



St Peter's Cathedral, Adelaide

Financial Report
for the Year Ended 31 December 2018

St. Peter's Cathedral, Adelaide

Income & Expenditure Statement for the Year Ended 31 December 2018

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		\$	\$
<u>Income</u>			
Planned Giving		241,457	222,666
Open Plate Collections		85,878	87,969
Donations for Property Costs		16,431	18,531
Music Foundation Grants: Music Dept		30,000	30,000
Other Donations, Fundraising and other income		22,862	30,237
Fees for Services		18,625	31,560
Investment Income	2	77,647	85,641
Property Income		129,431	128,628
Cathedral and Hall Use		35,217	44,678
Cathedral Shop		26,668	23,351
Mission Offerings		5,272	6,649
		<u>689,488</u>	<u>709,910</u>
<u>Expenditure</u>			
Ministry		224,367	191,598
Worship, Music and Organ		89,062	90,578
Office Support		167,390	178,402
Synodal Assessments		52,374	49,702
Insurance		31,057	24,528
AFSA Loan Interest		3,978	5,276
Property Costs and Depreciation	1b, 3, 7	50,207	60,516
Cathedral Conservation Works		40,000	39,400
Council Rates & Utilities		42,329	31,065
Missions	4	11,280	16,473
		<u>712,044</u>	<u>687,538</u>
Operating Surplus/(Deficit) from regular activities		(22,555)	22,372
Gain on sale of securities	2	26,234	
<i>Organ Project</i>			
Music Foundation Grants: Organ Project	1j	991,427	244,612
Other Income: Organ Project		72,175	13,966
Organ Restoration Costs	1j	(1,063,602)	(255,375)
General Bequests	1k	14,082	82,905
<i>Other activities</i>			
Memorial Garden Income	1e, 9	7,912	12,968
Memorial Garden expenditure		(59,255)	(1,080)
Restoration Fund Income	1f, 10	-	-
Restoration Fund Expenditure		(82,657)	-
Lakeman Bequest Fund Income	1g, 12	2,150	2,019
Net Surplus/(Deficit) from all activities		(114,089)	122,387
<i>Transfers between funds</i>			
Transfer (to)/from Memorial Garden Reserve	1e, 9	51,344	(11,888)
Transfer (to)/from Restoration Project Reserve	1f, 10	(17,343)	-
Transfer (to)/from Lakeman Bequest Fund	1g, 12	(2,150)	(2,019)
Accumulated General Fund at beginning of year		2,273,238	2,164,758
Accumulated General Fund at end of year		2,190,999	2,273,238

The accompanying notes form part of this financial report

St. Peter's Cathedral, Adelaide
Balance Sheet as at 31 December 2018

	<u>Note</u>	<u>2018</u>	<u>2017</u>
<u>Current Assets</u>			
Cash at BankWest		59,926	84,548
Cash at Anglican Funds SA		1	1
Restoration Fund: National Trust SA	1f, 10	11	11
Slates for future stages of roof restoration	10	53,540	
Sundry Debtors and accrued income		61,882	80,564
Lakeman Bequest Fund accrued income	12	1,103	1,022
Total Current Assets		<u>176,463</u>	<u>166,146</u>
<u>Non-Current Assets</u>			
Anglican Funds SA Endowment Fund: Unrestricted	5a	1,382,991	1,675,479
Anglican Funds SA Endowment Fund: Restricted	5b	25,209	27,476
Lakeman Bequest Fund investments	12	39,649	41,132
Freehold Property	6	14,825,000	14,825,000
Plant & Equipment	7	11,757	5,631
Total Non-Current Assets		<u>16,284,607</u>	<u>16,574,718</u>
TOTAL ASSETS		<u>16,461,070</u>	<u>16,740,864</u>
<u>Current Liabilities</u>			
AFSA Loan		33,901	41,053
Sundry Creditors		56,191	25,834
Other Specific Project provisions		601	648
Provision for Staff Benefits		45,764	46,028
Provision - Ministry Accounts		1,003	767
Total Current Liabilities		<u>137,459</u>	<u>114,330</u>
<u>Non-Current Liabilities</u>			
AFSA Loan		43,148	73,359
TOTAL LIABILITIES		<u>180,607</u>	<u>187,689</u>
NET ASSETS		<u>16,280,463</u>	<u>16,553,175</u>
<u>Member Funds</u>			
General Fund Accumulated Surplus		2,190,999	2,273,238
Investments Revaluation Reserve	5	202,933	358,004
Freehold Revaluation Reserve	8	13,765,976	13,765,976
Memorial Garden Fund	1e, 9	17,019	68,363
Restoration Fund	1f, 10	60,008	42,665
Green Cathedral Project	1g, 11	2,775	2,775
Lakeman Bequest Fund	1h, 12	40,752	42,154
TOTAL MEMBER FUNDS		<u>16,280,463</u>	<u>16,553,175</u>

The accompanying notes form part of this financial report

St Peter's Cathedral, Adelaide

Notes to the Financial Report for the Year Ended 31 December 2018

Note 1 Statement of significant accounting policies

This financial report is a special purpose financial report, which has been prepared specifically for Members of the Cathedral Council and the Synod of the Diocese of Adelaide of the Anglican Church of Australia Incorporated in accordance with the Cathedral Ordinance 2013 and related Ordinances. The Council has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the following Australian Accounting Standards:

AASB 1031: Materiality

AASB 110: Events occurring after the Balance Sheet Date

No other applicable accounting standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

It has been prepared on the basis of historical cost and does not take into account changing money values or except where stated current valuation of non current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial report.

(a) Employee Entitlements

Provision for employee entitlements has been made for all employees in accordance with the relevant industrial agreements and contracts utilising costs which prevailed at the end of the year.

(b) Depreciation

No provision is made for the depreciation of buildings as the buildings are recorded at fair value (refer note 1(c) below). Plant and equipment is generally depreciated over its useful life on a prime cost basis.

(c) Freehold Property

The Freehold Property is owned by the Synod and held on behalf of St Peter's Cathedral. Freehold Property was revalued to the State Government Valuation 2016 in accordance with the policy of the Synod of the Diocese of Adelaide to revalue property every three years.

(d) Investments

All equity investments are now held in Units of the Endowment Fund of Anglican Funds South Australia, and are shown at market value.

(e) Memorial Garden Fund

Fees received for Licences for a Memorial Garden Plot and the provision of a Memorial Paving Stone are recorded as a distinct fund. Costs in establishing and maintaining the Memorial Garden are charged against this fund; transactions are set out in note 9.

(f) Cathedral Restoration Fund

The National Trust of South Australia Inc. holds the invested funds arising from tax deductible donations and interest received, less amounts expended, for the purposes of the Cathedral Restoration Projects. Transactions are set out in note 10.

(g) The Green Cathedral Project

Fundraising and grant income and project expenditure for the Green Cathedral Project are reported in this separate fund; transactions are set out in note 11.

(h) The Lakeman Bequest Fund

The fund was established by a bequest from the late Frederick Allen Lakeman for the purpose of maintaining the Cathedral bells. Transactions of the Lakeman Bequest Fund are set out in Note 12.

(i) Goods and Services Tax

Income, expenditure and assets are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(j) Organ Restoration Project

The Council entered into a contract with Harrison & Harrison of Durham, UK to restore the Cathedral Organ at a cost of £599,768. To date, \$1,419,954 has been spent on the project, supported by grants totalling \$1,288,229 from St Peter's Cathedral Music Foundation Inc which is supporting an appeal to raise the funds required. The restored organ was first played on 2 December 2018, and the project will be completed in 2019 at a further cost expected to be less than \$200,000.

(k) Bequests

Bequests for the general purposes of the Cathedral were received during the year. In accordance with Diocesan Policy, the capital has been invested in Anglican Funds SA Endowment Units, with the income available for the Cathedral Council's use.

St Peter's Cathedral, Adelaide

Notes to the Financial Report for the Year Ended 31 December 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Note 2 Investment Income and Bank Interest		
Anglican Funds SA Endowment Fund - Note 5		
Profit on redemption of units	26,234	-
Cathedral fund (adjusted by debtors)	75,573	83,269
Formerly Dean and Chapter	1,384	1,366
Endowment Income	<u>103,190</u>	<u>84,635</u>
Interest Received and Profit Share		
Anglican Funds SA - Profit Share	117	-
BankWest	574	1,006
Total Interest and Profit Share	<u>691</u>	<u>1,006</u>
Total Investment Income and Bank Interest	<u><u>103,881</u></u>	<u><u>85,641</u></u>
Note 3 Property Costs		
Cathedral conservation work in progress	40,000	39,400
Repairs & Maintenance		
-Cathedral	21,599	9,883
-Cathedral Close	10,689	30,042
-Deanery	4,732	4,430
-Cathedral Lodge	530	3,110
Other Property Costs	9,306	9,700
Depreciation	3,352	3,352
Total Property Costs	<u>90,207</u>	<u>99,916</u>
Note 4 Mission donations and Grants paid		
ABM: Art Show		5,000
ABM: Other donations	4,170	4,767
The Magdalene Centre	5,000	5,000
The Christmas Bowl Appeal	110	-
Anglicare	1,000	300
Other Missions	1,000	1,406
	<u>11,280</u>	<u>16,473</u>
Note 5 Investments in Anglican Funds SA Endowment Units		
5a Cathedral General Account :-		
Balance at beginning of year at book cost	1,320,658	1,238,753
Cash invested in AFSA units at cost	14,082	81,905
Half-yearly distributions reinvested in AFSA units	-	-
Less Cost of units redeemed	<u>(153,766)</u>	<u>-</u>
Balance at end of year - at cost	1,180,974	1,320,658
Movement between cost and market value		
Investments where market value exceeds cost: Revaluation Reserve - Balance Sheet	202,017	354,821
Shortfall of Investment Value over Cost: Impairment - Income & Expenditure Statement	<u>-</u>	<u>-</u>
Value of AFSA Units at Year End - at market value	<u><u>1,382,991</u></u>	<u><u>1,675,479</u></u>
5b Restricted Accounts (formerly held by the Dean & Chapter Inc) :-		
Balance at beginning of year at book cost	<u>24,293</u>	<u>24,293</u>
Balance at end of year - at cost	24,293	24,293
Movement between cost and market value		
Investments where market value exceeds cost: Revaluation Reserve - Balance Sheet	915	3,183
Shortfall of Investment Value over Cost: Impairment - Income & Expenditure Statement	<u>-</u>	<u>-</u>
Value of AFSA Units at Year End - at market value	<u><u>25,209</u></u>	<u><u>27,476</u></u>

St Peter's Cathedral, Adelaide

Notes to the Financial Report for the Year Ended 31 December 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Note 6 Freehold Property (see note 1c)		
Cathedral - State Valuation	8,800,000	8,800,000
Cathedral Office and Halls - State Valuation	2,800,000	2,800,000
Deanery - State Valuation	1,375,000	1,375,000
Cathedral Lodge - State Valuation	1,850,000	1,850,000
	<u>14,825,000</u>	<u>14,825,000</u>
Note 7 Plant & Equipment		
Balance at beginning of year - at cost	158,031	158,031
Balance at end of year - at cost	168,371	158,031
Accumulated depreciation	(156,614)	(152,400)
Written down value	<u>11,757</u>	<u>5,631</u>
Note 8 Freehold Revaluation Reserve		
Accumulated balances at beginning of the year	13,765,976	13,765,976
Revaluation increments arising from Updated Valuation	-	-
	<u>13,765,976</u>	<u>13,765,976</u>
Note 9 Memorial Garden Fund		
Balance at beginning of year	68,363	56,475
Licence fees received for Memorial Plots, and donations	7,912	12,968
Memorial Garden payments	(59,255)	(1,080)
Fund balance at end of the year	<u>17,019</u>	<u>68,363</u>
Note 10 Cathedral Restoration Fund		
Balance at beginning of year	42,665	42,665
Interest	-	-
Transfer from General Bequests	100,000	-
Donations and Grants	-	-
Restoration Project Expenditure	(82,657)	-
Fees and Charges	-	-
Fund balance at end of the year	<u>60,008</u>	<u>42,665</u>
Funds held in National Trust SA bank account	11	11
Slates for future stages of roof restoration	53,540	-
Funds held in Cathedral BankWest account	6,458	42,654
	<u>60,008</u>	<u>42,665</u>
Note 11 The Green Cathedral Project		
Opening Reserve	<u>2,775</u>	<u>2,775</u>
Future expenditure provision at 31 December	<u>2,775</u>	<u>2,775</u>
Note 12 The Lakeman Bequest Fund		
Assets of the Fund:		
Units in Anglican Development Fund - at book cost	33,971	31,901
Unrealised gain/(loss) in units value over cost	5,679	9,231
Investment value of Units at year end	39,649	41,132
Add: Income accrued at year end	1,103	1,022
	<u>40,752</u>	<u>42,154</u>
Fund Balance		
Accumulated balance at beginning of the year	42,154	38,386
Fund income from distributions - reinvested in units	2,150	2,019
Increase/(decrease) in unrealised value of units	(3,552)	1,749
	<u>40,752</u>	<u>42,154</u>
Less: Units redeemed to pay for maintenance of the bells:		
Proceeds from sale of units	-	-
Value realised greater than cost of the units	-	-
Accumulated balance at end of the year	<u>40,752</u>	<u>42,154</u>

St. Peter's Cathedral, Adelaide
Financial Report for the Year Ended 31 December 2018
Statement by Members of the Cathedral Council

The Council has determined that the Cathedral is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Council the accompanying income & expenditure statement, balance sheet and notes:

- (a) present fairly the financial position of St Peter's Cathedral as at 31 December 2018 and its performance for the year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Cathedral will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Cathedral Council

Place: North Adelaide

Date: 26 March 2019



The Very Rev'd Frank Nelson
Dean



Kevin Stracey
Treasurer