

MINUTES OF A SPECIAL MEETING OF THE DIOCESAN COUNCIL HELD AT BISHOPSCOURT, TYRRELL STREET NEWCASTLE ON THURSDAY, 24 JANUARY 2002 AT 4P.M.

2002.001 **THE MEETING** opened with Prayer.

2002.002 **PRESENT:** The Rt. Reverend R.A. Herft (Chairman); The Rt. Reverend G.S. Rutherford; The Venerable R.S. Bower; The Venerable B. Pate; The Very Reverend G.R. Lawrence; The Reverends A.J. Copeman, D.S. Simpson and R.L. Zohrab; Mr. W.K. Allen, Mrs. L. Douglas, Mrs. B. Fenwick, Mr. R. George, Mr. R.C. Hann, Mr. J.C. Price and Mr. C. Shevels.

By invitation: Mr. John McLennan, of Cutcher and Neale, Diocesan Auditors.

It was determined that the numbers present constituted a quorum.

2002.003 **SPECIAL BUSINESS:**

The Bishop outlined events leading to this special meeting.

On Wednesday 23 January, the diocesan auditors, Cutcher and Neale, brought to the attention of the Bishop certain accounting discrepancies which required further explanation.

At the request of the Bishop, Mr. John McLennan advised the Council of the discrepancies.

The issues had been placed before the Registrar and he tendered his resignation with immediate effect from the positions of Registrar and Secretary to the Trustees of Church Property.

The Registrar had also resigned from all other positions held in the Diocese and the wider church.

These resignations were accepted.

The Bishop indicated that he needed to write to Mr. Peter Mitchell in respect of his resignation and indicated that that proposed document would be placed before Rankin and Nathan.

Rankin & Nathan had requested that they contact Mr. Stuart Littlemore, QC for his advice on matters pertaining to defamation. The Diocesan Council agreed to this action.

The Bishop then drew to the Council's attention a draft statement regarding the matter, which was intended to be published in the February "*Anglican Encounter*". Some Council members were concerned with the statement, as drafted, and felt that the wording should be changed. Comment was also made that publication of the statement should be deferred until all the facts were known.

The Bishop indicated that the facts were clear and that there was no doubt about the matter.

The statement was redrafted and the Council agreed that the draft statement, as amended, should be published after approval from Rankin & Nathan and also asked that pastoral care be provided for Mr. Peter Mitchell and his family. The Bishop advised that Bishop Robert Beal had been called in on the 24th and had met with Peter Mitchell in a pastoral capacity.

2002.004 INTERIM AUTHORITIES

- (A) Mr. J.C. Price moved, seconded by the Venerable R.S. Bower:

“That Diocesan Council authorises a legal audit of the Trustees of Church Property and Anglican Savings and Development Fund mortgages to be undertaken by Mr. W.K. Allen, Mr. R.C. Hann and/or The Reverend J.E. Southerden, Chairman of the Diocesan Audit Committee. The results of such audit to be reported to this Council.”

CARRIED

- (B) Mr. J.C. Price moved, seconded by Mr. R.C. Hann:

“That Diocesan Council authorises an investigation of Temporary Trusts under the direction of the Diocesan Auditor, assisted by the Diocesan Secretary, Mrs.Helen Adams and Mr. Darren Smith.”

CARRIED

- (C) The Venerable R.S. Bower moved, seconded by the Reverend D.S. Simpson:

“That Diocesan Council authorises the checking of diocesan funds in the Anglican Savings and Development Fund and Pooled Investments with the results of such investigation to be reported to this Council.”

CARRIED

- (D) Mr. R.C. Hann moved, seconded by Mr. W.K. Allen:

“That authority be given for Mr. Darren Smith to bring the Anglican Savings and Development Fund cash flow statements and budgets up to date for report to the A.S.D.F. Board which shall report to Diocesan Council.”

CARRIED

- (E) The Very Reverend G.R. Lawrence moved, seconded by the Reverend A.J. Copeman:

“That authority be given for Mr. Darren Smith to be remunerated at an hourly rate of \$35 in connection with the investigations required.”

CARRIED

- (F) Mr. W.K. Allen moved, seconded by the Very Reverend G.R. Lawrence:

“This Diocesan Council appoints Mr. T.S. Mawson as Registrar for signing licenses for clergy, mortgages, transfers and discharges of mortgage upon the following basis:

- (a) *certification of all real property documents by Rankin & Nathan in writing and;*

(b) *such letter from Rankin & Nathan shall be checked and initialled by a Trustee prior to the documents being signed by three (3) other Trustees.*

(c) *such arrangement be subject to review by the Trustees and their solicitors in the next six (6) weeks.”*

CARRIED

2002.005 BANK SIGNATORIES

(A) Diocesan Budget Account, Benefits Account and General Account

“That all cheques drawn on these accounts be signed by the Diocesan Secretary and countersigned by the Dean and one Trustee of Church Property. That it be noted that for the next six weeks it would be prudent that the Diocesan Secretary not sign any cheques except in emergency.”

CARRIED

(B) *“That as a general rule, any office staff member who generates documentation for the drawing of any cheque shall not sign that cheque.”*

CARRIED

2002.006 OTHER MATTERS:

(A) It was resolved:

“That the Bishop continue to search, with the Diocesan Auditor, for a person to fill the role of Administrator on a temporary basis for up to three days per week with the costs of such person to be met by the Trustees of Church Property and with such person to be appointed by the Bishop in conjunction with the Auditor and Trustees of Church Property.”

(B) It was resolved:

“That Diocesan Council, having heard from the Bishop of the situation, offers to the Diocesan Secretary and Diocesan Office Staff its prayerful support and concern at this time.”

(C) It was resolved:

“That Diocesan Council offers its grateful acknowledgement to the Bishop, the Assistant Bishop and Auditor for the sensitivity, care, concern and attention given to this matter.”

(D) The Council offered its gratitude to Mr. John McLennan, Diocesan Auditor, for his attendance at this meeting.

2002.007 THERE BEING NO OTHER BUSINESS, the meeting closed with The Grace at 5.40p.m.

CONFIRMED

Chairman

Date