



# **Financial Statements**

**for the year ended 31 December 2013**

# Baptist Union of Victoria

ABN: 67 934 884 236

## Financial Statements 31 December 2013

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The Baptist Union of Victoria is an entity incorporated under the Baptist Union of Victoria Incorporation Act 1930.

This special purpose financial report covers the body corporate of the Baptist Union of Victoria [BUV] as an individual entity and is presented in Australian currency.

The financial report was authorised for issue by the Executive Council on 27<sup>th</sup> May 2014.

#### Principal Office

Level 1, 1193 Toorak Road  
Camberwell, Victoria, 3124  
(03) 9880 6123  
www.buv.com.au

#### Council Members as at date of this report

T Spicer (Chairman), J Bradshaw, D Bullock, A Demond, P Inglis, S Morton, I Southwood, P Trebilcock

#### Union Secretary

I Southwood

#### Auditors

Saward Dawson  
20 Albert Street  
Blackburn, Victoria, 3130

#### Banker

Baptist Financial Services Ltd  
Level 1, Cnr Rawson Street & Carlingford Road  
Epping, New South Wales, 2121

## Baptist Union of Victoria

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### Councillors' Report

The Councillors present their report with respect to the results of the Union for the financial year ended 31 December 2013 and the state of the Union's affairs at that date. The Council members in office at the date of this report are:

**Mr Trevor Spicer (Chair)** B.Bus, CPA, AFAIM, MAICD

Finance Manager and Company Secretary of Mission Enterprises (Victoria) Limited

Former Secretary of the Baptist Union of Victoria

Member of Diamond Valley Baptist Church

Council member from 1996 to 2005 and since October 2011

Special responsibilities: Council Chair, Chair of Nominations Committee and Council Development Committee, Member of Audit and Risk Committee

Other boards (current): National Treasurer & National Council member of Australian Baptist Ministries, member of the Budget & Finance Committee & Commission on Religious Freedom – Baptist World Alliance, Treasurer and Council member of Australian College of Optometry, Director of Baptist Financial Services Australia Ltd, The Leprosy Mission Australia, Mobile Mission Maintenance, Link Community Transport, Council Member of Diamond Valley Baptist Church

**Mrs Jo-Anne Bradshaw** BA GradDipVET; MEd CAHRI

Independent Human Resources Consultant

Over 18 years' experience in Human Resources and Organisational Development roles across a number of industries including telecommunications, health and banking & finance. Provided HR consulting services to BUV, Whitley College and Global Interaction, Baptist Camping and a number of Baptist churches

Member of Now and Not Yet Baptist Church

Council member since October 2012

Special responsibilities: Member of Council Development Committee

**Rev Daniel Bullock** Dip Theol, Adv Dip Min, B.Min, MA Church Leadership

Director of Mission & Ministries of the Baptist Union of Victoria

Senior Pastor at Essendon Baptist Church, Senior Associate Pastor at NewHope Baptist Church, Interim Pastor at Berwick Baptist Church

Member of Essendon Baptist Church

Council member since March 2012

Special responsibilities: Member of Advisory Board, member of Pastoral Leadership Selection Committee, member of Nominations Committee

**Rev Dr Allan Demond** B.A. (Hons), M.Div. (Hons), MTh., Ph.D.

Senior Pastor at NewHope Baptist Church and the Executive Director of NewHope Community Care, former Pastor Highfield Baptist Church (eastern Canada), former Educator at Crandall University (eastern Canada)

Past President of the Baptist Union of Victoria

Member of NewHope Baptist Church (since 1995)

Council member from 2001 to 2004 and since October 2013

Special responsibilities: Adjunct Faculty Member of Whitley College, conference speaker and, freelance strategy/governance consultant

**Mr Paul Inglis** B.Ec (Hons), MAICD

Bank Executive

Over twenty five years' experience in the banking industry in payments and economics; five years in government service, including Federal Treasury

Member of Lilydale Baptist Church

Council member since October 2007

Special responsibilities: Chairman of Audit & Risk Committee, member of Council Development Committee

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### **Councillors' Report continued**

**Mr Stephen Morton** B.A., LLB

Partner of McCracken & McCracken Solicitors, Honorary Legal Advisor of the Baptist Union of Victoria

Member of Croydon Hills Baptist Church

Council member since 1994 (former Chair)

Special responsibilities: Ex Officio Member of Advisory Board, Chair of Constitutional Review Committee

**Mr Ian Southwood** B.Com, B.Com (Hons), MBA, M.Com, CPA

Director of Finance & Administration and Secretary of the Baptist Union of Victoria

More than 16 years financial management experience. Former Head of Finance at World Vision Australia

Member of NewHope Baptist Church

Council member since December 2010

Special responsibilities: Member of Constitutional Review Committee, ex officio member of Advisory Board

Other boards (current): Director of International Needs Ltd, Director of IN Network Australia Inc.

**Mr Philip Trebilcock** M.Bus (Mgt), B.Sc., B.Min, Grad Dip Mgt Syts, Dip Ed, Dip Missiol, MAICD

Lecturer, Faculty of Business Economics & Law, LaTrobe University, Bendigo

Past President of the Baptist Union of Victoria, previously GiA Indonesia (1996-2003)

Member of Bendigo Baptist Church

Council member since 2006 (former Chair)

Other boards (current): Board member of Baptcare, Council member of Bendigo Baptist Church

## **Councillors' Report continued**

### **Council meeting attendance: January 2013 – December 2013**

<b>Council Member</b>	<b>Eligible to attend</b>	<b>Attended</b>
Jo-Anne Bradshaw	11	8
Daniel Bullock	11	9
Allan Demond #	2	2
Paul Inglis	11	8
Stephen Morton	11	11
Janice Newham *	9	7
Stephen Parish *	9	9
Frank Rees **	11	9
Ian Southwood	11	10
Trevor Spicer	11	11
Phil Trebilcock	11	9

#Elected as Council member 11 October 2013.

\*Ceased to be Council members 11 October 2013.

\*\*Resigned as Council member 6 December 2013.

### **Principal activity**

The principal activity of the BUV during the year was to empower Church leaders for mission. Accordingly, the Union does not aim to generate a surplus from its operations, other than that which may be required to enable it to carry out its mission among the churches. No significant change in those activities has occurred during the year.

The Union is trustee under various beneficiary trusts, and holds funds generated from the sale of church properties on behalf of those churches. It invests and disburses funds in accordance with the provisions of the appropriate deed, or trust instruments.

### **Results and review of operations**

In 2013 our total operating revenue was \$5,594,686 (2012: \$5,817,524) which was a decrease of 3.8% under 2012 revenue. In 2013 we disbursed \$6,172,432 (2012: \$5,262,635) resulting in a shortfall of revenue over expenditure for the year of \$577,746 (2012: surplus of \$554,889).

Movement in net revenue remains constant. The increase in expenditure is mainly due to a one off grant of \$600,000 to Surrey Hills Baptist Children's Centre. There is also a provision for mortgage impairment of \$530,483, the entirety of an existing delinquent loan where legal action to recover is under way.

The net asset position of the Union was affected positively by the recovery of an investment of \$486,614 (written off in 2012), and resulted in an increase in net assets (2013: \$42,833,128 compared to 2012: \$40,822,433).

### **Changes to the Financial Statements**

There has been no changes to Financial Statements following changes to the presentation and disclosure of 2012.

## **Councillors' Report continued**

### **Significant changes in ministry operations or financial position**

There have been no significant changes in the scope or nature of ministry operations or in the vision and purpose of the Baptist Union of Victoria during the year ended 31 December 2013.

### **Events subsequent to 31 December 2013**

We have considered impairment of investments subsequent to year end and noted no significant variances in market values compared to amounts recorded in the financial statements at year end. There have been no other events or circumstances which have arisen since the close of the financial year which would have, or might have, a significant impact on the ministries or operations of the Union as stated in the accompanying financial statements.

### **Indemnification of officer or auditor**

The Union has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Union or any related agency or body:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings, with the exception of premiums paid under its normal Management Liability cover.

### **Proceedings on behalf of the Union**

The Union has brought proceedings against an external third-party borrower, to recover overdue funds of \$530,483 secured by residual guarantees, after calling in mortgages.

No other person has applied for leave of Court to bring proceedings on behalf of the Union or intervene in any proceedings to which the Union is a party for the purpose of taking responsibility on behalf of the Union for all or any part of those proceedings.

### **Executive Council members' benefits**

The following Council members are also paid staff of the Union and are compensated according to the guidelines established by the Council:

- Rev Daniel Bullock – Director of Ministries.
- Mr Ian Southwood – Director of Finance & Administration.

Additionally, Council member Frank Rees was paid staff of one of the agencies of the Union and is compensated according to guidelines established by Whitley College.

One Council member has provided the Union with professional services through their legal firm McCracken and McCracken during the year, as follows:

- Mr Stephen Morton – Legal services (\$780).

Signed in accordance with a resolution of the Council this 27<sup>th</sup> day of May 2014.

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**Mr Trevor Spicer**  
**Chair of Executive Council**

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**Mr Paul Inglis**  
**Chair of Audit & Risk Committee**

**Baptist Union of Victoria**

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**Statement of Profit and Loss and Other Comprehensive Income**

**For the year ended 31 December 2013**

	Notes	2013 \$	2012 \$
<b>REVENUE</b>			
Constituent membership contributions		871,539	792,505
Insurance Commission		1,956,394	2,389,392
Grants		154,558	210,346
Investment income		1,822,748	1,622,746
Gain on revaluation of investment	2	486,614	500,000
Donations, bequests and legacies		121,358	136,491
Other		181,475	166,044
<b>Total revenue</b>		<b>5,594,686</b>	<b>5,817,524</b>
<b>EXPENDITURE</b>			
Remuneration		2,380,662	2,209,003
Insurance		1,075,864	1,323,028
Grants paid		1,065,897	713,921
Travel & hospitality		247,005	193,347
Depreciation		358,720	329,856
Occupancy		139,585	84,376
IT & office expenses		206,091	174,776
Doubtful debts		0	25,438
Impairment on Mortgages		530,483	0
Professional services		168,125	189,974
Loss on sale/impairment of assets		0	18,916
<b>Total expenditure</b>		<b>6,172,432</b>	<b>5,262,635</b>
<b>Excess / (shortfall) of revenue over expenditure</b>		<b>(577,746)</b>	<b>554,889</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Net gain on revaluation of non-current assets	1c	1,150,000	0
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met</b>			
Net gain on revaluation of financial assets to fair value	1b	1,438,855	1,133,821
<b>Total comprehensive income / (loss) for the year</b>		<b>2,011,109</b>	<b>1,688,710</b>

*The above income statement should be read in conjunction with the accompanying notes.*

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**Statement of Financial Position**

As at 31 December 2013

	Notes	2013 \$	2012 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & cash equivalents	3	3,202,774	8,831,695
Trade and other receivables	4	1,583,872	2,181,464
Financial assets	5	12,538,601	6,223,985
<b>Total current assets</b>		<b>17,325,247</b>	<b>17,237,144</b>
<b>Non-Current Assets</b>			
Financial assets	5	20,925,163	16,399,825
Property plant & equipment	6	21,080,571	21,030,880
<b>Total non-current assets</b>		<b>42,005,734</b>	<b>37,430,705</b>
<b>Total Assets</b>		<b>59,330,981</b>	<b>54,667,849</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	964,392	1,051,908
Short term provision	8	352,484	369,394
<b>Total current liabilities</b>		<b>1,316,876</b>	<b>1,421,302</b>
<b>Non-Current Liabilities</b>			
Other non-current liabilities	9	14,200,332	11,421,714
Other long term provisions	10	980,645	1,002,400
<b>Total non-current liabilities</b>		<b>15,180,977</b>	<b>12,424,114</b>
<b>Total Liabilities</b>		<b>16,497,853</b>	<b>13,845,416</b>
<b>NET ASSETS</b>		<b>42,833,128</b>	<b>40,822,433</b>
<b>Equity</b>			
Reserves	11	38,100,044	35,386,343
Unrestricted fund	12	4,733,085	5,436,090
<b>TOTAL EQUITY</b>		<b>42,833,128</b>	<b>40,822,433</b>

*The above balance sheet should be read in conjunction with the accompanying notes.*

## **Notes to the Financial Statements**

**As at 31 December 2013**

### **1. Statement of significant accounting policies**

This financial report is a special purpose financial report prepared for use by the Council and for distribution to the member churches of the Baptist Union of Victoria in order to satisfy the financial reporting requirements of The Baptist Union of Victoria Incorporation Act 1930. The Council has determined that the Union is not a reporting entity.

The report has been prepared in accordance with the following applicable Accounting Standards and Accounting Interpretations:

AASB 1031 Materiality

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report excludes the financial data relating to the financial information of the BUVA Agencies (refer note 13).

Although the Baptist Union of Victoria has the right to appoint the majority of directors on the boards of these Agencies, the Executive Council is of the opinion that to consolidate the accounts of the entities with those of the Baptist Union of Victoria would not be of practical value to users of these special purpose financial statements.

The financial report has been prepared on an accrual basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Following is a summary of the material accounting policies adopted in the preparation of the financial report. Unless otherwise stated, accounting policies have been consistently applied.

#### **(a) Income tax**

The Baptist Union of Victoria is a non-profit entity registered as a religious charitable organisation and, as such, is exempt from income tax under Section 50-5 of the Income Tax Assessment Act, 1997.

#### **(b) Investments**

Investments (including loans) are valued at cost except for the following:

- Real estate properties, held for investment purposes, at the Executive Council's valuation.
- Equity investments in public companies and managed equity funds are valued at current market values.

The carrying value of investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the estimated current market value of investments.

#### **Impairment**

Where there is objective evidence that an investment has been impaired, impairment losses are recognised in the Statement of Profit and Loss and Other Comprehensive Income. Where investments have current market values below cost as at year end and it is probable that the market values will recover above cost in the future, the carrying value of the investments is reduced to the market value and the decrease in market values below cost is recorded as a negative reserve in the financial statements. If at a subsequent year end the market value for an investment previously written down is

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more than the carrying value, the carrying value is reinstated to that market value and the reserve is adjusted.

Properties held for investment purposes are not subject to depreciation.

### **(c) Property, plant, and equipment**

Property, plant, and equipment are included at cost or at Executive Council's valuation less, where applicable, accumulated depreciation or amortisation. Depreciation is calculated based on the estimated useful life of the asset to the Union. The carrying value of property, plant and equipment is reviewed annually by Council to ensure it is not in excess of the probable recoverable amounts.

Where agency buildings have been built on freehold land the costs of the buildings and any associated accumulated depreciation are recorded in the accounts of the agency.

In this period, an independent market valuation was conducted by Peter Stickley Valuers. The freehold land was valued at \$13,470,000 (2012: \$13,120,000), while buildings on freehold land were valued at \$6,934,764 (2012: \$6,934,764) on 31 December 2013.

Real Property (note 5) is not subject to depreciation and has also been revalued. The total gain on revaluation of non-current assets is \$1,150,000.

### **(d) Employee entitlements**

Provision is made for the Union's liability for employee entitlements arising from services rendered by employees to balance date. Annual leave is measured at its nominal amount and disclosed as a current provision. Long service leave is provided for employees from inception of employment using a probability factor based on past experience. Long Service Leave payable later than one year has been measured at the present value of the estimated future cash outflows to be made for those benefits and is disclosed as a non-current provision.

### **(e) Cash**

Cash includes cash on hand and that on deposit in the current operating accounts of the Union. Cash balances in term deposits with banks or financial institutions, and investments in money market instruments are classified as investments (Note 5) where appropriate (longer than 3 months).

### **(f) Revenue**

Interest and other investment revenues are recognised on a proportional basis taking into account the investment rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenues from the rendering of a service are recognised upon the delivery of the service provided. All revenue is stated net of the amount of goods and services tax (GST).

Revenue is recognised and recorded in the accounts on an accrual basis except for donations, which are accounted for on a cash basis. Bequests are recognized when the right to receive the bequest is established.

Revenue includes the net profit (loss) on sale of assets.

### **(g) Insurance Provisions**

#### **i) Provision for self-funded claims losses**

The Baptist Union of Victoria participates in the Australian Baptist Insurance Scheme, purchasing insurance cover for Baptist churches and agencies in Victoria. The cost of this cover is passed on to those

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churches and agencies. A feature of the National scheme is that each state Baptist Union bears a portion of the potential loss claims; that portion is limited and set annually by the Scheme's national board.

The self-insurance claim limit is recorded annually as an insurance claims provision, with eventual claims being charged against the provision of the applicable year. Claims in excess of the provision are recoverable from either the National Scheme or its insurance underwriters, while residual credits in the provision are carried forward until, in the opinion of the Victorian insurance board, they are no longer required.

### **ii) Provision for unreported liability claims**

Provision is made for unreported claims against the Baptist Union of Victoria, where the self-funded claims loss provision has been closed off by the Scheme's national board.

### **iii) Provision for un-insured claims**

Provision is made for claims against the Baptist Union of Victoria where no insurance cover is provided under the policies of the scheme.

### **iv) Provision for exempt benefit gap cover**

Provision is made for claims against the Exempt Benefit Gap Cover. From 1 October 2004, a level of cover has been provided for Churches in the event of a Pastor's WorkCover claim where the WorkCover insurer does not cover the exempt benefits portion of the Pastor's remuneration.

### **(h) Investment pool**

All investments are formally held in the name of the Baptist Union of Victoria. The carrying value of these assets is allocated in the accompanying accounts to the various trust and other funds administered by the Union based on the capital of the particular fund.

Income earned by the fund is credited to individual trust funds on the basis of their identified investments or the overall pool rate, whichever is applicable.

### **(i) Capacity as trustee**

The Baptist Union of Victoria acts in the capacity as trustee, holding assets, in the following situations:

1. Wills and trusts where the Baptist Union of Victoria is the recipient
2. Proceeds where a member church sells property (land and buildings)

The Union, acting as trustee, also holds properties, where these are land and buildings, on behalf of its member churches and various other associated entities.

### **(j) Comparative Figures**

When required by Accounting Standards or Executive Council policy, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

## **2. Gain on revaluation of investment**

In 2012 the Baptist Union of Victoria recognised an impaired loss of \$486,614 for an investment in a Zircon Finance FRN collateralised debt obligation, as recovery of any funds was deemed unlikely. An amount of \$486,614 was received upon maturity of this investment, during 2013.

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	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>3. Cash &amp; cash equivalents</b>		
Cash on hand	300	300
Operating cash at bank	1,776,763	4,661,869
Short term deposits	1,425,711	4,169,526
	<u>3,202,774</u>	<u>8,831,695</u>
<b>4. Trade and other receivables</b>		
Due from members	1,313,113	992,378
Other debtors and prepayments	150,570	1,203,024
Interest and imputation credits receivable	177,900	56,051
Doubtful debts	(57,711)	(69,989)
	<u>1,583,872</u>	<u>2,181,464</u>
<b>5. Financial assets</b>		
<b>Loans</b>		
<b>Current</b>		
Secured		
• Interest bearing	8,883	9,134
Unsecured		
• Interest bearing	49,104	63,940
• Non-interest bearing	5,322	5,631
Total current loans	<u>63,309</u>	<u>78,705</u>
<b>Non-Current</b>		
Secured		
• Interest bearing	168,778	173,540
Unsecured		
• Interest bearing	687,449	895,164
• Non-interest bearing	101,126	106,984
Total non-current loans	<u>957,353</u>	<u>1,175,688</u>
Total loans	<u>1,020,662</u>	<u>1,254,393</u>

*Secured loans* are secured by first mortgages over properties.

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	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>5 (cont'd). Financial Assets</b>		
<b>Current</b>		
• Bank bills and term deposits	12,125,293	3,803,373
• First mortgages	880,483	2,341,907
• Provision for impairment of first mortgages	(530,483)	0
	<u>12,475,293</u>	<u>6,145,280</u>
<b>Non-Current</b>		
• Equity investments in public companies	10,074,811	6,131,138
• Capital contribution – Baptist Financial Services	3,250,000	3,250,000
• Real property	6,643,000	5,843,000
	<u>19,967,811</u>	<u>15,224,138</u>
 Total investments	<u><u>32,443,104</u></u>	<u><u>21,369,418</u></u>
 <b>Total financial assets</b>		
Current	12,538,601	6,223,985
Non-current	20,925,163	16,399,825
	<u><u>33,463,764</u></u>	<u><u>22,623,810</u></u>
 <b>6. Property, Plant &amp; Equipment</b>		
Freehold land		
• At Executive Council valuation	13,470,000	13,120,000
 Buildings on freehold land		
• At Executive Council valuation	6,934,764	6,934,764
• Less depreciation	(347,173)	(173,330)
Total buildings	<u>6,857,591</u>	<u>6,761,434</u>
 Motor vehicles		
• At cost	298,173	301,137
• Less depreciation	(100,904)	(85,183)
Total motor vehicles	<u>197,269</u>	<u>215,954</u>
 Plant and equipment		
• At cost	1,653,521	1,623,583
• Less depreciation	(827,810)	(690,091)
Total plant and equipment	<u>825,711</u>	<u>933,492</u>
 Total	<u><u>21,080,571</u></u>	<u><u>21,030,880</u></u>
 <b>7. Trade and other payables</b>		
Trade creditors and accruals	273,364	459,361
Unearned income	691,028	592,547
	<u>964,392</u>	<u>1,051,908</u>

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	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>8. Short term provision</b>		
Insurance claims	24,772	61,013
Annual leave	158,561	131,983
Long Service Leave	<u>169,151</u>	<u>176,398</u>
	<u>352,484</u>	<u>369,394</u>
<b>9. Other non-current liabilities</b>		
Ministerial long service leave fund	1,904,682	1,829,475
Funds held in trust for churches	12,149,749	9,469,825
Other	<u>145,901</u>	<u>122,414</u>
	<u>14,200,332</u>	<u>11,421,714</u>
<b>10. Other long term provisions</b>		
<b>Provision for insurance claims</b>		
For claims which are self-funded, relating to the years:		
2012 and prior years	0	61,013
2013	24,772	275,816
2014	<u>262,684</u>	<u>0</u>
Total provision for self-funded claim losses	287,456	336,829
Provision for unreported liability claims	60,000	60,000
Provision for exempt benefit gap cover	141,544	141,544
Provision for uninsured claims	<u>500,000</u>	<u>500,000</u>
	701,544	701,544
Total provision	<u>989,000</u>	<u>1,038,373</u>
Represented by:		
Current	24,772	61,013
Non-current	<u>964,228</u>	<u>977,360</u>
Total	<u>989,000</u>	<u>1,038,373</u>
<b>Provision for employee entitlements</b>		
Long service leave liability	185,568	201,438
Represented by:		
Current	169,151	176,398
Non-current	<u>16,417</u>	<u>25,040</u>
	<u>185,568</u>	<u>201,438</u>
<b>Total other long term provisions</b>		
Current	193,923	237,411
Non-current	<u>980,645</u>	<u>1,002,400</u>
	<u>1,174,568</u>	<u>1,239,811</u>

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	2013	2012
	\$	\$
<b>11. Reserves</b>		
Asset valuation reserve	12,735,134	11,585,134
Financial assets revaluation reserve	2,070,727	631,872
Funds earmarked for specific ministry purposes	1,764,598	1,704,640
Funds restricted by internal rules and charters:		
• Advancement fund	17,223,230	17,137,707
• Church development fund	3,004,472	3,106,041
• Mark Pollard fund	1,183,135	1,109,353
• Victorian Baptist Gospel Communications fund	118,748	111,596
	<u>38,100,044</u>	<u>35,386,343</u>
<b>12. Unrestricted Fund</b>		
Balance of fund at beginning of year	5,436,090	5,512,480
Total comprehensive income/(loss) for the year	(577,746)	554,889
Less Transfers to reserves:		
• Earmarked reserves	(60,372)	50,048
• Advancement fund	(85,523)	(729,921)
• Church development fund	101,569	129,125
• Mark Pollard fund	(73,782)	(75,342)
• Victorian Baptist Gospel Communications fund	(7,152)	(5,189)
	<u>4,733,085</u>	<u>5,436,090</u>

### 13. Related Parties

Related parties of the Baptist Union of Victoria, whose accounts are not included in these financial statements, include:

#### Baptist Churches:

- The Union provides resources and advice to its member churches, pastors and lay leaders. The Union also holds property and funds on trust for its member churches.

#### Agencies:

- Bapcare Ltd - a company limited by guarantee
- Whitley College - The Baptist College of Victoria - an unincorporated entity
- Carey Baptist Grammar School Ltd - a company limited by guarantee
- Strathcona Baptist Girls' Grammar School Ltd - a company limited by guarantee
- Kilvington Grammar School Ltd - a company limited by guarantee
- Baptist Camping Victoria - an unincorporated entity

The Baptist Union of Victoria is affiliated with Australian Baptist Ministries.

### 14. Contingent liabilities

The Union has signed a letter of acknowledgement in relation to the borrowing facilities provided by the Commonwealth Bank of Australia to Kilvington Grammar School Ltd. The Union's maximum exposure is capped at \$4,020,000.

### 15. Events subsequent to 31 December 2013

There have been no other events or circumstances which have arisen since the close of the financial year which would have, or might have, a significant impact on the ministries or operations of the Union as stated in the accompanying financial statements.