

St Carthage's Finance Council Report – December Year to Date Report

Thankyou

2022, like 2021, can be defined as another year of uncertainty on many fronts, with COVID the obvious. St Carthages also transitioned from long standing parish priest Fr Michael Elligate to Fr Joe Caddy. These are two key factors to note when reading the 2021 accounts and audit report. Before I detail the 2021 highlights, again I would like to thank all of those parishioners who support the parish. Those who are able to support the parish, both financially and in kind, are recognised as the life blood of the parish, we simply would not survive as we do without your support. Again in 2021, when, for a period, face to face services were non-existent or problematic for parishioners, most people still supported us through direct contributions. We know for some parishioners, this is not easy to do. Thank you.

Audit Summary

A requirement of our Constitution is to have the Church Accounts independently audited annually with the Financial Statements and Independent Auditor's Report published prior to the annual general meeting. These are now posted on our web site. The Finance Council engaged A3X¹ to conduct the independent audit of the Church Account. A3X also conducted the 2020 audit. We are pleased with the outcome of the audit which is unqualified. The report states the accounts present fairly in all material respects the financial position of St Carthages.

The Audited Statements are shown in **Attachment A**. **Attachment B** details the Audited Statements by Expense Classification.

Cash Summary

The parish at the end of December was cash positive with a cash balance of \$9,000² with no outstanding liabilities. While comparisons to budget due to COVID are problematic by category we forecasted a cash balance of \$3,000, so an improvement overall.

¹ Partner - Daniel Tai, CA-Registered Company Auditor, Registered SMSF Auditor ,Approved External Examiner
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² All amounts are rounded for this report

Givings Summary

The Givings program is central to maintaining the ongoing running and future needs and aspirations of the parish. In 2021 income from givings, other minor sources and Government COVID initiatives was \$164,000, compared to a budget of \$192,000, a reduction of (\$28,000). This reduction was offset by saving in expenses detailed below. Givings, our primary source of funds, has declined by 20% from 2020 to 2021. The reduction is a mix of reduced contributors, mostly in the envelope collections due to reductions in face to face services and the amount per contributor.

Maintaining and increasing the generous Givings program will be a priority for the parish as we come out of COVID in 2022 and beyond.

2021 Expenses

Total expenses for 2021, excluding Abnormal Expenses were \$140,000 compared to a budget of \$194,000, a reduction of (\$54,000). Administration expenses were close to budget at \$100,000, compared to a budget of \$106,000 due to redundancy payments of staff when Fr Elligate left the parish. Wages and Salaries are less under Fr Joe Caddy and the 2022 budget reflects this. Pastoral Expenses of \$15,000 are (\$24,000) below a budget of \$39,000 due to the reduced of face to face services. Property costs of \$25,000 compared to a budget of \$50,000 are a reduction of (\$25,000), due to both the church and presbytery being partly unoccupied during the year due to COVID and renovations. Abnormal Expenses of \$20,000 were incurred, with \$17,000 as Fr Elligate's stipend contribution due to COVID and the balance contributions to his living expenses.

House Account

For the period January to December 2021, \$40,000 was received. Of this 12.5% (\$5,000) was transferred to the Priests Retirement Foundation to support retired priests and 12.5% (\$5,000) to the Priests Remuneration Fund to assist parishes unable to pay a stipend to their priest. The remaining 75% supported the running of the presbytery and the payment of stipends for Fr Michael, until his retirement and Fr Joe. Please note these amounts do not form part of the audit process and are supplied for transparency purposes.

Summary

- The 2021 Audit is clean and unqualified for the parish.
- Reductions in Income were offset by reductions in expenses. This was possible due to services of the parish being scaled back due to COVID, the presbytery and office unoccupied for a period of time and despite all of this the generous ongoing contributions from parishioners.
- A number of costs such as Wages and Salaries and Utility costs have declined. These are now reflected in the 2022 budget.
- The parish has no liabilities and is currently cash positive, but is susceptible to declines from contributions by parishioners as this is our single material sources of income.
- Any major projects will require a review of our financial position going forward.

Thank you

Michael Pirotta

Michael Lewis

David Menzies

End

Attachment A : Audit Report

ST CARTHAGES CATHOLIC CHURCH

AUDITED FINANCIAL STATEMENTS

31 DECEMBER 2021

**ST CARTHAGES CATHOLIC CHURCH
STATEMENT BY MEMBERS OF THE COMMITTEE**

The Committee has determined that the Church 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 Committee the financial report

1. Presents fairly the financial position of St Carthages Catholic Church as at 31 December 2021 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that St Carthages Catholic Church will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for on behalf of the Committee by:



Michael Pirota
Chairman

Dated this.....18.....day of.....February.....2022

**ST CARTHAGES CATHOLIC CHURCH
RECEIPTS & PAYMENTS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
Receipts		
Donations	\$3,390	-
Grants – External	\$19,200	\$92,517
Interest Income – Bank	\$1	\$8
Other Income	\$3,200	(\$3,495)
Other Income – Refunds	(\$100)	(\$1,075)
Special Collections & Others	\$1,467	-
Thanksgiving Income	\$150,231	\$213,880
Transfer to House a/c	(\$13,771)	(\$42,555)
Total Receipts	\$163,618	\$259,280
Payments		
Accounting Charges	\$3,850	\$3,600
Archdiocesan Levies	\$17,044	\$6,053
Audit Fees	\$2,100	-
Bank Charges	\$965	\$1,470
Books, Publications & Resources	\$2,021	\$3,981
Church Requisites	\$1,761	\$6,575
Cleaning & Gardening	\$5,294	\$12,267
Computer Expenses	\$902	\$270
Donations	-	\$815
Electricity, Gas, Water	\$8,515	\$14,490
General Expenses	\$1,178	-
Hospitality (Entertainment)	\$4,425	\$6,167
Insurance	\$7,305	\$15,466
Interest - Loan Accounts	\$10	\$404
Liturgical Expenses	\$364	-
Motor Vehicle Expenses	\$4,321	\$6,854
Municipal Charges	\$1,328	\$647
Music	\$2,480	\$2,210
Office Furniture & Equipment (Minor)	-	\$594
Photocopy, Facsimile & Stationery	\$1,913	\$859
Postage	\$320	\$300
Repairs & Maintenance	(\$354)	\$1,201
Security	\$711	\$791
Social Welfare Expenses	\$3,147	\$6,847
Special Collections Contra	\$1,467	-
Staff - Superannuation	\$3,768	\$5,295
Staff - Workcover Insurance Premiums	\$155	\$362
Staff Charges	\$1,052	\$1,073

Staff Salaries	\$61,863	\$56,526
Stipends	\$17,300	\$39,900
Supply Fees	\$240	-
Telecommunications Costs	\$3,223	\$4,496
Water	\$1,838	-
Total Payments	\$160,506	\$199,513
Net Surplus	\$3,112	\$59,767
Less CDF Loan Repayment	-	\$56,341
Net Operating Surplus	\$3,112	\$3,426

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ST CARTHAGES CATHOLIC CHURCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The financial statements for St Carthages Catholic Church have been prepared to meet the needs of the members of the Church.

Comparatives are consistent with prior years, unless otherwise stated.

Note 1: Basis of Preparation

The Church is non-reporting since there are unlikely to be any users who would rely on the general-purpose financial statements.

This financial report is a special purpose report prepared for use by the members of the Church. The Committee has determined that the Church is not a reporting entity and therefore there are no requirements to apply Australian Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report is prepared, on a cash basis whereby items are brought into account as money is paid or received, from the records of the Church.

The amounts in the receipts and payments statements have been rounded to the nearest dollar.

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ST CARTHAGES CATHOLIC CHURCH

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ST CARTHAGES CATHOLIC CHURCH

Report on the Financial Report

We have audited the accompanying financial report being a special purpose financial report, of St Carthages Catholic Church, which comprises receipts and payments statement for the year ended 31 December 2021, notes comprising a summary of significant accounting policies and other explanatory information. The financial report has been prepared to meet the needs of the members of the Church.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of St Carthages Catholic Church as at 31 December 2021, and its financial performance for the year then ended in accordance with Note 1 of the financial statement.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist St Carthages Catholic Church to meet the needs of the members of the Church. As a result, the financial report may not be suitable for another purpose.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Committee's Responsibility for the Financial Report

The members of the Committee of St Carthages Catholic Church are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the needs of the members. The Committee's responsibility also includes such internal control as the Committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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ST CARTHAGES CATHOLIC CHURCH

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
ST CARTHAGES CATHOLIC CHURCH**

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Church's preparation of the financial report that gives a true and fair view, 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 Church's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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DANIEL TAI, CA
DIRECTOR

Date 25 / 02 / 2022

Attachment B: Audit Statements by Expense Classification

St Carthage's Catholic Church		
Profit & Loss Statement		
2021 Final Accounts		
	2021 Final	2021 Budget
	Audited	Forecast
Income		
Thanksgiving	\$150,231	\$221,999
Refunds	(\$100)	\$0
Giving transferred to House account	(\$13,771)	(\$51,849)
Net Thanksgiving	\$136,360	\$170,150
Loose Collection	\$3,390	\$79
Books and Papers	\$0	\$1,200
Special Collections & Others	\$1,467	\$0
Interest Received - Other	\$1	\$50
Parish Dinner	\$0	\$2,000
State & Federal govt COIVD initiatives	\$19,200	\$14,400
GST refund	\$0	\$3,000
Wedding / Baptism deposit	\$0	\$1,000
Other	\$3,200	\$0
Total Income	\$163,618	\$191,879
Administration Expenses	\$100,050	\$105,829
Accountancy	\$3,850	\$4,800
General Expenses	\$1,178	\$0
Printing & Stationery	\$1,913	\$3,000
Repairs & Maint of Equipment		\$1,000
Office equipment - small assets		\$0
Secretarial Salaries	\$61,860	\$65,868
Salary Service Charges	\$1,055	\$1,200
Superannuation Guarantee Levy	\$3,768	\$5,438
Workcare premium	\$155	\$650
Supply Fees	\$240	\$2,000
Telephone	\$3,223	\$4,000
Internet /Website hosting Expense	\$902	\$1,000
Postage	\$320	\$1,000
Bank Charges	\$965	\$1,500
Interest on Loans / Overdraft	\$10	\$0
Archdiocesan Levies/QUOTA	\$17,044	\$13,620
Donations		\$753
Audit fees	\$2,100	\$0
GST paid		\$0
PAYG Paid		

Special Collections Contra (b)	\$1,467	\$0
Pastoral Expenses	\$15,372	\$38,645
Liturgy	\$364	\$2,100
Books and Papers	\$2,021	\$6,000
Church Requisites	\$1,761	\$12,000
Music	\$2,480	\$6,200
Motor Vehicle Expenses	\$4,321	\$8,016
Social welfare	\$4,425	\$4,329
Property Costs	\$24,637	\$49,500
Cleaning & Gardening Expenses	\$5,294	\$15,000
Gas & Electricity-Church	\$8,515	\$16,000
Repairs & Maint Buildings	(\$354)	\$2,000
Rates & Municipal Charges	\$1,328	\$1,000
Insurance	\$7,305	\$13,000
Security	\$711	\$950
Water	\$1,838	\$1,550
Refurbishment of toilets		\$0
Loan repayments		\$0
Total Expenses	\$140,059	\$193,974
Church Operating Margin	\$23,559	(\$2,095)
Less Abnormal Expenses		
Stipend	\$17,300	\$0
Social welfare	\$3,147	\$3,000
Living expenses		\$0
Total Abnormal Expenses	\$20,447	\$3,000
Net Operating Surplus / (Deficit)	\$3,112	(\$5,095)
Opening bank Balance 1/1/2021		
Closing bank balance	\$9,193	\$3,209