



**MEETING OF BISHOP-IN-COUNCIL
OF THE
DIOCESE OF GRAFTON**

**CONFERENCE ROOM OF THE BISHOP'S REGISTRY,
50 VICTORIA STREET, GRAFTON**

Thursday 19 April 2007

**COMMENCING WITH A CELEBRATION OF THE HOLY EUCHARIST IN CHRIST CHURCH
CATHEDRAL AT 9.00AM**

AGENDA

1. **OPENING PRAYER/WORSHIP**
9.00am The Holy Eucharist at Christ Church Cathedral
2. **CONTINUING REFLECTION & GOVERNANCE DISCUSSION**
10.00am At the Registry
3. **APOLOGIES:**
4. **CONFIRMATION OF THE MINUTES** (of meeting held on 22 February 2007)
5. **BUSINESS ARISING:**
NCCH (verbal update on settlement)
6. **BISHOP'S MATTERS**
7. **MATTERS FOR DECISION**
 - (a) Audited Financial Statements (final papers at meeting)
 - (b) 2008 Budget draft for forwarding to Synod (attached)
 - (c) Gunundi (attached)
 - (d) Youth and DYCMP – Constitution and financial matters (attached)
 - (f) Clarence Valley Anglican School - Appointments
8. **MATTERS FOR DISCUSSION**
(h) YTD Accounts – Diocese (see attached)
9. **MATTERS FOR NOTING**
REPORTS:
 - (a) Diocesan Property Board - Report
 - (b) DYCMP - Report
 - (c) Professional Standards – Report
 - (d) Audit Committee
 - (e) Diocesan Environment Commission
10. **OTHER:**
 - (a) Early Education Centre Joint Venture with St Columba's
 - (b) Ordinance Index
 - (c) Bequest: Dorrigo Parish (modest house +)
11. **NEXT MEETING:**
..... 2007
12. **CLOSURE**

- d) **How will we know we are successfully "transforming unjust structures of society?:"**
- By fruits produced by our church and by Christian community e.g. Anglicare
- e) **What threats, blocks and challenges stop us "Proclaiming the Good News"?**
- Self-interest
 - Materialism
 - Worried about self image - we are timid - we are afraid to be unpopular.
 - We do not sell ourselves well in the community

Mark 5 - To Strive to Safeguard the Integrity of Creation and Sustain and Renew the Face of the Earth.

- a) **What does this mean to us and our community?**
- Sustainability
 - Reduce our footprints
 - Challenge
- b) **How do we safeguard creation?**
- By example
 - Budget - Innovative means
Subsidise initiative
 - Co-Ordinate - diocesan response
 - Policy recycling
Green energy
Advocate on behalf of other groups
Support Environment Commission
Sustainable products
Engage in dialogue with others beyond the church

3. Apologies:

The Right Reverend Keith Slater	Mrs Ann Emery
The Reverend David Jones	Mrs Leone Hanger
The Venerable Greg Ezzy	The Reverend David Hanger
Mrs Lorraine Dixon	

MOTION

"that the apologies be accepted"

MOVED: Canon Terry Shorten

SECONDED: Mr David Miller

CARRIED

4. Minutes from the Meeting held 22 February 2007

MOTION

"that the minutes be accepted as a true and correct record."

MOVED: Mr David Miller

SECONDED: Mrs Madeline Pearce

CARRIED

5. North Coast Children's Home

The Registrar gave the members a verbal update on the state of negotiations. 39 out of the 41 claimants have agreed to the negotiated settlement. Bishop-in-Council gave a vote of thanks to Mr Peter Roland and The Registrar for all the work they have done to bring the negotiations to this stage.

6. Bishop's Matters

There were no Bishop's matters for this meeting.

DIOCESE OF GRAFTON

AGENDA ITEM NO. 7b	SUBJECT: DRAFT BUDGET 2008	PREPARED BY: Hon Revd Pat Comben	DATE: 11 April 2007
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The attached draft budget is, subject to changes proposed by Bishop-in-Council, intended to be presented to Synod.

Since the last meeting of Bishop in Council:

1. The amounts potentially payable in respect of Professional Standards have been adjusted downward (to reflect the likelihood of settlement).
2. The loss at Gunundi has been reduced, but it is possible that Gunundi will be a multi-million dollar capital expenditure item in 2008.
3. The amounts for Ministry Development and Ordination have (we hope and believe) been finally sorted (!)
4. There is now a high degree of veracity as to the amounts of interest due from all potential Diocesan Trust Funds. For the first time proper amounts of income from Funds such as The Ordination Candidates Fund, Ministry Support Fund and others are included.
5. I will be seeking from Synod (via a motion) some certainty about being able to be flexible in allowing Bishop-in-Council to review and make "reasonably prudent or necessary adjustments to the Budget as the circumstances dictate." I have no final words as to the proposal, but will seek to reflect the views of the Auditor and Audit Committee.

Anglican Diocese of Grafton

Budget Working Paper for 2008 year

	2006 Budget	2007 Budget	2008 Budget
O Other Clergy Costs			
Income			
Parish Cont - Clergy Removal	\$17,670.00	\$17,670.00	\$18,000.00
Parish Cont - Clergy Relieving	\$18,242.00	\$18,242.00	
CPE Trust Funds	\$789.00	\$700.00	
Total Income	\$36,681.00	\$36,612.00	\$18,000.00
Expense			
Clergy Removal - other clergy	\$17,670.00	\$17,670.00	\$18,000.00
Clergy Relief - other clergy	\$500.00	\$18,242.00	
Long Service Leave - Parishes			\$9,000.00
Clergy Super - Dio Contr.	\$66,960.00	\$70,000.00	\$70,700.00
Total Expense	\$103,372.00	\$105,912.00	\$97,700.00
Other Income			
Transfer from Removal Reserve	\$1,177.00		
Total Other Income	\$1,177.00		
Net Profit (Loss)	(\$65,514.00)	(\$69,300.00)	(\$79,700.00)

PP Parish Payroll

Income			
Parish Cont - Parish Pays			\$1,905,500.00
Parish Cont - Parish Super			\$98,880.00
Total Income			\$2,004,380.00
Expense			
Salaries - Parishes			\$1,905,500.00
Superannuation - Parishes			\$98,880.00
Total Expense			\$2,004,380.00
Net Profit (Loss)			\$0.00

PR Professional Standards

Expense			
Care and support package		\$235,000.00	
Compensation		\$500,000.00	
Consultants			
Counselling and support		\$15,000.00	\$15,000.00
Interest paid			\$24,000.00
Legal costs		\$50,000.00	
Professional Standards	\$53,000.00		
Total Expense	\$53,000.00	\$800,000.00	\$39,000.00
Net Profit (Loss)	(\$53,000.00)	(\$800,000.00)	(\$39,000.00)

**REPORT OF THE BISHOP-IN-COUNCIL OF THE DIOCESE OF GRAFTON TO
THE SECOND SESSION OF THE THIRTY SECOND SYNOD FOR THE YEAR
ENDED 31ST DECEMBER, 2006**

Bishop-in-Council is constituted by The Bishop-in-Council Ordinance 1934-1991, it met, at the Registry Office, Grafton, on five occasions during 2006

- 23rd February
- 27th April
- 27st July
- 21st September
- 30th November

All meetings were chaired by the Rt Rev Keith Slater, Bishop of the Diocese of Grafton.

Membership of Bishop-in-Council

The Bishop - The Right Reverend K F Slater

The Dean (and Commissary) - The Very Reverend Dr P C Catt

The Chairman of Committees – Canon T Shorten

The Chairman of the Diocesan Property Board - Mr G Mitchell

The Registrar – The Hon & Rev P Comben

Regional Ministry Coordinators -

Tweed/Byron, The Rev Gary Priest

Richmond, The Reverend J Thomas (until

Upper Richmond, The Rev V Hoskins (until

Clarence, The Very Rev Dr P C Catt

Mid-Coast, The Rev

Bellinger/Nambucca, The Reverend D Hanger

Hastings/Macleay, The Rev D Jones

Regional Lay Representatives -

Tweed, Mrs M Pearce

Byron, Mrs L Dixon

Richmond,

Upper Richmond, Mrs T Archinal (until

Clarence, Mr P Sutton

Mid-Coast, Mr D Perry (until ...)

Bellinger/Nambucca, Mrs L Hanger

Hastings/Macleay, Mrs C Flanagan (until

Elected Clerical Members -

The Reverend B Muller (from May)

The Rev R Trickey (from May)

Elected Lay Members -

Canon A Skamp

Mr D Miller

The Diocesan Advocate, Mr. P. Roland (non-voting)

The Diocesan Chaplain for Ministry, The Reverend G. Ezzy (observer)

Ordinances Passed During 2006

The Synod Ordinance requires Bishop-in-Council to report on its exercise of the powers conferred on it by Part IX of the Church Trust Property Ordinance 1934. This largely concerns land sales and leases. Relevant Ordinances passed during the year were:

Woolgoolga Parish – Leasing Ordinance 2006
 The Parochial District of the Orara Valley – Leasing Ordinance 2006
 The Parochial District of the Upper Clarence – Leasing Ordinance 2006
 Cathedral (Age Amending) Ordinance 2006
 St Cuthberts Retirement Living Complexes Inc. Land Sale Ordinance 2006
 Wyan (Casino) Land Sale Ordinance 2006
 Kempsey Leasing Ordinance 2006

(Bishop-in-Council again this year did not seek to recover the Five Guinea Fee which it is entitled to recover from the proponents of these Ordinances under Section 41 of *The Church Trust Property Ordinance 1934*!).

Matters Referred to Bishop-in-Council from the Third Session of the Thirty First Synod

This is covered in the attachment to this report.

Diocesan Trust Funds and Reserves (Diocese)

Bishop-in-Council supported the request from the Registrar early in 2006 to reduce the “the number and thus clutter” of the Trust Accounts and Reserves held on behalf of the Diocese. This has largely been done and the number of Trust Accounts now held in the name of the Diocese has dropped considerably. A typical example were the 10 reasonably minor accounts held for the purpose of “Ordination Candidate’s Fund” which are now held in a single Trust Account, for the sole purpose of Ordination Candidates and containing \$160,000, the interest from this can now be properly brought to account in the books of the Diocese as it plans for the future. A number of small accounts held by GDIF for a variety of Diocesan Reserves have also been closed to assist in the management of the Diocesan capital.

Bequests

The following Bequests have been received by Parishes or the Diocese:

MR Rogers Estate (\$67,274.86 Diocese)
 RG Hill (\$2,500 Coffs Harbour Parish)
 VM Bindley (\$1,000 Maclean Parish)
 The Knapp Estate (\$330,000 Casino Parish)
 Ken Dick (\$7.4m Port Macquarie)

North Coast Children’s Home

The Diocese was early in the year served with some 450 pages of material from Solicitors acting for 41 potential plaintiffs. The matters complained of were associated with the North Coast Children's Home and included allegations of physical, psychological and sexual abuse. The period covers 1943 - 1981. substantial legal and historical responses were prepared by the Advocate and the Registrar.

The Diocesan Advocate briefed Senior Counsel (Mr Garth Blake SC) to provide advice. The clear advice is that the Church is not legally liable and consequently will maintain its position of resisting and defending the allegations on the basis of:-

- The Statute of Limitations
- No vicarious liability for the illegal acts of a servant or officer
- The Home was not, in law, a diocesan responsibility
- Who in legal terms is the responsible legal entity

However both the pastoral and compassionate side of the church and commercial reality indicates that some amount of money in the form of a care and assistance package will be placed before the claimant's solicitors early in 2007.

The Buttery

The Buttery, located at Binna Burra, was originally started by Rev McNight in the mid 1970s as a place where individuals with drug problems could receive support. Land was acquired for the endeavor through Commonwealth funding and The Buttery was incorporated in XXXX by Synod under the provisions of the *Anglican Church of Australia (Bodies Corporate) Act*. It can be suggested that there has been a drift away from the church in the period since that separate incorporation.

Following approaches to The Buttery about the true owner of the land on which The Buttery now stands an animated conversation took place over a number of months on the issue of the "independent" status of The Buttery. The Board and senior management of the Buttery was robust in its view that it was an autonomous body, whilst the registrar provided advice to Bishop-in-Council that to be incorporated under the "*Bodies Corporate Act*" the entity had to be an Anglican Church organization. The reality of Bishop-in-Council being able to change the Ordinance and Constitution of The Buttery at any time was also brought to the attention of the Buttery Board.

Following a number of meetings, considerable discussion and heartburn Bishop-in-Council eventually passed the following resolution:

"That Bishop-in-Council note the concerns of The Buttery Board and authorises the Registrar to negotiate with The Buttery Board to achieve:

- a) de-incorporation of the Buttery Board by repeal of the Ordinance;*
- b) a hand-over of the subject land at Binna Burra; and*
- c) development, with the Board of the Buttery, of an appropriate exit strategy including historical links, time frames, publicity, appointment of the Board members and longer term relationship.*