

# Accounts, Audits and Annual Reports Ordinance 1995 Amendment Ordinance 2013

No 52, 2013

## Long Title

An Ordinance to align the financial reporting to the Synod and the Australian Charities and Not-for-profits Commission and for related matters.

The Standing Committee of the Synod of the Diocese of Sydney Ordains as follows.

### 1. Name

This Ordinance is the *Accounts, Audits and Annual Reports Ordinance 1995 Amendment Ordinance 2013*.

### 2. Amendment of the Accounts, Audits and Annual Reports Ordinance 1995

The *Accounts, Audits and Annual Reports Ordinance 1995* is amended as follows –

- (a) omit the text in clause 1 and insert instead the following –

“This Ordinance applies to –

- (a) the Organisations referred to in a Schedule to this Ordinance; and
- (b) all Organisations set up by or under ordinances or resolutions of the Synod or the Standing Committee to manage church trust property after the date on which the *Accounts, Audits and Annual Reports Ordinance 1995 Amendment Ordinance 2013* commences.”, and
- (b) omit the matter “6 years” in clause 3(c) and insert instead “7 years”, and
- (c) omit clause 7 and insert instead the following –

#### “7. Appointment of Auditor

Each Organisation referred to in the Second or Third Schedule must –

- (a) appoint as the auditor of the Organisation –
- (i) a registered company auditor (within the meaning of the *Corporations Act 2001*), or
- (ii) a firm that consents to be appointed, or is appointed, as auditor and at least one member of which is a registered company auditor (within the meaning of that Act), or
- (iii) an authorised audit company (within the meaning of that Act), and
- (b) upon the resignation or retirement of the auditor, appoint another auditor; and
- (c) give the auditor a copy of this Ordinance.

**Note:** *The persons who may be appointed as an auditor under clause 7(a) correspond to the persons who are authorised under section 60-30 of the Australian Charities and Not-for-profits Commission Act 2012 to undertake an audit or review of financial reports prepared for the purposes of that Act.*, and

- (d) omit the matter “clause 10” in clause 8 and insert instead “clause 10(1)”, and
- (e) omit clauses 9 and 10 and insert instead the following –

#### “9. Financial Statements

(1) Each Organisation referred to in the First Schedule must as soon as possible after the end of a Financial Year prepare the following financial statements for the Organisation –

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- (a) a statement of income and expenditure for the Financial Year giving a true and fair view of the income and expenditure of the Organisation; and
- (b) a balance sheet as at the end of the Financial Year giving a true and fair view of the state of affairs of the Organisation.

Such financial statements must be accompanied by a statement indicating whether any audit or other assurance procedures were undertaken in relation to the finances of the Organisation for the Financial Year and, if so, the nature and outcome of those procedures.

(2) Each Organisation referred to in the Second or Third Schedule must as soon as possible after the end of a Financial Year prepare financial statements for the Organisation for the Financial Year in accordance with the Accounting Standards and present such statements to the auditor.

**Note:** *Under the Accounting Standards, each Organisation referred to in the Second or Third Schedule must determine whether it is a reporting entity required to produce general purpose financial reports (GPFR), or a non-reporting entity that can produce special purpose financial reports (SPFR). Generally the existence of users who are dependent on GPFR for making and evaluating resource allocation decisions will mean the organisation is a reporting entity. In certain circumstances it may be appropriate for a reporting entity preparing GPFR to apply the reduced disclosure requirement version of the Accounting Standards. A non-reporting entity can prepare SPFR which only comply with certain selected Accounting Standards.*

### 10. Auditor's Report

(1) Subject to subclause (2), the auditor must undertake an Audit and report to the members of the Organisation on the financial statements referred to in clause 9(2) giving an opinion on –

- (a) whether the documents are properly drawn up so as to give a true and fair view of the affairs of the Organisation;
- (b) whether the accounting records and registers have been kept in accordance with this ordinance; and
- (c) if the auditor is not satisfied, the reasons for not being satisfied.

(2) An Organisation referred to in the Second Schedule may determine that an Audit is unnecessary and, if so, may instead arrange for the auditor to undertake a Review of the financial statements referred to in clause 9(2).

**Note:** *Under clause 3 of the Accounts, Audits and Annual Reports Ordinance 1995 Amendment Ordinance 2013, an annual financial report and a corresponding auditor's or reviewer's report given to the Australian Charities and Not-for-profits Commission by an Organisation for a Financial Year may, in certain circumstances, be treated as the financial statements and auditor's report of the Organisation for the purposes of clause 9 and 10 of this Ordinance.”, and*

- (f) omit clause 12, and
- (g) omit both occurrences of the word “Second” in the heading and text of clause 13 and insert instead “Third”, and

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- (h) omit paragraph (b) in clause 14 and insert instead the following (with renumbering of existing paragraphs (c), (d) and (e) as (d), (e) and (f)) –
- (b) the financial statements referred to in clause 9 and, if applicable, the auditor's report referred to in clause 10;
  - (c) a charities group status report stating –
    - (i) the legal name and Australian Business Number for the entity comprising the Organisation and any other entity under the Organisation's control;
    - (ii) whether each entity referred to in (i) is registered as a charity with the Australian Charities and Not-for-profits Commission; and
    - (iii) whether an annual information statement and, if applicable, an annual financial report and auditor's or reviewer's report for the Financial Year which comply with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* have been given to the Australian Charities and Not-for-profits Commission for each entity referred to in (i);
- Note:** *The term "control" in paragraph (c)(i) is to be understood by reference to the Accounting Standards.'*, and
- (j) omit clause 17 and insert instead the following –
- "17. Interpretation**
- (1) The *Interpretation Ordinance 1985* applies to this Ordinance. The headings in this Ordinance have been inserted for convenience only and do not affect the interpretation of this Ordinance.
  - (2) Notes in this Ordinance are for explanatory purposes only and do not form part of this Ordinance. The Diocesan Secretary is authorised to update the notes when reprinting this Ordinance under clause 8 of the *Interpretation Ordinance 1985*," and
- (k) in clause 18 omit all the material up to but excluding the definition for "Half Year" and insert instead the following –
- 'In this Ordinance, unless the context otherwise requires –
- "Accounting Standards" has the same meaning as in the *Corporations Act 2001*.
- Note:** *The Corporations Act 2001 defines accounting standards to mean the accounting standards made by the Australian Accounting Standards Board pursuant to section 334 of that Act.*
- "Audit" means an audit conducted in accordance with the Accounting Standards.
- "Corporation" means a body corporate regulated under an ordinance of the Synod or its Standing Committee.
- "Financial Year" means, subject to clause 19, the year commencing on 1 January.', and
- (l) insert in alphabetical order in renumbered clause 18 the following new definition –
- "Review" means a review conducted in accordance with the Accounting Standards.', and
- (m) in renumbered clause 18 omit the definition for "Special Purpose Financial Statements", and
- (n) omit the matter "or 13" in clause 19(2), and
- (o) omit clause 21, and

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- (p) omit the second occurrence of the word “ordinance” in clause 22 and insert instead “Ordinance”, and
- (q) omit the First Schedule and the Second Schedule and insert instead the following –

### **“First Schedule**

Anglican Education Commission  
Archbishop of Sydney's Discretionary Trust  
Georges River Regional Council  
Ministry Training and Development Council  
Northern Regional Council  
St John's Regional Cathedral Chapter, Parramatta  
St Michael's Regional Cathedral Chapter, Wollongong  
South Sydney Regional Council  
Sydney Church of England Finance and Loans Board  
Western Sydney Regional Council  
Wollongong Regional Council

### **Second Schedule**

Anglican Media Council  
Archbishop of Sydney's Anglican Aid (The) as trustee of the  
Archbishop of Sydney's Overseas Ministry Fund  
Arundel House Council  
Department of Evangelism and New Churches (The Board of)  
Endowment of the See Committee – Expenditure Fund  
St Andrew's Cathedral Chapter

### **Third Schedule**

Abbotsleigh (The Council of)  
Anglican Retirement Villages: Diocese of Sydney  
Anglican Youth and Education Diocese of Sydney (Anglican  
Youthworks)  
Archbishop of Sydney's Anglican Aid (The)  
Archbishop of Sydney's Anglican Aid (The) as trustee of the  
Archbishop of Sydney's Overseas Relief and Aid Fund  
Arden Anglican School Council (The)  
Barker College (The Council of)  
Campbelltown Anglican Schools Council  
Glebe Administration Board as trustee of the Diocesan Endowment  
Glebe Administration Board as trustee of the St Andrew's House Trust  
Illawarra Grammar School Council (The)  
King's School (The Council of The)  
Macarthur Region Anglican Church School (The)  
Moore Theological College Council  
St Andrew's Cathedral School (The Council of)  
St Catherine's School, Waverley (The Council of)  
Sydney Anglican Home Mission Society Council (Anglicare)  
Sydney Anglican Schools Corporation  
Sydney Church of England Grammar School Council  
Sydney Diocesan Secretariat  
Tara Anglican School for Girls (The Council of)  
Trinity Grammar School (The Council of)  
William Branwhite Clarke College Council”.

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#### **3. Financial reports given to the Australian Charities and Not-for-profits Commission**

(1) Subject to subclause (2), an Organisation which gives the Australian Charities and Not-for-profits Commission an annual financial report and a corresponding auditor's or reviewer's report for a Financial Year prepared in accordance with sub-division 60-C of the *Australian Charities and Not-for-profits Commission Act 2012* may submit copy such reports to the Standing Committee instead of the financial statements and auditor's report referred to in clauses 9 and 10 of the *Accounts, Audits and Annual Reports Ordinance 1995* and, if submitted, such reports are taken to be the financial statements and auditor's report referred to in clauses 9 and 10 for the Financial Year for the purposes of that Ordinance.

(2) If –

- (a) an Organisation gives the Australian Charities and Not-for-profits Commission the reports referred to in subclause (1) for a Financial Year, and
- (b) the financial statements and the auditor's report referred to in clauses 9 and 10 of the *Accounts, Audits and Annual Reports Ordinance 1995* are nonetheless prepared for the Organisation for the Financial Year,

the statements and report referred to in paragraph (b) are to be submitted to the Standing Committee for the Financial Year in accordance with that Ordinance.

#### **4. Sunset date for charities group status report provisions**

The Standing Committee may declare by resolution a sunset date for all or any part of clause 14(c) of the *Accounts, Audits and Annual Reports Ordinance 1995* and if such a date is declared the Diocesan Secretary is authorised to reprint the *Accounts, Audits and Annual Reports Ordinance 1995* in a form which excludes the whole or any part of clause 14(c) which is subject to the sunset date.

#### **5. Application**

Clauses 2 to 4 of this Ordinance apply to the financial years commencing on or after 1 January 2014.

I Certify that the Ordinance as printed is in accordance with the Ordinance as reported.

R TONG  
Chairman of Committees

I Certify that this Ordinance was passed by the Standing Committee of the Synod of the Diocese of Sydney on 9 December 2013.

S LUCAS  
Acting Secretary

I Assent to this Ordinance.

GN DAVIES  
Archbishop of Sydney  
10/12/2013