Ltd's pooled investment fund	<b>4,463,054</b>	5,114,594

**Non-Current**

Financial assets at fair value through profit or loss		
- Unit value of funds invested in Community of Christ Ltd's pooled investment fund	<b>13,389,162</b>	11,905,686
Total unit value of funds invested in Community of Christ Ltd's pooled investment fund	<b>17,902,216</b>	17,020,280

Financial investments have been reported as 'fair value through profit or loss' to enable performance evaluation on a fair value basis through a documented risk management or investment strategy. This applies to all financial assets. It does not apply to two residential properties that aren't held strictly for investment purposes, these properties are held at deemed cost in 2004 of \$775,000 (2017 \$775,000).

Financial assets at 'fair value through profit or loss' are measured at fair value and changes therein, including any interest or dividend income, are recognised in the profit or loss.

**Note 19 Property, Plant and Equipment**

	<b>Church Land &amp; Buildings</b>	<b>Campgrounds</b>	<b>Other Properties</b>	<b>Motor Vehicles</b>	<b>Office Furniture &amp; Equipment</b>	<b>Campground Furniture &amp; Equipment</b>	<b>Total</b>
<b>Cost</b>							
Balance at 1 July 2016	7,410,000	1,674,047	83,899	223,027	80,810	97,506	9,569,289
Additions	-	119,538	-	64,425	16,658	60,883	261,504
Disposals	(222,000)	-	-	(48,498)	(27,835)	-	(298,333)
<b>Balance at 30 June 2017</b>	<b>7,188,000</b>	<b>1,793,585</b>	<b>83,899</b>	<b>238,954</b>	<b>69,633</b>	<b>158,389</b>	<b>9,532,460</b>
Balance at 1 July 2017	7,188,000	1,793,585	83,899	238,954	69,633	158,389	9,532,460
Additions	-	29,416	-	49,692	14,099	28,045	121,252
Disposals	-	-	-	(91,048)	-	-	(91,048)
<b>Balance at 30 June 2018</b>	<b>7,188,000</b>	<b>1,823,001</b>	<b>83,899</b>	<b>197,598</b>	<b>83,732</b>	<b>186,434</b>	<b>9,562,664</b>
<b>Depreciation</b>							
Balance at 1 July 2016	-	122,549	26,630	96,653	66,201	61,049	373,082
Depreciation	-	9,522	2,122	33,467	7,345	11,174	63,630
Disposals	-	-	-	(32,924)	(27,835)	-	(60,759)
<b>Balance at 30 June 2017</b>	<b>-</b>	<b>132,071</b>	<b>28,752</b>	<b>97,196</b>	<b>45,711</b>	<b>72,223</b>	<b>375,953</b>
Balance at 1 July 2017	-	132,071	28,752	97,196	45,711	72,223	375,953
Depreciation	-	9,522	2,049	32,509	7,889	14,265	66,233
Disposals	-	-	-	(52,408)	-	-	(52,408)
<b>Balance at 30 June 2018</b>	<b>-</b>	<b>141,593</b>	<b>30,801</b>	<b>77,296</b>	<b>53,600</b>	<b>86,488</b>	<b>389,778</b>
<b>Carrying Amounts</b>							
At 1 July 2016	7,410,000	1,551,498	57,269	126,374	14,609	36,457	9,196,207
At 30 June 2017	7,188,000	1,661,514	55,147	141,758	23,922	86,166	9,156,507
At 1 July 2017	7,188,000	1,661,514	55,147	141,758	23,922	86,166	9,156,507
<b>At 30 June 2018</b>	<b>7,188,000</b>	<b>1,681,408</b>	<b>53,098</b>	<b>120,302</b>	<b>30,132</b>	<b>99,946</b>	<b>9,172,886</b>

**Note 19 Property, Plant & Equipment (continued)**

	2018	2017
	\$	\$
<b>Church Land &amp; Buildings</b>		
Aspley	400,000	400,000
Bendigo	300,000	300,000
Bulahdelah	150,000	150,000
Central Coast	250,000	250,000
Drummoyne	1,100,000	1,100,000
Ferntree Gully	160,000	160,000
Frankston	148,000	148,000
Guildford	350,000	350,000
Johns River	210,000	210,000
Kingsgrove	380,000	380,000
Nepean	340,000	340,000
Parkholme	400,000	400,000
Taree	320,000	320,000
The Homestead (Beldon)	500,000	500,000
Tuncurry	90,000	90,000
Wallsend	750,000	750,000
Wingham	150,000	150,000
Woodlands (Perth)	240,000	240,000
West Pennant Hills	950,000	950,000
	<u>7,188,000</u>	<u>7,188,000</u>
<b>Campgrounds</b>		
Kallara	751,563	731,669
Tiona	929,845	929,845
	<u>1,681,408</u>	<u>1,661,514</u>

Land and buildings stated at deemed cost in 2004.

**Note 20 Payables**

	2018	2017
	\$	\$
<b>Deposits Held</b>		
Community of Christ - Congregations	2,206,588	2,122,998
Community of Christ - Members	120,245	112,390
	<u>2,326,833</u>	<u>2,235,388</u>
<b>Other</b>		
General	52,064	57,414
Camp/Event Fees Received in Advance	96,150	14,253
	<u>148,214</u>	<u>71,667</u>
	<u>2,475,047</u>	<u>2,307,055</u>

**Note 21 Cash Flow Information**

	2018	2017
	\$	\$
<b>CASH FLOW INFORMATION NOTES</b>		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash at bank	224,388	345,901
Cash on hand (petty cash)	248	300
	<u>224,636</u>	<u>346,201</u>
(b) Reconciliation of cash flows from operations with result for the year		
Result for the year	815,742	3,323,441
Non-cash flows in result:		
Depreciation	66,233	63,630
Interest credited to members and congregations depositor accounts	68,036	52,115
Net (gain)/loss on re-measurement of investments at fair value	(482,092)	(82,297)
Net (gain)/loss on disposal of property, plant and equipment	6,063	(3,704,063)
Changes in assets and liabilities:		
(increase)/decrease in receivables	(170,914)	(29,790)
Increase/(decrease) in payables	76,547	(176,474)
Increase/(decrease) in provisions	(49,939)	89,978
<b>Cash flows from operations</b>	<u><u>329,676</u></u>	<u><u>(463,460)</u></u>

**Note 22 Reserves**

	2018	2017
	\$	\$
Capital Gains Reserve	1,286,649	1,286,649
Asset Revaluation Reserve	611,410	611,410
Tiona Chapel Development Reserve	340,848	(13,627)
 <u>Special Ministries Reserves</u>		
Bequest (Special Project)	-	338,452
Blaiklock Children Fund	3,055	3,055
Blaiklock Education Fund	3,159	3,159
Church Planting Reserve	6,222	6,222
Cruise Reunion	1,596	1,596
Iris Hilder Fund	91,761	91,761
Ministerial Expense Reserve	214,156	214,156
Missionary Development Fund	75,869	75,869
Music Fund	40,476	40,476
Special Ministries	53,833	53,833
Tiona Maintenance/Capital	120,000	50,000
	<u>610,127</u>	<u>878,579</u>

In 2018, the entire Bequest (Special Project) reserve funds of \$338,452 were allocated and transferred to the Tiona Chapel Development reserve.



## **Note 23      Controlled Entities**

Parent Entity  
**Community of Christ Ltd**

<b>Subsidiaries of Community of Christ Ltd:</b>	<b>Country of Incorporation</b>	<b>Percentage Owned 2018</b>	<b>Percentage Owned 2017</b>
Community of Christ Superannuation Fund Pty Ltd	Aust	100%	100%

- Community of Christ Superannuation Fund Pty Ltd acts solely as trustee for the Community of Christ Superannuation Fund, a Self Managed Superannuation Fund.

## **Note 24      Events after the Reporting Period**

In 2017 after many decades of service, the Bulahdelah congregation made the decision to close. Approval was made after 30 June 2018 by the relevant bodies to list the associated property at Bulahdelah for sale and direct the net sale proceeds to the Tiona Chapel development.

An offer was subsequently accepted in December 2018 for \$385,000 including GST. Settlement occurred on 11 February 2019.

Bulahdelah is currently valued by deemed cost in 2004 at \$150,000, therefore a gain on sale of \$187,696 resulted after expenses associated with the sale were deducted.

## **Note 25      Members' Guarantee**

The company is limited by guarantee. If the company is wound up, the Memorandum and Articles of Association state that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. As at 30 June 2018 the number of members was six.

## **Note 26      Contingent Liability**

Directors are of the opinion that there are no provisions required for contingencies in 2018 or 2017.

**COMMUNITY OF CHRIST LTD**  
**ABN 58 071 050 710**

**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018**

**Directors' Declaration**

The directors declare that in the directors' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



Benjamin Smith  
Director/Chair



Julie Crittenden  
Company Secretary

Dated: 21 March 2019



Frost Crane & Co  
ABN 89 625 234 511

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**COMMUNITY OF CHRIST LTD**  
**ABN 58 071 050 710**  
**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF COMMUNITY OF CHRIST LTD**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the accompanying financial report of which comprises the statement of financial position as at 30th June 2018 and the statement of comprehensive income statement, statement of changes in equity, and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

In my opinion the financial report of Community of Christ Ltd have been prepared in accordance with Division 60 of the *Australian Charities and Not-For-Profits Commission Act 2012*, including:

- i. giving a true and fair view of the company's financial position as at 30 June, 2018 and of their performance for the year ended on that date; and
- ii. complying with Accounting Standards to the extent described in Note1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**Basis for opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the financial report section of my report. I am independent of the company in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for professional accountants* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Directors' Responsibility for the Financial Report**

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Emphasis of Matter - Basis of Accounting**

I draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

### **Directors' Responsibility for the Financial Report**

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of ACNC Act and the needs of members in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility also includes such internal controls as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors intend either to liquidate the company or cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but it not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Accounting Standards, professional judgement is exercised and professional scepticism is maintained throughout the audit. I also:

- Analyse the risks of material misstatement in the financial report are identified and assessed, whether due to fraud or error, and design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I were to conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Frost Crane & Co 22/3/2019  
Bruce Frost CA  
Carlingford. NSW  
Registered Company Auditor