

GBC Annual General Meeting-2

26 March 2023 at 11.30am

(HYBRID: Held via Zoom Meeting and Onsite)

Agenda

1. Welcome.
2. Members and Guests record attendance.
3. Apologies.
4. Devotion and Prayer.
5. Confirmation of Agenda.
6. Confirmation of Minutes from last Meeting (AGM-1 04/12/2022).
7. Accept the Annual Report.
8. Treasurer's Report – Finance.
9. Senior Pastor's Report.
10. MMM 2023 Projects.
11. Hopefield Report.
12. Prayer and Close.

GBC Annual General Meeting-1

4th December 2022 at 11:30am

(HYBRID: Onsite and Online via Zoom)

(Zoom Meeting ID: 895 9658 6171 Passcode: 712025)

Minutes (Taken by Susan Kusch, CLT Chair)

Open: 11:30

1. **Welcome - Marc Rader**
2. **Members and Guests record attendance.**
58 onsite (11:38)
3. **Apologies.**
None
4. **Devotion and Prayer.**
Nehemiah 13:31b "Remember me with favour, my God". God remembers us and acts for us and involved in our discernment process.
5. **Confirmation of Agenda.** - addition of appointment of pastoral selection committee to appointment section.
6. **Confirmation of Minutes from last Meeting - Mid-Year Meeting - Sunday, 3 July 2022.**

Moved by Matt Willis. Seconded Bruce Harbour. Carried by show of hands online and onsite

7. **Reports:**
 - **Senior Pastor's Report;**
 - State of the Church - where are we up to:
Positives
 - Finished Nehemiah with the theme of Renovation - determining our purpose and directions
 - Discernment: Over 100 people involved on discernment day and many more involved in other aspects of process
 - Online service still continues. About 50 people involved with 20 - 30 regular online attendees
 - Lots of new people but still lots of "churn". Influx of new families
 - Things are starting to settle down
 - January will see us do Jesus and the Sydney Morning Herald.
 - Permacrisis - Word of the year (Collins). We have seen it during COVID times and at GBC
 - There will be a new normal - GETMO is part of this and managing expectations and managing capacity.

Questions

Luke Nottage - How are we going with Church membership?

Answer - Numbers are difficult to report on. Discussion about membership/partnership now on hold so therefore membership has not grown. Still at one morning onsite service rather than two. Attendance pattern has changed (from survey). More people are here only once a month and also more people are here every week. May be limited by our parking.

- **Hopefield Report;** Vicki Sherry
 - Strategic plan
 - Acknowledgement of and thanks to Board.
 - Plan is being finalised and will be available on website soon. Flourishing communities intent. Helping individuals, families, and then communities flourish. Faith is necessary - Hopefield is non-proselytising but does need to partner with Church. Vision and action together can change the world.
 - Service highlights
 - Three students have come through Hopefield
 - 30 volunteers
 - 60 community hub participants
 - 400 clients
 - 96% fully or partially met goals. And 96% left with an increased sense of hope.
 - Five women safely left DV households
 - Food Drive
 - Community Hubs and The EVE Project ("TEP")
 - Comm Hub Coordinator appointed this year
 - Categorised as small groups (eg social groups), workshops (eg skills and services such as parenting workshop), closed groups, Third party partnerships (eg with OneMeal - weekly dinner service, legal clinic - free legal service run by two lawyers, future medical services for vulnerable people.
 - TEP integrated with Hopefield. DV in Sutherland Shire is three times state average. TEP is one of the projects being used to address this. Acknowledgement of Helen Dwyer and Lisa Brookes (TEP founders) and TEP Board who have gifted Hopefield with significant assets (van, car and commercial Kitchen)
 - Renovation update

- Gratitude to GBC community. Space has been completely transformed and brought up to standard and now demonstrates the value and worth we place on our people.
- Rooms have been prayed over and dedicated back to God.

Questions

None

- **Treasurer's Report (2022).** Glenn Smith.
Reminder - Special purpose versus general
Two categories of activity:
 1. Special purpose gifts (eg May Mission Month and Carols).
 - Responsible to collect, account for and distribute these gifts.
 - Our giving has consistently and significantly exceeded expectations.
 2. General Income and expenses (eg offerings and ministry expenses)
 - Responsible to collect, account for, pay our bills and maintain a positive bank account.
 - COVID has significantly affected our ability to achieve this in the past few years.

The focus of our activities in 2022 and planning for 2023 is to better align our General income and expenses.

- **2022 - Offering/Budget (see Finance Report)**
 - Youth and Families 17%
 - Welcoming and Integration 3%
 - Community Engagement 5%
 - Operations 29%
 - Leadership 7%
 - Discipleship 11%
 - Wider Church 28%
- **Year to Date Highlights**
 - On track to meet offerings budget of \$780k
 - Other income down slightly
 - MMM highly successful
 - Salaries significantly under budget
 - Ministry & Mission (excl.MMM) spending under budget
 - Operation costs under budget
 - Property costs significantly over budget
 - Cash at bank - \$80000 (one month's worth of bills)

8. **Strategic Direction and Priorities (2023-2027). Marc Rader**

The time was right for a renewed strategic direction

- The disruption of the last three years - time to renew.
Embarked on a process of corporate discernment
- Two key activities: the Discernment group; and the Day of discernment

The interpretive process

- Seven areas identified: ministries, spiritual journey, local community, culture building, family, inclusion, and restoration.
- Four areas explored: Spiritual journey; Local community; Family; and Inclusion.

The Road Ahead. (See report for more detail)

- Three lenses:
 - Relational Connection
 - On purpose Living
 - Everyday Mission
- Strategic Directions:
 - Spiritual Journey - Nurturing followers of Jesus who are active in the mission of God
 - Community Engagement - A community of faith for our local community
 - Belonging - Helping everyone find their place in our family and the mission of God
- Strategic Direction - Next steps
 1. Adopt the strategic direction
 2. Develop a more detailed plan for AGM-II (March 2023) based on the identified projects.

Questions - Marjy Robinson. Will existing ministries align with these directions or are they separate?

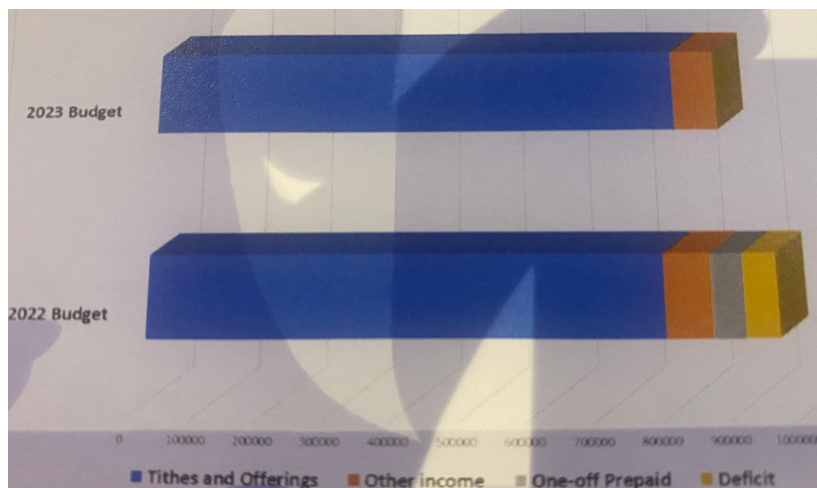
Ans - Some are Ministry-as-usual and will continue. Some will work towards gradual alignment, eg MMM, children's ministries.

Marc Rader moved and Susan Kusch seconded to adopt the three focus areas for next year and that we develop plans around these

Voted by show of hands onsite and online.

9. Budget 2023. Glenn Smith

Funding of General Expense comparison (see report for details)



We cannot afford another deficit budget.
One-off prepaid (by definition) is not repeatable

The consequent \$100k shortfall was addressed in two ways:

1. A \$70k reduction in costs No increase to overall staff costs (maintaining our year-end salary cost).
Decreasing our church support contribution to the Baptist Association
Ministry expenses, Mission and Outreach, and operations reduced
2. An increased offering budget of \$30k

Questions -

Online (Chat to Karen Watkins) Tim Venum -

In the budget line items, under "Mission & Evangelism Income", there is "Appeals & Other donations" (budgeted \$55k). What is that?

Ans: This includes the Grays Point Community Music Trust eg Music sits in trust and has rules around how it can be used. Can be used for Carols. Donations to this fund are tax deductible.

Richard Southworth -

How does Church support contribution work? Please give more detail.

Ans. (Glenn) We have had very little information from Baptist Union. We halved our last year's budget due to budget constraints and had no response from B.Assn.

Marc: We have regularly given to this on a voluntary basis. They have some other substantial income streams and did not respond to our reduction this year. Marc open to later consideration to return to giving to the B.Assn.

Glenn: We continue to contribute in a lot of other areas and other ways.

Helen McKelleher -

How many Turner Lodge units do we still have?

Ans: Still have one left. Sold one in 2020. Income still received from our remaining unit.

Irene Leithhead (Guest)-

What level of increase in giving do we need this year to meet the budget?

Ans: Around 4%

Ross Langford -

Please speak to reduction in staff?

Ans - Glenn - Sam left in August and has not been replaced. That was the main impact. CLT concerned over long-term impact on workloads of remaining staff.

Lawrie Green -

Please address new line item – “Innovation”?

Ans - Glenn - Need to leave space in budget for future innovations such as funding new activities related to discernment areas.

Rob Seaton:

What does the Wider Church mean in this context?

Ans - Our contribution outside of GBC.

Tim Venum (Online) Follow on from Ross’ question.

Regarding staffing line item and 1.5 FTE decrease - How is this met just by Sam?

Ans - Matt Willis - Part indeed from Sam (3 days) Shuffle regarding Kat’s maternity leave, partially funded by gov and only part time replacement, reduction of Greg Williams’ role.

Adoption of Budget Recommended by CLT. Moved by Glenn, seconded by Marc. Voted show of hands online and onsite.

Comment from Cameron Shipway. Marc, Matt and Glenn - Thank you for their cost management in making this possible.

10. CLT Elections.

Nominations of two new members (Rob Seaton and Debbie Williams) and one re-election (Cameron Shipway)

Scrutineers - Bruce Harbour, Paul Carter, voting by ballot

All nominees successfully voted in.

Pastoral Selection Committee (for Elders) - Moved Marc Rader, Gary Speckman, voted show of hands online and onsite

Members of Pastoral Selection Committee are: Derek Mullins, Roxane Lawler, Susan Kusch, Cameron Shipway, Karen Watkins, Stan Kirkman

11. **Quorum.**

Quorum needed for meetings to remain at 10%.

Moved by John Cox, seconded by Michelle Cox. Voted show of hands online and onsite.

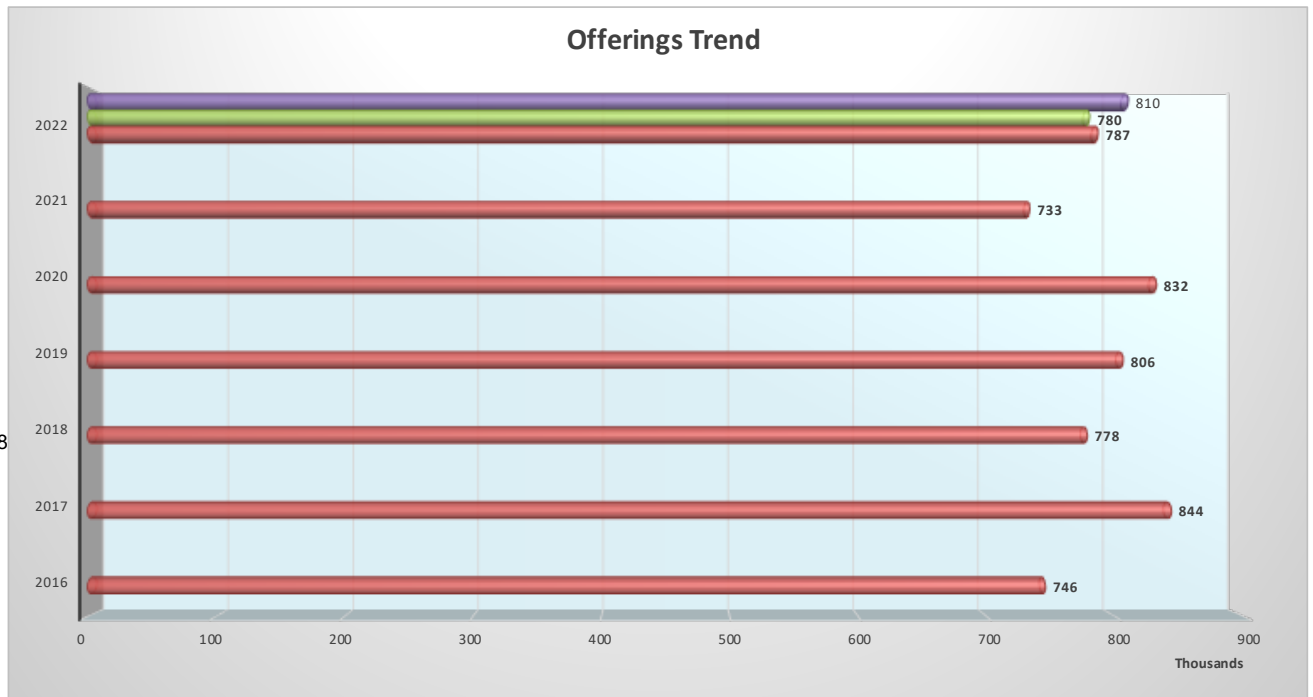
12. **Closed in prayer - 1:15pm**

GyMEA Baptist Church

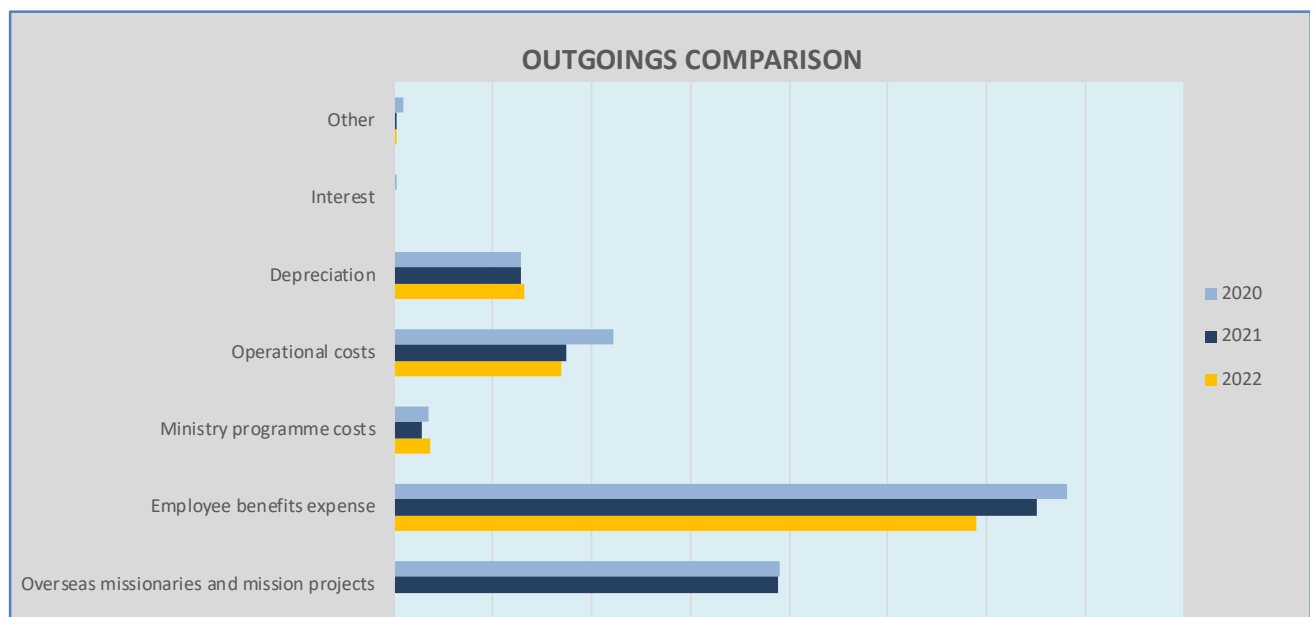
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Simplified Financial Disclosure Statement

For the year ended 31 December 2022



| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|----------------------------|---------|----------|---------|---------|---------|---------|----------|---------|
| GBC Congregation Offerings | 852,516 | 745,530 | 843,637 | 778,119 | 806,062 | 831,937 | 733,339 | 786,515 |
| Budget 2022 | | | | | | | | 780,000 |
| Budget 2023 | | | | | | | | 810,000 |
| Change % | (1.67)% | (12.55)% | 13.16% | (7.77)% | 3.59% | 3.21% | (11.85)% | 7.25% |
| Missionary & other giving | 285,204 | 266,335 | 425,241 | 375,290 | 316,709 | 308,025 | 322,315 | 291,780 |



GyMEA Baptist Church

Statement by the Church Leadership Team

For the year ended 31 December 2022

As stated in Note 1 to the financial statements, the Church Leadership Team have determined that the Church is not a reporting entity because there are no users who are dependent on general purpose financial reports. This is a Simplified Disclosure Statement.

In the opinion of the Church Leadership Team:

1. The accompanying Financial Statements and Notes thereto:
 - a) satisfy the requirements of the Australian Charities and Not-for-profits Commission Act Regulation 2013 including relevant Australian Accounting Standards - Simplified Disclosures and other mandatory financial reporting requirements to the extent described in Note 1 to the Financial Statements, and
 - b) give a true and fair view of the financial position of GyMEA Baptist Church as at 31 December 2022 and of its financial performance and cashflows for the year then ended.

2. At the date of this statement there are reasonable grounds to believe that GyMEA Baptist Church will be able to pay its debts as and when they become due and payable.

This Statement is made in accordance with a resolution of the Church Leadership Team, complies with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and is signed for and on their behalf by:



Chair



Treasurer

8th March 2023

GyMEA Baptist Church
Income Statement
For the year ended 31 December 2022

| | This Year | Last Year |
|--|---------------------------|--------------------|
| | \$ | \$ |
| Revenue from continuing operations | | |
| Offerings from members and adherents | 786,515 | 733,339 |
| Occupancy/rental receipts | 20,793 | 18,003 |
| Mission and other appeals from members and adherents | 291,780 | 322,315 |
| Government Covid-19 support | - | 92,340 |
| Investment income - Interest (other) | 8,400 | 6,811 |
| Operational income | 10,173 | 4,262 |
| Miscellaneous income | <u>24,056</u> | <u>21,652</u> |
| Total revenue and other income | <u>1,141,716</u> | <u>1,198,722</u> |
| Expenditure (Note 11) | | |
| Overseas missionaries and mission projects | 141,561 | 128,900 |
| Australian missionaries and outreach projects | 195,907 | 259,644 |
| Employee benefits expense | 590,228 | 650,290 |
| Ministry programme costs | 37,359 | 27,830 |
| Operational costs | 169,313 | 175,166 |
| Depreciation expense | 132,462 | 128,345 |
| Pastoral care expenses | 2,259 | 2,649 |
| Christian Growth | 933 | - |
| | <u>1,270,022</u> | <u>1,372,824</u> |
| Net Surplus/(Deficit) for the year | <u>(\$128,306)</u> | <u>(\$174,102)</u> |

The Notes supply further detail regarding the above Statement and should be read as part of it.

Gymea Baptist Church
Statement of Other Comprehensive Income
For the year ended 31 December 2022

| | This year | Last Year |
|---|---------------------------|---------------------------|
| | \$ | \$ |
| Net Surplus/(Deficit) for the year | <u>(128,306)</u> | <u>(174,102)</u> |
| Other Comprehensive Income (Expense) Items | | |
| Net transfer from/(to) Cultural Fund (note 7) | 14,479 | 7,777 |
| Grant to Hopefield Services Inc | 0 | (200,000) |
| Government Covid-19 income support | 0 | 5,349 |
| Government Covid-19 support paid to employees | <u>0</u> | <u>(5,349)</u> |
| <i>Total of other comprehensive income items</i> | <u>14,479</u> | <u>(192,223)</u> |
| Total comprehensive income for the year | (113,827) | (366,325) |
| Accumulated funds at the beginning of the year | <u>8,000,261</u> | <u>8,366,586</u> |
| Accumulated funds at the end of the year | <u>\$7,886,434</u> | <u>\$8,000,261</u> |

The Notes supply further detail regarding the above Statement and should be read as part of it.

Gymea Baptist Church
Balance Sheet
As at 31 December 2022

| | Note | This Year \$ | Last Year \$ |
|--|------|-------------------------|-------------------------|
| Current Assets | | | |
| Cash and cash equivalents | 1 | 790,856 | 843,702 |
| Receivables | | 1,226 | 1,794 |
| Prepayments | | 500 | 28,377 |
| Deposits | | <u>1,000</u> | <u>1,000</u> |
| Total Current Assets | | <u>793,582</u> | <u>874,873</u> |
| Non-Current Assets | | | |
| Plant furniture and equipment | 2 | 160,215 | 171,330 |
| Property | 3 | <u>7,311,626</u> | <u>7,395,278</u> |
| Total Non-Current Assets | | <u>7,471,841</u> | <u>7,566,608</u> |
| Total Assets | | <u>8,265,424</u> | <u>8,441,481</u> |
| Current Liabilities | | | |
| Trade creditors and other payables | | 24,532 | 15,902 |
| Staff provisions - | | | |
| Provision for annual leave | | 73,236 | 59,783 |
| Provision for long service leave | | 45,551 | 47,644 |
| Provision for workers compensation on leave accruals | | 1,861 | 1,768 |
| Other payables | | 25,611 | 76,775 |
| Borrowings - | | | |
| Member loans, ministry bonds - interest free | 4 | 115,500 | 121,165 |
| Interest free loan - Turner Lodge resident | | <u>30,000</u> | <u>30,000</u> |
| Total Current Liabilities | | <u>316,290</u> | <u>353,037</u> |
| Non-Current Liabilities | | | |
| Staff provisions - Provision for long service leave | | <u>22,235</u> | <u>33,239</u> |
| Total Non-Current Liabilities | | <u>22,235</u> | <u>33,239</u> |
| Total Liabilities | | <u>338,526</u> | <u>386,276</u> |
| Net Assets | | <u>7,926,898</u> | <u>8,055,205</u> |
| Funds | | | |
| Accumulated funds | | 7,886,434 | 8,000,261 |
| Reserve for Music Promotion Trust | 7 | <u>40,464</u> | <u>54,943</u> |
| Total funds | | <u>7,926,898</u> | <u>8,055,205</u> |

The Notes supply further detail regarding the above Statement and should be read as part of it.

Gynea Baptist Church
Statement of Cash Flows
For the year ended 31 December 2022

| | This Year \$ | Last Year \$ |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Offerings | 786,515 | 733,339 |
| Occupancy/rental charges | 20,793 | 18,003 |
| Missionary and other appeals | 291,780 | 322,315 |
| Government Covid-19 support | - | 92,340 |
| Interest | 8,400 | 6,811 |
| Operational | 10,173 | 4,262 |
| Miscellaneous | 24,056 | 21,652 |
| | <u>1,141,716</u> | <u>1,198,722</u> |
| Less Expenditure | | |
| Overseas and Australian missionaries and projects | 337,468 | 388,544 |
| Staffing | 589,779 | 643,224 |
| Ministry | 37,359 | 27,830 |
| Operational | 141,436 | 166,257 |
| Pastoral | 2,259 | 2,649 |
| Christian Growth | 933 | - |
| | <u>1,109,234</u> | <u>1,228,504</u> |
| Net cash generated from/(used in) operational activities (Note 10) | <u>32,482</u> | <u>(29,782)</u> |
| Cash flows (used in)/generated from investing activities | | |
| Decrease/(increase) in accounts receivable | 568 | 1,415 |
| Payments for furniture equipment and building improvements | (37,695) | (247,765) |
| Grant to Hopefield Services Inc | 0 | (200,000) |
| Increase)/(decrease) in payables | (42,534) | 23,849 |
| (Decrease)/increase in deposit fund and member loans | (5,665) | (26,000) |
| <i>Net cash flows (used in)/provided by investing activities</i> | <u>(85,327)</u> | <u>(448,501)</u> |
| Net increase/(decrease) in cash and cash equivalents | (52,845) | (478,283) |
| Cash and cash equivalents at the beginning of the year | <u>843,702</u> | <u>1,321,985</u> |
| Cash and cash equivalents at the end of the year | <u>\$790,857</u> | <u>\$843,702</u> |

The Notes supply further detail regarding the above Statement and should be read as part of it.

Gymea Baptist Church
Notes to and forming part of the Financial Statements
For the year ended 31 December 2022

Significant Accounting Policies

Basis of Preparation

It is considered that the Church is a non-reporting entity because it is considered that there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. The Church and any related party entities are each not for profit entities for financial reporting purposes.

Statement of Compliance

The financial report has been prepared in accordance with the requirements of the Australian Charities and Not For Profits Act 2012, the basis of accounting specified by relevant and mandatory Australian Accounting Standards, and the disclosure requirements of a Tier 2 non-reporting entity. Australian Accounting Standards - Simplified Disclosures (AASB 1060 Simplified Disclosures) have been applied in the preparation of the financial statements. The recognition and measurement requirements that have not been complied with are those specified in AASB13 Fair Value Measurement and AASB 119 Employee Benefits. The material accounting policies adopted in the simplified financial statements as set out in note 1 indicate how the recognition and measurement requirements in Australian Accounting Standards have not been complied with. The financial statements overall comply with all the recognition and measurement requirements in Australian Accounting Standards (except for requirements set out in AASB10 or AASB128). There were no transition adjustments other than several disclosure changes on the adoption of the AAS Simplified Disclosures.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Property Plant and Equipment

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

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation is charged on a straight line basis at the following rates:

Computers and technology 25% Furniture and equipment 10% Buildings and improvements 2%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in Comprehensive Income.

Staff Benefits and Entitlements

Provision is made for any liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the church to superannuation funds nominated by the staff member and are charged as an expense when incurred.

For accredited ministers a fund for long service leave is held for the Church by a denominational long service fund which is available to the church to draw down when the minister takes leave. On transferring to another church the accumulated funds held with respect to untaken long service leave of the minister transfers to the new church to be available when the leave is actually taken by the accredited minister.

Gymea Baptist Church
Notes to and forming part of the Financial Statements
For the year ended 31 December 2022

Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

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 (ATO) in which case 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 are recognised inclusive of GST. The net amount of GST recoverable from or payable to the ATO is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities that is recoverable from or payable to the ATO is classified as operating cash flows.

Income Tax

No provision for income tax has been raised as the entity is approved by the ATO as exempt from income tax under the Income Tax Assessment Act 1997. Gymea Baptist Church is registered with the Australian Charities and Not for Profits Commission (ACNC) as a charitable institution established for the advancement of religion.

Significant accounting judgements, estimates and assumptions

The preparation of financial information 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.

Specific accounting judgements and estimates are discussed in the relevant note.

Revenue

Donations and bequests are recognised as revenue after the Church assesses whether the transaction is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. If conditions are attached to a donation which must be satisfied before it is eligible to receive the contribution, the recognition of the donation as revenue will be deferred until those conditions are satisfied. The Church identifies each performance obligation relating to the income and recognises revenue as it satisfies its performance obligations.

Interest revenue is recognised on an accruals basis, taking into account the interest rates applicable to the financial assets.

The Church from time to time receives non-reciprocal contributions of assets for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

All revenue is stated net of the amount of goods and service tax (GST).

GyMEA Baptist Church
Notes to and forming part of the Financial Statements
For the year ended 31 December 2022

Significant Accounting Policies (continued)

Unrecognised revenue - volunteer services

The Church regularly receives volunteer services as part of its operations. Under AASB 1058, private sector not-for-profit entities have a policy option to account for donated services at fair value if the fair value can be reliably measured. While the Church has assessed that the fair value of its volunteer services can be reliably measured, it has decided to adopt the policy option not to recognise the financial impact of volunteer services in its financial reports. Accordingly, no amounts are recognised in the financial statements for volunteer services.

Funds raised for other charities

Each May the Church conducts an appeal typically entitled "May Mission Month" in which significant amounts are raised primarily from Church members and adherents for the benefit of missions, aid agencies and funds based in Australia but predominantly operating overseas. Where monies are to be sent overseas then the receiving organisations are registered with ACNC as Charities and will typically be members of Missions Interlink and/or the Australian Council for International Development and hence subject to relevant External Conduct Standards.

During the year monies were raised in the MMM appeals and passed on to the respective agencies. These amounts have been disclosed in income from mission appeals and the outgoing separately disclosed under Overseas and Australian missions and projects in the Income Statement.

Expenses accounting policy

All expenditure is accounted for on an accruals basis and has been classified under headings reflecting the relevant function of the Church which incurred the cost. Where costs cannot be directly attributed to a particular category, they have been allocated to activities on a basis consistent with use of the resources

Economic Dependence

GyMEA Baptist Church is not considered to be dependent upon any other entity.

Financial Risk

All funds are held in Australian financial institutions which are subject to an Australian code of conduct and issued with a financial services license by the Australian Securities and Investments Commission. There is no currency risk as funds are held in Australian currency and there are no foreign currency commitments.

There is no market risk as funds are held in short term interest bearing deposit accounts.

| | 2022 | 2021 |
|--|--------------|--------------|
| The exposure to interest rate risk (based on funds held at balance date) is: | \$ | \$ |
| For a change of 1.0% in interest rates | | |
| - interest expense would change by | - | - |
| - interest income would change by | 7,909 | 8,437 |

External Conduct Standards

GyMEA Baptist Church endeavours to ensure that the External Conduct Standards are complied with and that all beneficiary charities are registered with ACNC and well managed. It is noted that monies directed overseas are predominantly sent by the Church initially to Australian based organisations which themselves are registered charities and which are also accountable under the External Conduct Governance Standards promulgated by the ACNC.

GyMEA Baptist Church

Notes to and forming part of the Financial Statements

For the year ended 31 December 2022

| | This Year | Last Year |
|---|--------------------|------------------|
| | \$ | \$ |
| General Information | | |
| GyMEA Baptist Church is an unincorporated association domiciled in NSW Australia. | | |
| The principal place of operation is at 2-10 Tea Gardens Avenue, Kirrawee NSW 2232. | | |
| The Auditor is Mr A F Gilbert CA, a registered company auditor, and a member of the Church. | | |
| The principal activity is that of a Christian Church. | | |
| Note 1 - Cash and cash equivalents | | |
| Operating accounts - BFS - interest bearing | 77,720 | 87,018 |
| Other operating accounts - BFS - interest bearing | 166,842 | 179,230 |
| Property trust funds - interest bearing | 506,362 | 525,487 |
| Ministry benefit accounts and prepaid Visa accounts | 12,131 | 10,213 |
| A Time to Build - BFS - interest bearing | 2,883 | 631 |
| Cash on Hand | 300 | 300 |
| Long Service Leave Fund deposit accounts | 24,619 | 40,823 |
| | <u>790,856</u> | <u>843,702</u> |
| Note 2 - Furniture plant and equipment | | |
| Furniture plant and equipment - at cost | 498,478 | 502,376 |
| Less: accumulated depreciation | <u>(338,262)</u> | <u>(331,046)</u> |
| | <u>160,215</u> | <u>171,330</u> |
| Note 3 - Property - Land and buildings | | |
| 2-10 Tea Gardens Avenue - land and improvements at cost | 1,984,799 | 1,972,334 |
| 2-10 Tea Gardens Avenue - 2009 building development cost | 4,751,484 | 4,751,484 |
| Less: accumulated depreciation | <u>(1,081,963)</u> | <u>(985,846)</u> |
| Turner Lodge - at cost | 33,197 | 33,197 |
| 12 Hotham Rd, 481- 483 Princes Hwy carpark - land cost | 1,624,109 | 1,624,109 |
| | <u>7,311,626</u> | <u>7,395,278</u> |

The Baptist Churches of New South Wales Property Trust holds the properties that are listed above in trust for the GyMEA Baptist Church. Subject to the provisions of the Baptist Churches of New South Wales Property Trust Act the Church is the beneficial owner of the properties. The Act places certain restrictions on what proceeds from sale of property can be used for. Buildings are recorded at historical costs. From time to time a sums insured report is carried out on each property by Ansvar Insurance and based on their advice the properties and their contents are insured at current figures.

GyMEA Baptist Church
Notes to and forming part of the Financial Statements
For the year ended 31 December 2022

This Year **Last Year**
 \$ \$

Note 4 - Loans from Members and Adherents - interest free

These amounts are unsecured and repayable on 31 days notice. They have provided a means for members and supporters of the Church's ministry to use their liquid assets to support the church and its ministry.

| | | |
|---------------------------|-----------------------|-----------------------|
| Member and adherent loans | 5,000 | 10,665 |
| Ministry bonds | <u>110,500</u> | <u>110,500</u> |
| | <u>115,500</u> | <u>121,165</u> |

Note 5 - Related parties

a) Hopefield Services Inc is a charitable association incorporated in NSW and registered with the ACNC as a Charity in its own right. It is an integral part of the wider ministry of GyMEA Baptist Church. It was approved by the ACNC and ATO as a Public Benevolent Institution on 4 May 2021, permitting tax deductibility for donations made for the benevolent activities of Hopefield and providing access to limited fringe benefits and other concessions. It was previously a Harm Prevention Charity. Hopefield operates with substantial autonomy but works in close co-operation with the Church with its Board predominantly drawn from Church members and adherents.

During the year the Church provided direct financial support to Hopefield amounting to: **15,000** 15,000

In addition the Church provided rent free premises, copying and printing facilities, internet and phone. Volunteers engaged in Hopefield's benevolent activity were largely drawn from the Church community. The formal financial statements of Hopefield Services Inc can be found here:

b) The following people were elected members of the Church's Board of Governance (Church Leadership Team) and held office at any time during 2022:

| | |
|--|---------------------------------------|
| Michael McGovern (appointed 5 December 2021) | Susan Kusch (Chair) |
| Erin Forster (ceased) | Annette Clark (ceased) |
| Cameron Shipway (appointed) | |
| Jordanne Collins (appointed 5 December 2021) | Glenn Smith (appointed 21 March 2021) |

The members of the Board of Governance act in an honorary capacity and were not paid any remuneration for being in that role. Rev Dr Marc Rader receives a salary and associated benefits provided to him by the Church in relation to his role as Senior Pastor of GyMEA Baptist Church and acts in an honorary capacity on the Hopefield Services Inc board.

c) Details regarding Turner Lodge are included in Note 12.

Note 6 - Income tax

GyMEA Baptist Church is registered with the Australian Charities and Not for Profits Commission (ACNC) as a religious charity and enjoys income tax exemption under Section 50 of the Income Tax Assessment Act and other taxation concessions that are available to charities such as churches.

The Church operates a tax deductible Building Fund and a Cultural Fund as referred to in Note 7. Use of the tax deductible Building Fund is limited under the terms of the written approval by the ATO to the improvement of and maintenance of buildings used predominantly for education of children and adults in appropriately structured curriculum formats. Expenditure under this fund is now subject to a Public Ruling issued by the ATO on 12 February 2013 and any new construction will be reviewable under the interpretations of the ATO published in this Ruling. The Church is required to annually self-reassess its eligibility for deductibility to each of the building fund and the cultural fund for them to continue.

The Grays Point Community Church Music Promotion Trust can be used in accordance with the Trust Deed and subject to legislation for the promotion of the arts and culture. Since the end of the year the oversight of Cultural Funds such as GPMPT is proposed to move to ACNC and ATO (currently under ROCO - Department of the Arts)

GyMEA Baptist Church
Notes to and forming part of the Financial Statements
For the year ended 31 December 2022

| | This Year \$ | Last Year \$ |
|---|-----------------|-----------------|
| Note 7 - Deductible Gift Funds (also refer Note 6) | | |
| GyMEA Christian Education Centre Building Fund (The fund is not operating - held in reserve) | | |
| Balance at beginning of the year | - | - |
| Donations received | - | - |
| Expenditure | <u>-</u> | <u>-</u> |
| Balance at end of the year | <u>-</u> | <u>-</u> |

Grays Point Community Church Music Promotion Trust

| | | |
|------------------------------------|---------------|---------------|
| Balance at beginning of the year | 54,943 | 62,720 |
| Prior year expenditure transferred | (14,163) | - |
| Interest (net of any bank fees) | 280 | 269 |
| Donations received | 67,260 | 65,150 |
| Expenditure | (67,857) | (73,196) |
| Balance at end of the year | <u>40,464</u> | <u>54,943</u> |

Note 8 - Capital Commitments and Contingent Liabilities

There were no capital commitments as at 31 December and no significant commitments have been entered into since the end of the financial year to the date of this report. There are no material contingent liabilities.

Note 9 - Auditor's Independence

The Church Auditor, Mr Anthony Gilbert, a registered company auditor and chartered accountant, undertakes the audit of the Church and associated entities including Hopefield Services Inc. Audit fees paid by the Church during the financial year were:

| | | |
|---------------------|-------|-------|
| - Auditing services | 1,200 | 1,170 |
|---------------------|-------|-------|

(No other benefits were provided to the Auditor)

Mr Gilbert, a church member, has issued a letter to the Church Leadership Team confirming his professional independence in his role as auditor of the Church and its controlled entities.

Note 10 - Reconciliation of Operating Result to Funds from/(used in) Operations

| | | |
|---|------------------------|--------------------------|
| Operating Surplus/(Deficit) | (128,306) | (174,102) |
| Depreciation charged | 132,462 | 128,345 |
| (Decrease)/Increase in staff entitlement provisions | 449 | 7,066 |
| Decrease/(Increase) in Prepayments | <u>27,877</u> | <u>8,909</u> |
| Funds generated from/(used in) operations | <u>\$32,482</u> | <u>(\$29,782)</u> |

Note 11 - Operating Result

Comprehensive Income for the year is after:

Crediting as income:

| | | |
|--|-------|-------|
| Interest received - financial institutions | 8,400 | 6,811 |
|--|-------|-------|

Charging as expenses:

| | | |
|--|---------|---------|
| Auditor's remuneration - auditing services | 1,200 | 1,170 |
| Depreciation | 132,462 | 128,345 |
| Provisions for staff entitlements | 355 | 7,037 |

GyMEA Baptist Church
Notes to and forming part of the Financial Statements
For the year ended 31 December 2022

Note 12 - Turner Lodge

Turner Lodge commenced as a retirement village initially comprising 13 self-care apartments. The property and buildings were originally owned by GyMEA Baptist Church.

Original Residents of the units entered into an agreement for occupancy and made a donation of \$17,000 to the Church and an interest free loan of \$30,000 repayable to the resident or their Estate upon their leaving occupancy. A maintenance fee per fortnight (indexed) is charged for these units to cover running costs.

Conversion of Turner Lodge to Strata Title was completed at the end of 2007. Twelve units in Turner Lodge have been sold since December 2007 for occupation as over 55's accommodation. From April 2008 the Lodge has operated under the legal structure of an Owners Corporation. Residents who still have arrangements for accommodation with the Church remain under similar financial and occupancy arrangements to those which have applied for them previously however day to day management of the Lodge is now conducted by strata managers appointed from time to time at an Annual Meeting of the Owners Corporation. Rental income is included under Occupancy Charges in the Income Statement.

Note 13 - Impact of Covid-19 Pandemic on 2022, and post balance date events

The impact of the Covid -19 pandemic has continued to affect attendances and offerings income, however it is not possible to accurately quantify the financial impact. There are no adjusting events to the financial statements as at 31 December 2022. The outgoings of the Church have been reduced commensurate with any reduction in offerings income. The Church received JobKeeper payments totalling \$57,600 during 2021 but no such assistance in 2022. The Church also received (from the New South Wales Government) a Covid-19 Business Grant of \$7,500 and Covid-19 JobSaver payments totalling \$32,589 during 2021 but no assistance in 2022. Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Church, the results of those operations or the state of affairs of the Church in future financial years.

GyMEA Baptist Church
Notes to and forming part of the Financial Statement
For the year ended 31 December 2022

Note 14 - Hopefield Services Inc (ABN 30 761 157 197) - refer Note 5

Hopefield Services Inc, is a registered charity associated with and supported by GyMEA Baptist Church. Details of services provided etc can be found at <https://hopefield.org.au/services/>
 Its 2021 annual report can be found at:

http://hopefield.org.au/wp-content/uploads/2022/06/Hopefield-2021-Annual-Report_WEB.pdf

Hopefield is a Christian, community based, therapeutic and social services organisation that enables people to solve issues by equipping them for change, inspiring hope and transforming lives.

| | This Year | Last Year |
|--|-------------------------|------------------|
| | \$ | \$ |
| Income: | | |
| Activities and fundraising | 29,465 | 95 |
| Counselling and supervision | 256,382 | 200,310 |
| Program income | 5,723 | 6,628 |
| Donations - GyMEA Baptist Church | 15,000 | 15,000 |
| Donations - General Public | 250,416 | 420,606 |
| Interest | 8,384 | 2,881 |
| Miscellaneous income and insurance | 14,477 | 113,338 |
| Other Grants | <u>270,866</u> | <u>244,348</u> |
| | <u>850,714</u> | <u>1,003,206</u> |
| Expenses: | | |
| Audit | 920 | 870 |
| Bank and merchant fees | 5,764 | 3,339 |
| Consultant fees for counselling services | 763 | 71,465 |
| Counselling Expenses and Subsidies | 4,794 | 938 |
| Depreciation | 3,758 | 4,465 |
| Fundraising Costs | 7,131 | 6,477 |
| Insurances | 3,430 | 4,465 |
| Maintenance repairs fitout and security | 1,240 | 1,020 |
| Other expenses | 58,592 | 35,456 |
| Printing post and stationery | 3,010 | 4,687 |
| Program expenses | 1,742 | 531 |
| Promotion, annual report | 7,537 | 3,459 |
| Provision for Staff Leave | 17,849 | 9,532 |
| Staffing | 706,243 | 545,797 |
| Staff amenities | 3,351 | 4,363 |
| Supervision and staff development | 2,548 | 7,920 |
| Telecommunications, website etc | <u>21,796</u> | <u>18,526</u> |
| | <u>850,470</u> | <u>723,310</u> |
| Net operating surplus | \$244 | \$279,896 |
| Accumulated funds at the beginning of the year | <u>671,680</u> | <u>391,784</u> |
| Accumulated funds at the end of the year | <u>\$671,924</u> | <u>\$671,680</u> |

Financial Position - overview

| | | |
|-----------------------------|-------------------------|------------------|
| Cash at Bank and on Deposit | 645,566 | 808,696 |
| Other Receivables | 23,141 | 2,400 |
| Inventory | 11,614 | 11,708 |
| Prepayments | | |
| Furniture and Equipment | 52,799 | 35,744 |
| Leasehold Improvements | 133,586 | - |
| Payables | (51,473) | (12,375) |
| Income in Advance | (51,702) | (100,738) |
| Provisions for Staff Leave | <u>(91,604)</u> | <u>(73,755)</u> |
| | <u>\$671,924</u> | <u>\$671,680</u> |

The above figures have been audited by Tony Gilbert CA

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GYMEA BAPTIST CHURCH

ABN 15 146 145 320

REPORT ON THE FINANCIAL REPORT.

I have audited the financial report of GYMEA BAPTIST CHURCH , which comprises the balance sheet as at 31 December 2022, the Income statement, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Statement by the Church Leadership team.

In my opinion the Financial report of GYMEA BAPTIST CHURCH has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- (a) Giving a true and fair view of the registered entity's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards to the extent described in Note 1, 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 registered entity in accordance with 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 in Australia. 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.

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.

Responsibility of the Responsible Entities for the Financial Report.

The Responsible entities of the registered 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 reports appropriate to meet the requirements of the ACNC Act. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free of material misstatement, whether due to fraud or error. In preparing the financial report, the responsible entities are responsible for assessing the registered entity'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 responsible entities either intend to liquidate the registered entity or to cease operations, or to have no realistic alternative but to do so. The responsible entities are responsible for overseeing the registered entity's financial reporting process.

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 is not a guarantee

that an audit conducted in accordance with 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 the 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 Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, 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 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' 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 registered entity's ability to continue as a going concern. If I 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 responsible entities 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.

NAME OF FIRM Anthony (Tony) Gilbert C A

Chartered Accountant.

NAME OF PRINCIPAL Anthony (Tony) Gilbert.



ADDRESS: 26 Oyster Bay Road, Oyster Bay, NSW 2225

Dated this 8th day of March 2023

AUDITOR'S INDEPENDENCE DECLARATION to the Responsible Persons of GYMEA BAPTIST CHURCH.

I declare that to the best of my knowledge and belief, during the year ended December 31 2022, there has been:-

1. No contravention of the auditor independence requirements as set out in Section 60-40 of the Australian Charities and Not for Profits Commission Act 2012 in relation to the audit; and
2. No contravention of any applicable code of professional conduct in relation to the audit.

Anthony (Tony) Gilbert CA
Accountant



Strategic Priorities Progress Report – March 3, 2023

Introduction

This is the first progress report on strategic priorities; a five-year plan. Three questions have been, and will continue to be, important for this stage of our implementation.

1. What is a sustainable pace?

The implementation of these strategic priorities is a marathon, not a sprint. We have been aware of the need to make a good start, but not to set a pace that is unsustainable.

2. Who can be involved?

More specifically, how can we include people in our community of faith in this work? The implementation of these priorities cannot sit primarily with the staff. This is, however, more than work-load management but a matter of Belonging. We want to help people find their place in God's mission here; to express their commitment to what God is doing and to deepen their sense of belonging. The next steps for many of our initial projects are increasing the number of people who are involved.

3. Where will the change be felt?

Implementing these strategic priorities will bring changes; some of which will be significant. We want to manage these changes as well as we can and this involves identifying where the changes will be felt by our community of faith. What values will be challenged? What will be lost (even as we seek to gain a new future)?

The following report outlines the actions taken and the next steps we want to take to advance these projects. This is a 30,000 foot overview of progress to date.

Spiritual Journey

1. Simple, accessible, relational pathways that everyone can follow Jesus.

a. Identify discipleship 'gaps'.

Action taken: A congregational survey was released (3-10 March) asking some initial questions of discovery.

Next step: Assess the survey and identify follow up steps (e.g., focus groups, working committees).

b. Develop a plan to strengthen the five discipleship contexts (God and you, you and few, you and a crew, etc.).

Next step: Audit each in the life of GBC, determine language to be used. Recruit to Life Group ministries (committee members, leaders, participants).

2. Establishing practices that embody our vision, mission, and purpose.

a. Develop and pilot 2-3 ways that encourage "talking" about Jesus.

Next step: Identify the parameters of the pilot programs we might develop.

b. Identify a set of 2-3 spiritual practices that best support our vision, mission, and purpose.



Action taken: This was a question on the congregational survey. A short-list of eight were provided.

Next step: Begin to expand the identified spiritual practices into potential activities and work out a “schedule” of implementation.

- 3. Living openly as followers of Jesus; open to the Holy Spirit and to others.
 - a. Incorporate teaching on the Holy Spirit’s role in our lives as followers of Jesus in our community of faith.

Action Taken: Sermon series planned for May, questions to be determined, in part, from answers to the congregational survey.

Next step: Plan the sermon series and identify additional resources required (e.g., Life Group material, recommended books).

- b. Develop spaces for appropriate vulnerability about matters of faith.

Action Taken: Volunteer training in questions that get beyond the surface. Introduction of “stand and greet” in our Sunday morning services.

Next Step: To be determined.

Community Engagement

- 1. Increasing and expanding the points of entry into our community of faith.

- a. Continue to invest in and strengthen our Guest Services Team.

Action taken: Upgrade of our NBN service (to assist in check-in process) is in progress.

Next step: Recruit to the Guest Services Team. Assess if NBN upgrade is sufficient or whether we need further hardware upgrades at check-in.

- b. Complete an assessment of our ‘signage’ – internal, external, and digital as it pertains to welcoming.

Action taken: An assessment has been completed. Consultation has been undertaken about what can be done.

Next step: Prioritise the necessary “signage” changes.

- 2. Building bridges with our local community

- a. Develop a set of resources to help everyone identify where God is at work in their own contexts and take steps to participate with his work.

Next steps: Work with Reventure on faith-work integration design.

- b. Identify 2-3 ways in which we can strengthen our partnership with Hopefield.

Action taken: Rox has joined the Hopefield vision day and has begun discussions with their community hub coordinator.



Next steps: To identify small, specific ways people from GBC can be involved in Hopefield initiatives.

3. Equipping everyone to invite others to follow Jesus, in word and deed.
 - a. Identify 2-3 gaps in our evangelism training and prioritise our response.

Next steps: To be determined.

- b. Identify 1-2 additional non-proselytising ministries we can be involved in.

Next steps: To be determined.

Belonging

1. Developing and resourcing support networks for life-transition
 - a. Research how other faith communities are helping children, youth, and young adults navigate the journey of faith and recommend 2-3 actions we can take.

Action taken: A Faith-Transition Working Group has been recruited to begin this process.

Next steps: To be determined by the recommendation of the working group.

- b. Identify additional transition points that would benefit from additional support and prioritise 1-2 to develop.

Action taken: The first step will be a small part of the Faith-Transition Working Group.

Next steps: To be determined.

2. Clearing the pathways to belonging in our community of faith.
 - a. Clarify expectations of members.

Actions taken: An updated constitution is currently receiving legal advice. This includes a change to membership “terms” with provision to regularly renew the commitment to membership.

Next steps: To be determined after the updated constitution is accepted.

- b. Revise Pathways and clarify the next steps.

Actions taken: Pathways has been revised and a GBC Handbook has been drafted.

Next steps: Complete the GBC Handbook and run a full Pathways course (in June).

3. Continuing to strengthen our care teams and structures.

Next steps: To be determined.

Develop a comprehensive care strategy and prioritise the next steps of development.

Next steps: Appoint a working group to begin working on this project.

Resources

Restructure staff responsibilities: No progress.

Identify volunteer opportunities: No progress. Next steps: To develop a way to “audit” the assets (e.g., gifts, skills, experiences, passions, and availability) of our community of faith.

Develop a set of health indicators and metrics for these strategic priorities: No progress.

Outline a plan for leadership development: No progress

Address culture: The Leadership Culture Review Report has been received by the CLT. A sub-set of the recommendations have been adopted as places to begin. The report has been released separately.

Assess communication strategies: This was part of the “signage” assessment, but more needs to be done.

Begin exploring necessary work to upgrade our facility: No progress.

Finalise our constitution: In progress.

Next Steps

We will be seeking the involvement of our community of faith in the following areas:

1. Guest Services

We are looking for people who are passionate about welcoming to part of the team and for people who are interested in joining the leadership of this critical ministry.

2. Life Groups

We are looking for people who would be willing and able to lead a Life Group and for people to join Matt Willis and Nicole Jones who oversee this ministry.

3. Congregational Care

We are looking for people to be part of a small working group tasked with outlining a comprehensive care strategy (including researching what other faith communities are doing in this space) and making recommendations about how this might be implemented at GBC.

If you are interested in finding out more about any of these opportunities, you can contact Marjy Robertson marjy.robertson@gymeabaptist.org.au – our Serve Team leader – or one of the pastoral team.

9th March 2023

To the GBC Congregation,

Attached you will find the Church Health Consultancy Report, prepared by Mr Andrei Mocanu & Rev. Vivian Grice on behalf of Transform Southern Sydney (TSS).

Marc Rader spoke of a desire early last year to be proactive and investigate the culture of the leadership and church in relation to safety [physical, spiritual, emotional], the exercise of power, the capacity for people to exercise a “voice”, and accountability. As a result, the Church Leadership Team (“CLT”) appointed consultants in May 2022, during Marc’s long service leave. The consultants have repeatedly praised the Church for taking this proactive and preventative approach, rather than it being a reaction to a particular issue or problem.

The consultants used three sources to inform their report: a congregational survey, leadership focus groups; and staff interviews. Their findings and further details on the methodology are contained in the attached report.

The report is overwhelmingly positive and the consultants reflected on this during our final briefing meeting. We are not perfect though and, as we have also demonstrated a strong desire to keep improving, a number of recommendations were made. These can be categorised as staff matters, policy matters and strategic matters.

The CLT will be working through the recommendations, beginning with those related to policy. The full set of recommendations are not included in this report but can be released should anyone wish to see them. This is to allow the CLT time to work through the recommendations and determine how, when and in which order to proceed.

In line with the recommendations, there will be an opportunity for those interested to ask questions or make comments. That day will be after Easter and the school holidays: Sunday, April 23 after our morning service and before the evening. More information to come.

It has been an exciting process to be involved in and very encouraging to see a staff willing to engage courageously and openly as well as a Church community so keen to contribute. Please pray that God will show us how to use this report to make GBC a place where all feel safe as they engage with us on their journey of Faith.

Regards

Susan Kusch

(on behalf of the CLT)



Church Health Consultancy Report

Gymea Baptist Church

February 2023

Consultants: Mr Andrei Mocanu & Rev. Vivian Grice

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Introduction

Dear Church Leadership Team,

Thank you for the invitation to partner with you and the Gymea Baptist Church (GBC) in a Church Health Consultancy. We have been made to feel very welcome and are very grateful for the cooperation everyone at GBC has provided. We would also like to thank you for the trust and transparency shown by everyone involved.

Vivian and I are both trained consultants with the Baptist Association and more specifically with Transform Southern Sydney. I am on the leadership team at Georges River Life Church and work part-time as a Church Health Facilitator for Transform Southern Sydney. It has been my privilege to be able to focus my time and energy in helping other churches through varied consultancies.

Vivian is an accredited Baptist pastor. In his semi-retirement he works in professional pastoral supervision of ministers from a number of denominations and also serving as Pastoral Care Pastor at Menai Baptist Church. He also conducts training for intentional interim ministry with churches in transition.

We have been supervised by Rev. Tim Burns, who is the team leader for the Baptist Association's Church Health Team, and we are grateful to him for the advice he has given.

We present this Consultancy Report and Recommendations, trusting that the Lord will use it to further bless the ministry, and witness of His people in Gymea and the surrounding area.

Andrei Mocanu & Vivian Grice

Background

In April 2022, Marc Rader, senior pastor at Gymea Baptist Church [GBC] requested the Baptist Association of NSW/ACT [BA] Consultancy Team to conduct a proactive¹ consultancy. It had the purpose of looking at the culture of the leadership and church as a whole in relation to safety [physical, spiritual, emotional], the exercise of power, the capacity for people to exercise a “voice”, and accountability.

In late May two consultants were appointed: Andrei Mocanu and Vivian Grice.

It is important to note that this was a *proactive, preventative* consultancy, rather than a *reactive* one responding to an identified difficulty. That is, the consultancy was requested by the senior pastor and the Church Leadership Team [CLT] to ensure that the church’s culture, processes, policies and actual operation supported a safe and biblically-aligned environment for all.

In particular, in the light of recent notable leadership failures by well-known Christian pastors, the staff and CLT desired to examine the GBC culture to make sure it did not inadvertently enable such failures through a lack of appropriate accountability, or how power was exercised.

The lead pastor and other staff, along with the CLT are to be commended for this proactive approach.

Between June 2022 and February 2023 the consultancy was developed and conducted with the full co-operation of the pastoral team, other staff, key stakeholders and the wider congregation. The process and methodologies are outlined more fully below.

Objectives

On 15 June 2022, the consultants met with the CLT to clarify specific objectives for the consultancy. In light of that discussion, the following objectives framed by the consultants were confirmed by the CLT:

- 1. To assess the formal and informal culture of GBC around issues of:**
 - a. Safety**
 - b. Voice**
 - c. Agency**
 - d. Power**
 - e. Accountability**
- 2. To identify a process for regular checks on culture in line with objective 1.**
- 3. To recommend themes in regard to the above objectives that may benefit from further reflection within the context of GBC.**

¹ While the consultants commend the CLT and staff for initiating this consultancy, and do view it as “proactive”, there was a small handful of those in the survey who indicated that the idea of “proactivity” was “jarring” to them given their awareness that there was a previous case of staff misconduct that they felt was handled poorly.

Outline of the consultation process

Timeline

| | |
|----------------|---|
| 2022 May | Initial meetings |
| 2022 Jun – Jul | Finalise objectives |
| 2022 Jul | Planning of the consultancy process by the consultants |
| 2022 Aug | Meeting with the Senior Pastor to discuss the implementation of the processes agreed upon |
| 2022 Sep | Drafting of church-wide survey, interview and focus group questions |
| 2022 Oct – Nov | Distribution of church-wide survey, interviews of staff, conducting focus groups |
| 2022 Nov – Dec | Analysis of data |
| 2023 Jan – Feb | Drafting of the report and presentation to CLT |

Methodologies for data gathering

The consultants decided, and the CLT agreed upon, the methodologies outlined below for gathering data. The methodologies were selected in an effort to gain as wide a perspective as possible from the congregation regarding the themes identified for examination. In short, the consultants believed that the methodologies ought to provide avenues for congregational members, as well as staff, to exercise “voice” and “power” on these matters, two of the very themes identified for examination. The validity of methods selected were checked through input from another highly experienced church consultant from outside the BA.

Four key methods were used:

1. an **anonymous church-wide survey** available electronically or in hard copy. The survey sought both quantitative and qualitative information.
 - a. 153 persons completed the survey
2. a set of **interview questions** used with all pastors and other staff in one-on-one conversations.
 - a. 10 of the 11 pastoral and administrative staff were interviewed. The majority of staff have also completed the anonymous survey.
3. a set of questions seeking feedback from **focus groups** composed of key leaders and stakeholders.
 - a. 17 people attended the focus groups, divided into three table groups. The process started with individual (silent) consideration, then group discussion that was recorded at each table, and finally reporting back in the whole group format.
4. review by the consultants of existing relevant **policy and procedures documents**.

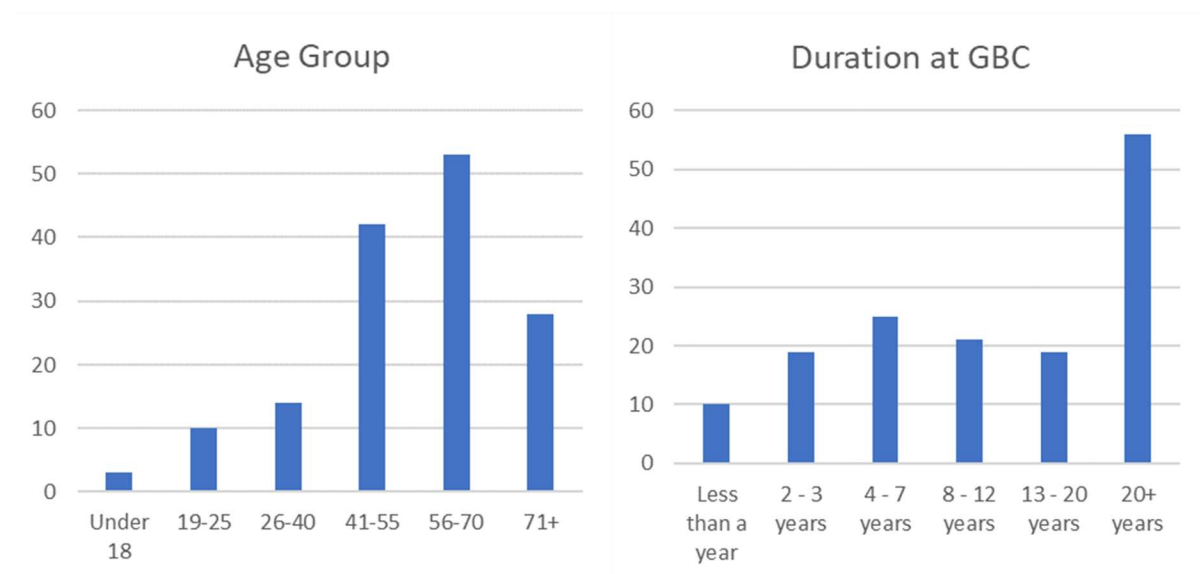
Information provided by GBC leadership

- Size of the congregation and some demographics
- Details of main ministries and their groupings
- Organisational chart
- Policies and procedures
 - GBC Safe Church Policy
 - GBC Safe Church Code of Conduct - Levels One to Three
 - GBC CLT Policy Manual
 - Anti-Discrimination Procedure
 - Affirmative Action Procedure
 - Sexual Harassment Procedure
 - Bullying Procedure
 - Dispute Resolution Procedure
 - Conflict of Interest Procedure
 - Safe Church Procedure
 - Child Safety Procedure

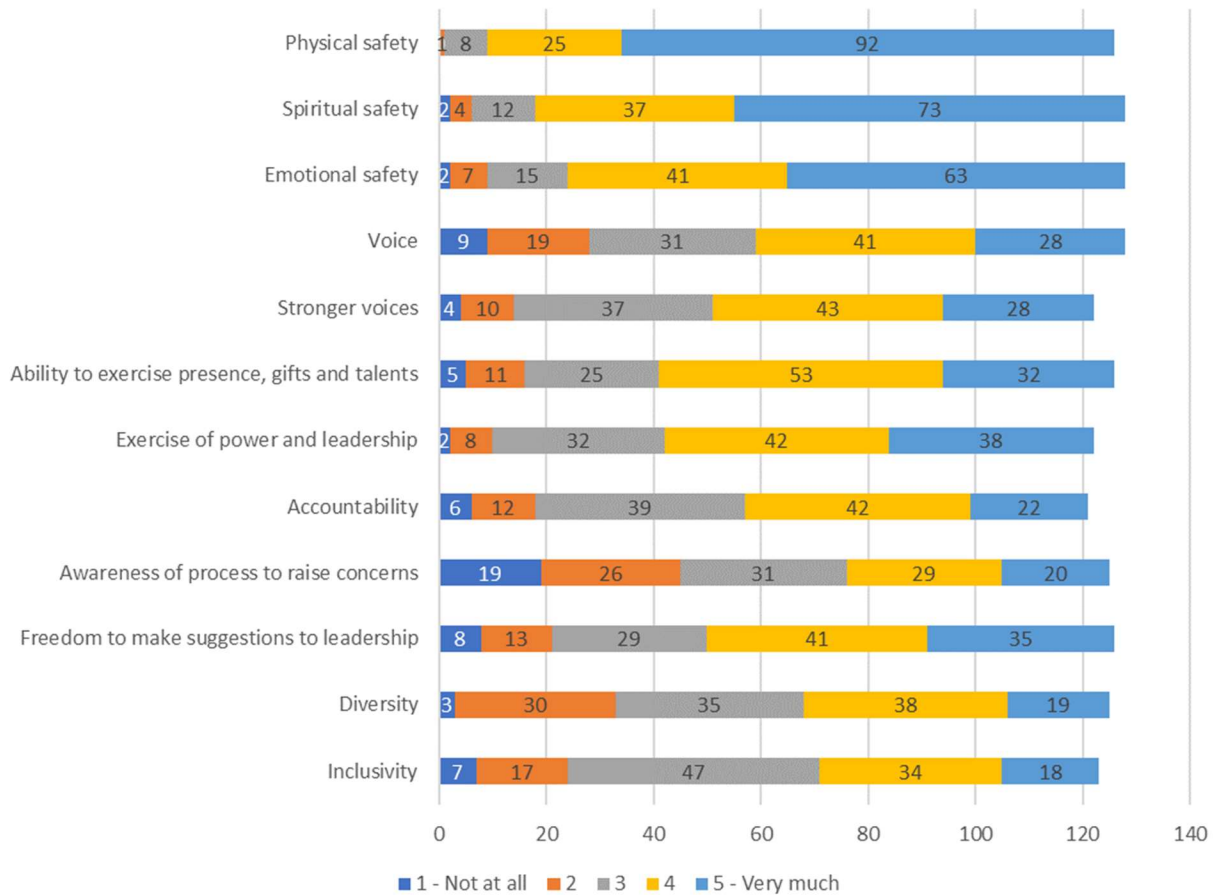
Overview of Survey Quantitative Results regarding Key Themes

There were 153 survey submissions, which is a representative data sample given the size of the congregation.

Some demographic information to note:



Participants were asked to rate their response to the issues on a scale of 1 - 5, where 1 = **not at all**, and 5 = **very much**. Below is a summary to the scaled questions:



Some further data points that we worth noting:

- The answers to the question of gender were 83 female, 65 male, 2 “I’d rather not specify” and 3 which skipped the question
- 66% of survey respondents are involved in a ministry
- For the questions that required rating from 1 and 5, between 25 and 32 people did not answer, the precise number varying by question
- To the question that asked respondents about one thing they would like to change about the overall culture especially in regard to the exercise of power, influence and accountability, 61 respondents had specific suggestions and 83 skipped the question

Observations and reflections

Pleasingly, there was a very wide engagement by the church in the survey. This resulted in a large amount of diverse data, especially qualitative data. However, as with any broadly sourced feedback, there will be varying and sometimes contradictory comments, viewpoints, opinions, perceptions, positions and ideas for solutions. This was certainly the case on this occasion.

So, the observations made below result from efforts by the consultants to identify **key recurring themes** and ideas in an attempt to provide a broadly accurate picture of the data received. They are not an attempt to provide an exhaustive list of all that was said or every view that was enunciated. Extreme or outlying views have not been included in these observations. Rather, the observations reflect themes mentioned repeatedly across all three sources of the data gathered: interviews, survey and focus groups. Such quotations as do appear are to be read as representative of the many other comments we could have utilised.

Areas to celebrate

Staff:

- the positive willingness of staff and congregation to participate honestly in the consultancy
- the SP and staff are generally held in high regard as people of integrity and competence by a majority of the congregation
- the staff generally find GBC a positive place to work
- the staff expressed genuine care for each other
- the staff enjoy their roles
- the staff see what they do as being valued
- the staff are a hardworking ministry team
- the staff are seen as gifted

Two quite representative comments:

- *"I feel everyone on the staff team values my role and what I do"*
- *"Pretty friendly, generally ok, no major issues. Occasional frustrations which would be normal within a workplace."*

Senior Pastor

- generally held in high regard by other team members
- affirmation of his character
- has a strong voice, though not seen as handling power abusively
- respect ["awe"] for his skill and competence
- generally seen as approachable by other team members

A generally positive assessment of GBC's culture² regarding the themes in Objective 1

- All aspects of safety were rated highly by the congregation
- A broad view that people could exercise their gifts and talents, yet as noted further in the report, there is a need for a clear pathway discover and exercise gifts
- Leadership is generally seen to exercise power appropriately
- Most people indicated a freedom to make suggestions, though this perception was more muted and some barriers were identified (explored later in the report)

² For "culture" the phrase "how we do things around here" can be generally substituted.

Examples of the kind of comments commonly expressed about these areas are:

- “I am encouraged but not pressured.”
- “I feel incredibly safe coming from a couple of spiritually abusive scenarios. I have been heard and note the careful way Marc in particular articulates this in various scenarios.”

Generally adequate policies and procedures

- Policies adequately covered areas required for compliance and general church “safety”
- The wording of policies was generally clear

Willing engagement of the staff and congregation to examine culture

- Positive support and widespread engagement in this consultancy
- Openness to reflect on culture with external facilitators
- Keeness to see the outcomes of the consultancy made known

Commonly expressed concerns and areas for further reflection

Accountability for poor behaviour and exercise of power

At both staff (interviews) and general congregational level (survey), a repeated view was that accountability for poor behaviour, inadequate performance or inappropriate exercise of power should be strengthened. Some spoke of historical issues where people were not held to account on serious matters. Further, there was a general view that the culture at GBC, in both staff and CLT, evidenced some avoidance or weakness in the area of accountability, especially with more “informal” and lower- level practice of keeping people accountable.

Awareness of Process to Raise Concerns About Those in Leadership

While there may be processes in place, a solid percentage of people had a relatively low level of clarity around how to raise any concerns they had.

A Culture of Fast Paced Busyness, Action and “Get It Done”

This was particularly expressed by staff team members. Consequences of this culture were identified as:

- Lack of time for “hearing from” the team
- Lack of time for evaluation
- Lack of time for reflection
- Lack of time for celebration
- Hindrances to effective communication

Another comment was that GBC “can be a little bit quick to try and discard things”.

A Sense of “Nothing Changes” and Not Really Being Listened To

Quite repeatedly the view was expressed in the survey that although representations to leadership had been made about various issues, frequently little action resulted. Or, if action did result or there was a valid reason for inaction, these things were not communicated adequately back to people. This generally relates to the issue of having a “voice” at GBC. There was a sense of being asked for input but that barriers existed. Examples of this included:

- decisions made at the top by dominant and skilled voices though congregational opinions were sought
- suggestions not taken up

- staff overload
- a sense that voicing concerns was a “no-no”
- having avenues to express a voice.

Possible Conflict-Avoidant Culture

From both interview and survey the view was expressed regularly enough that, although generally it was okay to raise difficult issues, GBC tended to avoid conflict (which is far from uncommon in Christian churches) rather than have difficult conversations when they were needed. There was a tendency to “work around” rather than “confront”. This links to the concerns around a weakness in the area of accountability touched on above.

The Need for Greater Clarity (Including Visibility)

This was found in a number of aspects of the GBC culture, including:

- varying perceptions among senior staff as to who has input
- lack of clarity around how access to SP is overseen/controlled
- avenues for voicing complaints or ideas
- results of viewpoints expressed or decisions taken
- lack of clarity about what feedback is required from staff by the SP
- pathways for how to exercise gifts
- how some decisions are made
- who has responsibility for certain areas

Communication

It is common for the leadership of organisations to believe they are communicating effectively and sufficiently when that might not be the case. This theme emerged across various dimensions of the data (safety, voice, staff functioning, exercising gifts, power, accountability, making suggestions), touching on modes of communication (e.g., use of CAPS in emails feels like shouting at people) and effectiveness (e.g., lack of awareness of policies/processes). Examples include:

- a perception that emails to staff were not always answered or responses were delayed (in some views the delays were significant)
- lack of clear, repeated and regularly communicated channels for expressing concerns, complaints
- sense of “not being heard” when there was a lack of follow through
- a more structured flow of communication processes in staff team

Power, Voice and Agency

While overall there is confidence in the way that power is handled at GBC, there is not universal confidence that it is operating optimally, especially when it comes to allowing room and “pace” for creativity, reflection, celebration. This emerged in staff interviews and survey in such comments as:

- the limited time for creativity due to “pace” and the work demands
- the capacity, competence and “speed” of the SP can create an atmosphere that (unintentionally) disempowers creativity of other voices; the SP himself sees that “my voice is too loud, my thumb too heavy”
- SP presides over church meetings

Some Voices Seen as Louder and More Influential

Nearly 60% of respondents rated as 4-5 the sense that there were stronger voices at GBC, sometimes seen as unhelpfully so. While many said that it was quite normal in any organisation for

voices to be louder from some due to things such as personality, proximity to leadership, level of commitment, skill, etc., this remains a concern. Some held the view that those who had been at GBC longer had an overly powerful voice in shaping the church's life and future. Sometimes phrases were used such as "favourite people" "cliquey", "only a few voices ...", "inner team", "inner circle".

Language used by the staff quite possibly contributes to this: e.g., "senior vs junior staff", "pastors vs staff", "stakeholders". These may give [possibly falsely], a perception of skewed power. The perception that GBC is a "legacy church" may also grant more power and privilege to those that have been much longer in the congregation.

Diversity and Inclusion

There was a commonly expressed desire for growth in these domains but also an awareness of significant room for improvement.

Pastoral Care

While this was expressed only by a minority of respondents, it did emerge across a number of comments that pastoral care seemed to be less personal and active in recent years.

Additional observations and questions by consultants

Part-Time Staff

There is a component of having so many part-time staff that contributes to complexities of communication and clarity around matters such as accountability, responsibility and accessibility. As a result, extra effort is needed to maximise team cohesion.

Modes of Communication

Is there too heavy a reliance upon electronic forms of communication rather than more directly relational ones? This may exacerbate a sense of disconnect for a minority of people, especially those in older cohorts.

Effectiveness of operational structure and staff roles

The organisation seems to have grown to a point where it is putting pressure on current operational systems. Some of the issues / observations / symptoms mentioned could be amplified by this dynamic rather than being purely a cultural factor. Examples of these include:

- Some staff members' PDs having a significant number of areas of responsibility that are not tightly linked
- Staff taking on roles and functions not always reflective of their PDs for a variety of reasons
- In light of new team members, the impact of COVID and the impact of pace, more attention needs to be given to formal team formation and development.