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Changes to Church Administration: Auditors, Church Volunteers and Investment of Church Property – 29 August 2001

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1. Introduction

On 13 August 2001 the Standing Committee passed the Miscellaneous Amendments Ordinance 2001 which makes a number of changes to ordinances dealing with church administration including:

[Church Administration Ordinance 1990](#)

[Deaconesses, Readers and Other Lay Persons Ordinance 1981](#)

[Investment of Church Trust Property Ordinance 1990](#)

A copy of each of these ordinances, including the changes, is enclosed with this circular. The remainder of this circular explains these changes.

2. Auditor of statements and accounts of churchwardens

Amendments have been made to the [Church Administration Ordinance 1990](#) (the "CA Ordinance") concerning the auditor of the statements and accounts of the churchwardens of a church. Previously, the only qualification necessary for a person to be appointed as an auditor was that the person be aged 21 years of age or older. There was nothing which prevented a churchwarden of a church being appointed as an auditor of the churchwardens' statements and accounts.

A new clause 17A has been included to provide for the following matters:

- a person is not qualified to be elected or appointed to audit the statements and accounts of the churchwardens of a church if that person is a churchwarden of that church, or was a churchwarden of that church at any time during the financial year or other period to which those statements and accounts relate, and
- a person who has been elected or appointed to audit the statements and accounts of the churchwardens of a church ceases to hold that office upon being elected or appointed as a churchwarden of that church.

Consequential changes have been made to clauses 11(1)(j), 12(1)(j) and 28(1)(h) of the CA Ordinance.

3. Termination of appointment of authorised volunteers

Clause 16(1) of the [Deaconesses, Readers and Other Lay Persons Ordinance 1981](#) (the "1981 Ordinance") has been amended to allow the minister of a parochial unit, by notice effective immediately, to terminate the appointment of a deaconess or lay person who holds an authority under that Ordinance where that deaconess or lay reader serves in a voluntary capacity. Previously, 3 months notice of termination of the appointment of an authorised volunteer was required.

This amendment does not change the requirements of clause 16(1) in relation to deaconesses or lay readers who receive a stipend or salary or are entitled to any other emolument or perquisite of office. Such persons must still be given at least 3 months notice of the termination of the payment of the stipend or salary or the entitlement to the emolument or perquisite by the person or persons who pay or provide the same, and must be given at least 3 months notice of removal from the office or employment by the minister.

Furthermore, this amendment does not apply to any deaconess or lay person who holds a licence or authority under the 1981 Ordinance issued before 14 August 2001.

4. Investment of Church Trust Property

The [Investment of Church Trust Property Ordinance 1990](#) (the "Investment Ordinance") has been amended by reason of changes in Commonwealth and State legislation in recent years.

Under the previous version of clause 5(d) of the Investment Ordinance, the trustee of any church property was authorised to invest such property by way of deposit with a bank. A "bank" was defined in clause 1(a) to be a body corporate authorised under part II of the Banking Act 1959 or any other legislation of Australia or any state or territory to carry on banking business in Australia.

Following changes made to the Banking Act 1959, bodies corporate which are authorised to carry on banking business are now called "authorised deposit-taking institutions". References to "authorised deposit-taking institutions" have been included in clauses 1 and 5 of the Investment Ordinance in lieu of the term "bank".

Authorised deposit-taking institutions include the following types of entities –

Australian-owned banks	Building societies
Foreign subsidiary banks	Credit unions
Branches of foreign banks	Other industry bodies.

Consequential changes have been made to clauses 5(h)(ii) and 5(i) and clause 5(j) has been deleted, following the adoption of the defined term "authorised deposit-taking institutions".

5. Finally

Please contact me on 9265 1671 if you have any questions in relation to this circular.

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