

**Question: 12 October 2010**

The questions asked by Dr Mackay and Mr York at item 3.1 and 3.2 of today's business paper cover similar issues, and so it is thought helpful to answer those questions together.

Dr Robert Mackay to ask –

1. Further to the interim report of the Archbishop's Strategic Commission on Structure, Funding and Governance, with regard to the Greenoaks Unit Development, what were the development costs, any sale proceeds to date, the current cash yield and, as available, estimated sale proceeds for the remaining apartments?

Mr Bruce York to ask –

2. I refer to the property development known as The Greenoaks Apartments which is perceived by some to have been a poor financial decision.

Could the Synod please be apprised of the initial financial justification of this project compared to the current actuals and expectations with some explanation of the reasons for any variances please?

To which the President replied –

1. & 2. I am informed that the answer is as follows –

The Greenoaks Development consisted of the construction of 10 apartments on a vacant lot in the Greenoaks Avenue, Darling Point adjacent to Bishopscourt.

Development approval for the project was obtained in 1999 and the costs were funded from the property of the Endowment of the See. Those costs were not included in the initial project feasibility undertaken in June 2005.

Initial works commenced in 2004, and the main works commenced in 2005. They were completed in September 2007. The costs of the initial works and main works were funded by loan to be repaid from the proceeds of the sale of the units.

The table shown on the screen sets out information about the initial project feasibility and the actual project financial results as at 30 September 2010. Three of the units are currently unsold (one is the residence for the Bishop of South Sydney, and the remaining 2 units

have been leased but it is intended they be sold as soon as is practicable). For the purposes of calculating the actual estimated net profit the sale of those units at their current valuations has been assumed.

The main reasons for the differences between the initial project feasibility and the projected actual outcome are as follows –

- (a) Delays in completing construction, principally caused by weather issues, adding to construction and interest costs.
- (b) Poor market conditions when the units became available for sale resulting in substantially lower expected gross sales amounts compared to the assumptions in the initial feasibility.
- (c) Poor market conditions also resulted in delays in effecting sales, increasing the interest costs associated with the loan taken out to finance the construction and holding costs.
- (d) Some costs associated with selling the units, such as GST costs, were underestimated.

#### Schedule (to questions 1 and 2)

	<b>Initial Project Feasibility (June 2005) \$'000s</b>	<b>Project Actual (As at 30 Sept 2010) \$'000s</b>
<b>Gross sales</b>	<b>25,200</b> (10 units)	<b>15,240</b> (7 units)
Less Selling costs (including GST)	625 (10 units)	1,590 (7 units)
<b>Net sales proceeds</b>	<b>24,575</b> (10 units)	<b>13,650</b> (7 units)
Less Development costs	13,832	14,497
Consultants / Legal	1,963	2,098
Interest costs	1,238	3,497
<b>Total Costs</b>	<b>17,033</b>	<b>20,092</b>
<b>Net Return</b>	<b>7,542</b>	<b>(6,442)</b>
<b>Value of remaining units</b>	-	<b>6,950</b> (3 units)
Less estimated selling costs (including GST)	-	600 (3 units)
<b>Estimated net proceeds from remaining units</b>		<b>6,350</b>
<b>Estimated net profit from project</b>	<b>7,542</b>	<b>(92)</b>

**Question: 12 October 2010**

The Rev Ian Millican to ask –

3. On page 371 of the Green Book, the accounts of the Glebe Administration Board show as an expense a share of loss from St Andrew's House Corporation of \$4.6 million in 2009 and \$5.7 million in 2008. Can you please advise how these losses arose, and what action is being taken, or being considered, to prevent, as far as possible, future losses from St Andrew's House Corporation?

To which the President replied –

3. I am informed that the answer is as follows –

The losses of \$4.6 million in 2009 and \$5.7 million in 2008 arose because the reduction in the market value of St Andrew's House exceeded the income earned from operating the building in each year.

St Andrew's House is revalued annually by a professional independent valuer. The building was valued at \$101.8 million as at 31 December 2007; \$89.5 million as at 31 December 2008; and \$77.8 million as at 31 December 2009. These reductions were partly the result of general reductions in commercial property values by reason of the Global Financial Crisis, and also the impact of the uncertainty surrounding the ongoing leasing of levels 3, 4 and 5 of the office tower.

Glebe Administration Board's share of St Andrew's House is 50% – therefore 50% of the net loss of St Andrew's House (after the valuation adjustment) is attributable to Glebe Administration Board. This amounted to \$4.6 million in 2009 and \$5.7 million in 2008.

The steps being taken to maintain (and enhance) the value of St Andrew's House include the following –

- (a) Enhancement of the income of the building. For example in this regard, it is to be noted that a large vacant space on the Ground Floor has recently been leased.
- (b) Review of the expenses of St Andrew's House. With the assistance of an external property consultant, a comprehensive review of the building's expenses is being undertaken.
- (c) Improving the yield of the building. For example, capital works are being undertaken with a view to improving the condition and environmental rating of the building to enhance the quality of the building, and hence its yield.

**Question: 12 October 2010**

The Rev Nigel Fortescue to ask –

4. With regard to the vacant unimproved property on Menangle Road, Menangle owned by Anglican Retirement Villages:
  - (a) When was it acquired?
  - (b) What is ongoing cost of its retention per annum?
  - (c) What is it currently being used for?
  - (d) What plans does Anglican Retirement Villages have for the site?
  - (e) If planned when will building commence?
  - (f) What conditions, caveats or restrictions are currently in place over the site and if any, when do they expire?

To which the President replied –

4. I am informed that the answer is as follows -
  - (a) The property was acquired by way of a bequest to ARV (then known as the Sydney Church of England Homes for Aged Persons) in 1963.
  - (b) Council rates for the property total \$8,300 per annum. There are other incidental expenses on the property from time to time (eg. upkeep of signage, fencing et cetera).
  - (c) The agistment of cattle.
  - (d) Development of the site does not feature in ARV's current strategic plan.
  - (e) Not applicable.
  - (g) There are no caveats or restrictions on the property apart from easements for various utilities running through the property. The property is Zoned Rural and current approved uses do not include aged care and seniors living.

**Question: 12 October 2010**

Mr Alan Baker to ask –

5. (a) What proportion of St Andrew's House is leased on a commercial basis?
- (b) What proportion of the building is held under the largest commercial lease?
- (c) Was it Standing Committee, the board of the GAB, or the board of the EOS or the board of St Andrew's House which made determinations in each year since 2005 as to what amount from the income of SAH would be paid out to the DE and the EOS and what amount would be retained for maintenance and improvements of the building?

To which the President replied –

5. I am informed that the answer is as follows -

The building known as St Andrew's House comprises the office tower, the retail arcade and the car park. It is assumed the questions related to the office tower only.

On that basis, I am informed the answers are as follows –

- (a) • The lettable areas on the Ground Floor are leased to St Andrew's Cathedral School, and to the Red Cross Blood Bank.
- Levels 1 and 2 are leased to Diocesan organisations – Sydney Diocesan Secretariat, the Property Trust as trustee of the Endowment of the See, and Anglican Youthworks. Part of level 1 has now been sub-leased by the Sydney Diocesan Secretariat to the Anglican Deaconess Institution Sydney Ltd.
- Levels 3, 4 and 5 are leased to the Australian Bureau of Statistics until the end of October 2011.
- Levels 6, 7 and 8 are leased to St Andrew's Cathedral School under a long term lease. These floors are considered to be the property of the School.
- (b) The lease affecting the largest area of the tower is the lease to the Australian Bureau of Statistics over levels 3, 4 and 5. The lettable area of those floors is about 36% of the total lettable area of the tower, including the St Andrew's Cathedral School floors.
- (c) The *St Andrew's House Income Ordinance 1999* provides for the application of the income arising from St Andrew's House, including distributions. Until this year distributions in accordance with the ordinance were approved by the Glebe Administration Board, as agent of St Andrew's House Corporation. Distributions are now approved by St Andrew's House Corporation.

**Question: 12 October 2010**

The Rev Raj Gupta to ask –

6. What is the current projected 2011, compared with the actual for 2010, first year enrolment for:
- (a) Moore College (ordinands and non-ordinands)
  - (b) Diploma courses at Youthworks College
  - (c) Year 13 at Youthworks College

To which the President replied –

6. I am informed that the answer is as follows –

Part (a) of the question was answered yesterday.

- (b) 2010 32.5 (full-time equivalent) or 75 people.  
2011 34 (full-time equivalent) or 65 people.
- (c) 2010 16.5 (full-time equivalent) or 41 people.  
2011 25 (full-time equivalent) or 50 people.

However please note that the answers for 2011 are estimates based on the enrolment information available at this time.

**Question: 12 October 2010**

The Rev Bob Cameron to ask –

7. (a) Is there a diocesan policy with regard to the ordination of divorced or remarried persons?
- (b) If so, has that policy been documented?
- (c) If so, is that document available to clergy, Synod members, or to anyone else?
- (d) When was the policy last reviewed?

To which the President replied –

7. (a) Yes
- (b) No, but the policy is that divorced persons and those married to a divorced person are not ordained in the Diocese of Sydney.
- (c) Not applicable.
- (d) 2001. The policy is reviewed, and to date has been endorsed, by each Archbishop upon taking office as Archbishop of Sydney.

**Question: 12 October 2010**

The Rev Mark Williamson to ask –

8. (a) Is the Synod able to be informed of who from the Diocese of Sydney will be attending the Third Lausanne Conference on World Evangelism, being held in Capetown this month (16-23 October)?
- (b) Has any consideration been given as to how any wisdom or insights gained from the conference might be shared within the Diocese?

To which the President replied –

8. I am informed that the answer is as follows –

Strictly speaking the question is out of order under business rule 6.3(3) as it does not relate to a matter connected with the business of the Synod or any committee, board or commission of the Synod or Standing Committee.

Nonetheless I can inform the Synod that Bishop Glenn Davies and a number of others from the Diocese will be attending the Conference. No doubt Bishop Davies will report on any wisdom and insights he gains from the Conference.



**Question: 12 October 2010**

Mr David Wallace to ask –

9. What opportunities are there for Christian men and women to take leadership positions in Diocesan organisations?

To which the President replied –

9. As I indicated in my Presidential Address, we are blessed with a large number of mature and well trained lay men and women who are able to exercise leadership. I have been holding consultations and taking steps to identify and target suitable people for all aspects of leadership.

One such important position which is worthy of mention is that Mr Peter Kell is due to retire next year as CEO of Anglicare. This is a very significant and important position, and one which he has filled with distinction. The council of Anglicare, which I chair, is embarking on the search for a new CEO to replace Mr Kell. I value your prayers on this important matter.

**Question: 12 October 2010**

Mr Andrew McLachlan to ask –

10. What was the outcome of the consideration of Standing Committee to Synod motion 32/09 concerning the qualifications and experience of candidates and members?

To which the President replied –

10. I am informed that the answer is as follows –

By resolution 32/09 the Synod requested that Standing Committee consider practical means by which Synod members might be more fully informed of information pertaining to qualifications, significant experience, occupation, Board membership, potential conflicts of interest and any other details that might be considered necessary and/helpful to Synod members in voting knowledgeably in Synod elections and in making personal assessment of an individuals background on a subject when they rise to speak.

In considering resolution 32/09, the Standing Committee formed the view that the part of the resolution which requested the provision of further information about Synod members generally in order to make an assessment of the member's background on a subject when they rise to speak at Synod is inappropriate and impractical. Accordingly the Standing Committee decided that this suggestion should not be pursued.

However, as indicated in its report to the Synod (at item 8.15), the Standing Committee also referred resolution 32/09 to the committee responsible for preparing the draft diocesan corporate governance policy for its consideration in that context. The matters raised by resolution 32/09 are reflected in paragraphs 7 and 8 of the draft policy.

**Question: 12 October 2010**

Ms Naomi Spencer to ask –

11. At Anglicare:

- (a) How are management practices evaluated?
- (b) How are complaints against staff investigated and acted on?
- (c) How many staff have left or been dismissed in the past 5 years?
- (d) How many staff have appealed against dismissal in this time?

To which the President replied –

11. I am informed that the answer is as follows –

- (a) ANGLICARE has a comprehensive range of policies and procedures that determine management practices. The three most significant of these policies relating to management of staff are Dealing with Grievances, Dealing with Workplace Discrimination and Managing Unsatisfactory Performance and Misconduct.

There is a documented policy and timetable for the review of policies throughout the organisation. Policies are reviewed and evaluated by a cross organisational policy review group which meets monthly and policies are signed off by the proposing Director responsible or as a result of decision by the Executive Team and/or Council as appropriate. These three specific policies referred to above have been reviewed and updated within the last 12 months. All policies are posted on ANGLICARE's internal intranet for staff access.

- (b) Complaints against staff are investigated and acted on in accordance to the three policies mentioned above and co-ordinated through the People Learning & Culture Team maintaining organisational confidentiality.
- (c) ANGLICARE has accurate figures for the last 3 years when a new payroll system was purchased. Information for prior years would need to be manually extracted which would take some time.

Over the last three years:

ANGLICARE had approximately 1,500 staff at any one time.

2,811 have worked for ANGLICARE over the three years.

963 people have left ANGLICARE

58 people have been dismissed from ANGLICARE (which is 6% of all who have left ANGLICARE and 2% of all staff).

- (d) In the last three years, two people have lodged an unfair dismissal claim with Fair Work Australia (or its predecessor).

**Question: 12 October 2010**

The Rev Joseph Wiltshire to ask –

12. Concerning the proposed Department of Evangelism (New Churches) Reconstitution Ordinance 2010:
- (a) What, if any, doctrinal standard will be required by the Archbishop, to “authorise” a “person not a member of the clergy” to lead fellowships?
  - (b) What does adequately trained or otherwise equipped mean?
  - (c) What is deemed a sufficient knowledge of Scripture?
  - (d) Will there be a fixed standard for these criteria or approached on a case by case basis?

To which the President replied –

12. I am informed that the answer is as follows –

- (a) Essentially, the doctrinal standards required will be the same as those for ordinands, for example assent to the 39 Articles and satisfying the Archbishop as to their doctrinal orthodoxy.
- (b) Under the Deaconesses, Readers and other Lay Persons Ordinance 1981, there is a requirement that to be authorised a person should have assented to the Doctrine of the 39 Articles and have obtained a standard of biblical and theological knowledge through the successful completion of the PTC or the Moore College evening course at pass level or equivalent course of study. For the purposes of new churches it would be preferable for the person to have at least the 1 year diploma from Moore Theological College. It is my expectation that such persons will also continue to further their theological education. While there will be a degree of flexibility, those requirements will provide a good guideline, although they may be varied at the discretion of the Archbishop.
- (c) This is addressed in (a) and (b).
- (d) Ideally such a person should be aiming to acquire a degree in theology from Moore Theological College, particularly if long term leadership of a congregation or ordination is in view. Nevertheless there will be a degree of flexibility at the discretion of the Archbishop.

**Question: 12 October 2010**

Mr Brian Flower to ask –

13. I ask the following questions with respect to the publication of attendance figures:
- (a) How many parishioners are there in each parish in the Diocese?
  - (b) Is it possible for these figures to be published in the Diocesan Year Book or otherwise made publicly available each year?
  - (c) If not, why not?

To which the President replied –

13. I am informed that the answer is as follows –
- (a) The number of parishioners in each parish in the diocese would be known by each parish but is not supplied to the diocese.
  - (b) If the question is asking about the average attendance at parishes in the diocese, the total figures are published in the diocesan yearbook each year.
  - (c) Previously when those figures were printed in the yearbook, a substantial number of parishes refused to submit data. Now that the individual parish figures are not published more parishes submit the information with only two parishes failing to do so last year.

**Question: 12 October 2010**

Mr Brian Flower to ask –

14. What was the cost of relocating Anglicare's office in the Southern Highlands to its new premises in Moss Vale?

To which the President replied –

14. I am informed that the answer is as follows –

\$47,000. The amount was less than that required to be undertaken if the previous premises were to be retained. Rent was comparable between the two properties.

**Question: 12 October 2010**

The Rev Andrew Kukulka to ask –

15. (a) What was the cost of printing and mailing to Synod members the emerald book, supplementary report, additional materials and principal ordinances?
- (b) What was the cost of printing and mailing to Synod members the annual reports of Anglican Retirement Villages, Sydney Anglican Schools Corporation and Moore College?
- (c) What is there in Standing Orders or other provisions that would prevent the distribution of these materials by email to those Synod members who indicated their willingness to receive these materials in this way?

To which the President replied –

15. I am informed that the answer is as follows –

- (a) The direct cost (excluding staff time) was \$16,962 (comprising \$7,084 for printing the Emerald Book, \$3,771 for paper, photocopying and envelopes, and \$6,107 for postage).
- (b)

Anglican Retirement Villages	\$2,171
Sydney Anglican Schools Corporation	\$3,296
Moore College	\$3,483
- (c) I am informed that the answer to part (c) of this question is still being prepared and will be provided as soon as possible.

**Question: 12 October 2010**

The Rev Greg Burke to ask –

16. Can the Archbishop please inform the Synod of the total number of Anglican ordination candidates currently studying at Moore Theological College and the number of these candidates who are serving in paid positions as student ministers in parishes?

To which the President replied –

16. I am informed that the answer is as follows –

There are 74 ordination candidates currently studying at Moore College. Not all candidates provide the College with details of their student minister position. Seven are known to be serving in unpaid positions. Based on those who do provide details of their arrangements at least two-thirds of ordination candidates are serving in paid positions.



**Question: 12 October 2010**

Mrs Susan Hooke to ask –

17. (a) Please identify any non-Anglican churches, or persons associated with any such church, within the Sydney Diocese that have received any payments since 1 January 2005 from any fund under the control of the Archbishop, Standing Committee or Synod and the amount of each payment.
- (b) Please identify any Anglican and non-Anglican churches, or persons associated with any such church, outside the Sydney Diocese that have received any payments since 1 January 2005 from any fund under the control of the Archbishop, Standing Committee or Synod. State the amount of each payment.

To which the President replied –

17. I am informed that the answer is as follows –

A list of the payments made will be provided to the questioner and also posted on the notice board in the foyer.

## Question 17

### List of payments to Anglican and non-Anglican bodies outside the Diocese

#### *Question (a)*

Liberty Christian Ministries	\$20,000
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#### *Question (b)*

Diocese of Armidale	\$65,000
Diocese of North West Australia	\$345,000
Diocese of Tasmania	\$140,000
Diocese of Northern Territory	\$227,086
National Home Mission Fund	\$285,000
Diocese of Kaduna (Nigeria)	\$54,596
Visiting Bishops & Clergy	\$103,351
Alexandria School of Theology	\$29,941
Clergy doing Higher Degrees – Moore College	\$111,189
George Whitefield College	\$11,865
Diocese of Christchurch	\$20,000
Diocese of Chile	\$63,000
Diocese of Mauritius	\$8,064
ACROSS – Sudan	\$50,000
Translation of NT for Vanuatu	\$2,000
Anglican Mainstream	\$30,000
Diocese of Uganda	\$6,000
Life Change through Christ – translation to Spanish	\$40,000
Anglican Consultative Council	\$30,000
Christian Conference East Asia	\$4,000
Defence Force Board	\$65,000
National Aboriginal & Torres Strait Islander Council	\$36,000
NSW Council of Churches	\$54,000
NSW Ecumenical Council	\$39,000
GAFCON – Legal costs of incorporation and website	\$80,795

**Question: 12 October 2010**

Mr Tom Mayne to ask –

18. Notwithstanding the extensive and very-welcome coverage of Indigenous Australians in the Archbishop's Presidential Address last night, why, in the Mission Report that followed, was there a complete absence of any reference to the Indigenous Church, Indigenous ministry, or the Sydney Anglican Indigenous Peoples' Ministry Committee?

To which the President replied –

18. I am informed that the answer is as follows –

Regrettably, there was not the time to include so many things, and the four stories shared by the Connect09 volunteers did not specifically include one re indigenous ministry, although they could have. For example, many Good News Parcel Company DVDs ended up in the hands of indigenous primary age kids and many indigenous high school students attended Qurious Scripture seminars.

It should be noted that at one the Connect for Life prayer days, we were privileged to have Michael Duckett share with us about progress and challenges in indigenous gospel work. At another, detailed prayer notes on indigenous work were prayed through.

**Question: 12 October 2010**

Mr Alan Baker to ask –

19. What proportion of the St Andrew's House revenue is received from its largest commercial tenant (excluding St Andrew's Cathedral School)?

To which the President replied –

19. I am informed that the answer is as follows –

In preparing this answer, revenue from St Andrew's Cathedral School in respect of levels 6,7 and 8 has not been included, but revenue from leases relating to areas occupied by the School in the arcade and on the ground floor has been included on the basis that such leases are commercial arrangements.

The revenue of St Andrew's House is derived from three sources being the commercial office tower, the retail arcade and the car park. The total budgeted gross revenue for St Andrew's House for 2010 is \$11.7 million.

The Australian Bureau of Statistics is the largest commercial tenant and contributes approximately 26% of total gross revenue for St Andrew's House and 58% of the gross revenue of the commercial office tower.

**Question: 12 October 2010**

Ms Lyn Bannerman to ask –

20. (a) How many instalments of the GAB loan of \$24 million for 14 years for refurbishment to St Andrew's House Council are to be paid per year?
- (b) Do the required instalments of between \$250,000 and \$625,000 relate to capital or for interest only?
- (c) What was the purpose of the loan and does it include refurbishment costs when the current major commercial tenant vacates?

To which the President replied –

20. I am informed that the answer is as follows –

- (a) The terms of the loan to St Andrew's House Corporation require principal repayments by quarterly instalments commencing from 2010.
- (b) The instalments relate to principal repayments only. Interest payments are also made quarterly.
- (c) The purposes of the current loan are –
- (i) to refinance a facility of \$20 million which was taken out principally to undertake refurbishment works to the St Andrew's House building during 2005-2007,
  - (ii) to enable payment of distributions to the Glebe Administration Board and Endowment of the See, and
  - (iii) for general working capital needs of St Andrew's House Corporation.

The loan was not taken out for the purposes of meeting future refurbishment costs.