LUTHERAN CHURCH OF AUSTRALIA
NSW and ACT DISTRICT

THE GREAT CO-MISSION
MATT 28:19-20

"As you go, make disciples, baptize them, teach them, and know I am with you always."

LCA NSW and ACT District
41st Convention of Synod

7-9 August 2026
Warrambui

Book of Reports - Appendix 1
District Financial Reports

Lutheran Church of Australia, NSW District
Trading as Lutheran Church of Australia, NSW and ACT District
ABN 55 137 191 133

Financial Statements for the Year Ended 31 December 2025

Lutheran Church of Australia, NSW District
Trading as Lutheran Church of Australia, NSW and ACT District

Contents
31 December 2025

Lutheran Church of Australia, NSW District
Trading as Lutheran Church of Australia, NSW and ACT District
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2025

	Note	2025 $	2024 $
Revenue			
Operating income	4	360,151	362,091
Earmarked grants and donations	5	46,720	38,809
Investment income	6	758,100	652,464
Warrambui profit/(loss) accounted for using equity method	15	(164,530)	(210,604)
Other income	7	-	678,804
Total income		1,000,441	1,521,564
Operating expenses			
Turning Point Ministries camp expense		(48,405)	(54,410)
Frontier School of Mission expense		(79,198)	(91,483)
Depreciation and amortisation expense		(182,678)	(185,946)
Contribution to the Lutheran Church of Australia		(200,000)	(250,000)
Employee benefits expense		(498,146)	(504,581)
Other expenses	8	(272,646)	(267,397)
Total operating expenses		(1,281,073)	(1,353,817)
Operating surplus/(deficit)		(280,632)	167,747
Mission development expense	9	(524,869)	(508,037)
Deficit for the year		(805,501)	(340,290)
Other comprehensive income			
Revaluation of land	14,15	129,111	157,605
Revaluation of investment funds	13	508,498	968,000
Other comprehensive income for the year		637,609	1,125,605
Total comprehensive income for the year		(167,892)	785,315

The accompanying notes form part of these financial statements

Lutheran Church of Australia, NSW District
Trading as Lutheran Church of Australia, NSW and ACT District
Statement of financial position
As at 31 December 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	10	2,210,918	3,150,703
Loans to District entities	11	17,536	882,635
Receivables	12	258,400	217,825
Total current assets		2,486,854	4,251,163
Non-current assets			
Loans to District entities	11	2,881,996	2,890,832
Financial assets	13	13,139,660	11,628,553
Investment properties	14	1,263,379	1,222,259
Property, plant and equipment	15	4,274,078	4,347,376
Investment in related parties	16	4,627,730	4,612,260
Other investment	17	180,600	129,000
Total non-current assets		26,367,443	24,830,280
Total assets		28,854,297	29,081,443
Liabilities			
Current liabilities			
Amounts held on behalf of LCA Entities and other payables	18	47,322	48,885
Provision for employee benefits	19	70,501	81,579
Total current liabilities		117,823	130,464
Non-current liabilities			
Amounts held on behalf of LCA Entities	18	442,176	442,176
Provision for employee benefits	19	107	-
Total non-current liabilities		442,283	442,176
Total liabilities		560,106	572,640
Net assets		28,294,191	28,508,803
Equity			
Rural Congregational support fund	20	56,953	69,173
James Haak memorial fund	21	382,754	417,254
LLL grants fund	22	969	969
Revaluation reserves		3,213,919	2,576,310
Retained surplus		24,639,596	25,445,097
Total equity		28,294,191	28,508,803

The accompanying notes form part of these financial statements

Lutheran Church of Australia, NSW District
Trading as Lutheran Church of Australia, NSW and ACT District
Statement of changes in equity
As at 31 December 2025

	Rural Congregation support fund	James Haak memorial fund	LLL grants fund	Revaluation reserve	Retained surplus	Total equity
	$	$	$	$	$	$
Balance at 1 January 2024	86,500	438,736	969	1,450,705	25,785,385	27,762,295
Opening retained surplus adjustment	-	-	-	-	2	2
Deficit for the year	-	-	-	-	(340,290)	(340,290)
Other comprehensive income for the year	-	-	-	1,125,605	-	1,125,605
Total comprehensive income for the year	-	-	-	1,125,605	(340,290)	785,315
Bequest received	-	-	18,000	-	-	18,000
Bequest transferred to retained surplus	(17,327)	(21,482)	(18,000)	-	56,809	-
Bequest spent from retained surplus	-	-	-	-	(56,809)	(56,809)
Balance at 31 December 2024	69,173	417,254	969	2,576,310	25,445,097	28,508,803

	Rural Congregation support fund	James Haak memorial fund	LLL grants fund	Revaluation reserve	Retained surplus	Total equity
	$	$	$	$	$	$
Balance at 1 January 2025	69,173	417,254	969	2,576,310	25,445,097	28,508,803
Deficit for the year	-	-	-	-	(805,501)	(805,501)
Other comprehensive income for the year	-	-	-	637,609	-	637,609
Total comprehensive income for the year	-	-	-	637,609	(805,501)	(167,892)
Bequest received	-	-	18,000	-	-	18,000
Bequest transferred to retained surplus	(12,220)	(34,500)	(18,000)	-	64,720	-
Bequest spent from retained surplus	-	-	-	-	(64,720)	(64,720)
Balance at 31 December 2025	56,953	382,754	969	3,213,919	24,639,594	28,294,191

The accompanying notes form part of these financial statements

Lutheran Church of Australia, NSW District
Trading as Lutheran Church of Australia, NSW and ACT District
Statement of cash flows
For the year ended 31 December 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Contributions		425,595	419,323
Distributions received (interest and dividends)		739,376	634,292
Payments to suppliers and employees		(1,187,311)	(1,256,509)
Net cash from operating activities		(22,340)	(202,894)
Cash flows from investing activities			
Acquisition of financial assets	13	(1,002,609)	-
Proceeds from sale of financial assets	7&13	-	2,900,000
Net movement of loans to District Entities	11	873,935	99,454
Contributions to capital, Warrambui	16	(180,000)	(70,000)
Payments for other investments		(51,600)	(60,200)
Payments for property, plant and equipment	15	(32,302)	(57,934)
Net cash used in investing activities		(392,576)	2,811,320
Cash flows from mission development activities			
Payments for grants		(524,869)	(508,037)
Net cash used in mission development activities	9	(524,869)	(508,037)
Net decrease in cash and cash equivalents		(939,785)	2,100,389
Cash and cash equivalents at the beginning of the financial year		3,150,703	1,050,314
Cash and cash equivalents at the end of the financial year	10	2,210,918	3,150,703

The accompanying notes form part of these financial statements

Note 1. General information
The financial statements cover Lutheran Church of Australia, NSW and ACT District as an individual entity. The Lutheran Church of Australia, NSW and ACT District is a not-for-profit entity.

The principal activities of Lutheran Church of Australia, NSW and ACT District for the year ended 31 December 2025 were to fulfil the Objects of the Lutheran Church of Australia (see LCA NSW District Constitution Article III).

The functional and presentation currency of Lutheran Church of Australia, NSW and ACT District is Australian dollars.

The financial statements cover the business of Lutheran Church of Australia, NSW and ACT District and have been prepared to meet the needs of stakeholders.

The financial statements were authorised for issue on 3rd day of July 2026.

Note 2. Material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
The Entity is non-reporting since there are unlikely to be any users who would rely on the general-purpose financial statements. The Entity is registered with the Australian Charities and Not-for-profits Commission (ACNC) as Basic Religious Charity. The financial report is therefore a special purpose financial report that has been prepared in order to meet internal requirements and may not be suitable for any other purpose. The members have determined that the accounting policies listed below are suitable to meet the needs of the stakeholders.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair market value and the land component of real property at assessed value both through other comprehensive income.

Basis for consolidation
The District has four associated entities: Warrambui Retreat and Conference Centre ("Warrambui"), incorporated association, Lutheran Aged Care Albury and St Paul's College, both companies limited by guarantee, and Lutheran Church of Australia (New South Wales District) Property Trust, a New South Wales statutory trust. The District has control over the four entities by virtue of the exclusive power to nominate their directors (in the case of the companies) or trustees (in the case of the Property Trust).

In respect of Lutheran Aged Care Albury and St Paul's College, the companies have separate boards, operate independently, and produce audited financial statements on a standalone basis. The District has never received dividends, and because of statutory and regulatory constraints, there are no circumstances in which the Council can foresee that the net assets of the companies could be made available to the District or its creditors. Accordingly, the Council has decided that Lutheran Aged Care Albury and St Paul's College will not be consolidated, but will be reflected in the District's accounts at a nominal value of $1 for each entity.

Note 2. Material accounting policies (continued)

The Warrambui Retreat and Conference Centre also has a separate board, operates independently, and produces audited financial statements. Given the nature of Warrambui's business activities, the Council has decided not to consolidate Warrambui. However, the Council can foresee circumstances in which the District would receive the benefit of Warrambui's net assets. Accordingly, the Council has decided to record its interest in Warrambui as an associate over which the District has a significant influence, using the equity method in accordance with AASB 128 Investments in Associates and Joint Ventures. Under this method, the investment is initially recognised as cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee.

The real property and certain other assets of the District, its associated companies, and member congregations of the District are vested in the Property Trust. The trustees of the Property Trust record the beneficial owner of each trust asset, and the beneficial owners (including the District and its associates) record the assets in their own financial statements. The Property Trust has no residual. Accordingly, the Council has decided not to consolidate the Property Trust, nor to include it in the District's financial statements in any way.

Revenue recognition
The Entity recognises revenue as follows:

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST).

Grants
Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Contributions from congregations
Contributions from congregations are recognised as revenue in the year designated by the congregation.

Donations
Donations and bequests are recognised as revenue when received.

Distributions from investment funds
Distributions from investment funds revenue is recognised when the right to receive a dividend or distribution has been established and is presented as cash flows from operating activities.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset. It is presented as cash flows from operating activities.

Note 2. Material accounting policies (continued)

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Rental income
Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Subscriptions
Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Income tax
The Entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Financial instruments
Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to congregations and district ministries but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment.

The Entity's loans and receivables fall into this category of financial instruments.

Significant loans and receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Entity renegotiates repayment terms with borrowers which may lead to changes in the timing of the payments, the Entity does not necessarily consider the balance to be impaired, however assessment is made on a case- by-case basis.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the district intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Upon disposal of an investment, any cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Note 2. Material accounting policies (continued)

Financial liabilities
Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Entity's financial liabilities include payables, which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets
At the end of the reporting period the Entity assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Investment properties
Investment properties principally comprise of freehold land, buildings and equipment held for long-term rental and capital appreciation that are not occupied by the Entity. Land is shown at fair value, based on annual valuations according to NSW Government Valuer General, less impairment if any. Investment properties except land are initially recognised at cost, including transaction costs, and are subsequently stated at historical cost less accumulated depreciation and impairment.

Depreciation is calculated the same way as property, plant and equipment.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Property, plant and equipment
Land is shown at assessed value, based on annual valuations according to NSW Government Valuer General, less impairment if any.

Buildings and office equipment are carried at cost less any accumulated depreciation and impairment.

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets' useful life to the Entity, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Buildings	2.5% - 20%
Office equipment	5% - 33%
Vehicle	20%

At the end of each reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Impairment of non-financial assets
At the end of each reporting period the Entity determines whether there is evidence of an impairment indicator for non-financial assets.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 2. Material accounting policies (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 3. Critical accounting judgements, estimates and assumptions

The Council makes estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement by the Council on a case by case basis.

Note 4. Operating income

	2025 $	2024 $
Other District revenues	87,441	85,476
Contributions from congregations	132,850	132,600
Frontier School of Mission revenue	81,192	91,481
Turning Point Ministries camp revenues	56,500	44,057
Contributions from individuals including LLL interest foregone	2,168	8,477
	360,151	362,091

Note 5. Earmarked grants and donations

	2025 $	2024 $
Rural Congregation support fund	12,220	17,326
James Haak study fund	34,500	21,483
	46,720	38,809

Note 6. Investment income

Distributions from investment funds inclusive of franking credits	666,019	575,404
Interest	73,357	58,888
Rental income	18,724	18,172
	758,100	652,464

Note 7. Other income

Gain on disposal of financial assets	-	678,554
Gain on disposal of fixed assets	-	250
	-	678,804

Note 8. Other expenses

Office expense	80,478	76,641
Ministry support expenses	55,223	56,701
Event expenses	28,273	41,440
Grants expended	46,518	38,809
Travel expenses	13,806	19,844
Property expenses	33,348	19,790
Legal/Audit expenses	15,000	14,172
	272,646	267,397

Note 9. Mission development expense

St Pauls Sydney (community outreach)	113,654	97,288
Jindera Church (church planter)	92,641	93,258
Lifeway Lutheran Church (Western Sydney church planter)	85,000	85,000
Woden Valley Lutheran Church (church planter)	85,357	66,358
Tuggeranong Community Development Coordinator (community outreach)	60,931	60,158
Frontier School of Mission	27,237	38,504
Lifeway Lutheran Church (Asian ministry support)	20,000	25,000
Lavington Lutheran Church (cashflow support)	-	20,000
Turning Point Ministries (CYFM support)	-	5,000
Riverina Schools Demographic Study	18,500	-
Other grants and pastoral support	21,549	17,471
	524,869	508,037

Note 10. Cash and cash equivalents

	2025 $	2024 $
Current assets		
Cash at bank	760,918	3,150,703
Term deposits	1,450,000	-
	2,210,918	3,150,703

Note 11. Loans to District entities

Current assets		
Loans to St Paul's College	-	864,099
Loans to congregations	17,536	18,536
	17,536	882,635
Non-current assets		
Loans to Warrambui Retreat and Conference Centre	2,777,197	2,777,197
Loans to Bruce Flanagan	7,200	-
Loans to congregations	97,599	113,635
	2,881,996	2,890,832
Total Loans to District entities	2,899,532	3,773,467

a) Reconciliation of loans to District entities

Opening balance	3,773,467	3,872,921
Loans issued during the year	7,200	6,567
Loans repayment received	(881,135)	(106,021)
Closing balance	2,899,532	3,773,467

Note 12. Receivables

Current assets		
Accounts receivable (a)	154,217	125,442
Other receivables	48,116	59,264
Accrued interest	49,224	26,516
GST receivables	6,843	6,603
	258,400	217,825

(a) including investment distributions declared but not yet paid

Note 13. Financial assets

	2025 $	2024 $
Non-current assets		
Australian Ethical Shares Index Fund	3,666,765	3,808,456
Vanguard Australian Shares Index Fund	3,879,034	3,625,079
Vanguard International Select Exclusions Index Fund	2,663,293	2,432,695
Vanguard Global Value Equity Fund	1,903,460	1,762,323
Perpetual Equity Investment Company	1,027,108	-
	13,139,660	11,628,553

Reconciliation of managed funds
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	11,628,553	12,882,000
Additions	1,002,609	-
Disposals	-	(2,221,447)
Revaluation at year-end	508,498	968,000
Closing fair value	13,139,660	11,628,553

The revaluation is recognised through other comprehensive income and held as a reserve until such time as the gain or loss is realised.

Note 14. Investment properties

The District owns a residence to serve as the Glenmore Park Mission House in Western Sydney. The property is leased to the mission worker at a rate comparable to the allowance for manses.

Non-current assets		
Land	767,000	693,000
Building	663,299	663,299
Less: Accumulated depreciation	(166,920)	(134,040)
	496,379	529,259
Equipment	2,445	2,445
Less: Accumulated depreciation	(2,445)	(2,445)
	-	-
	1,263,379	1,222,259

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land $	Building $	Total $
Balance at 1 January 2025	693,000	529,259	1,222,259
Revaluation	74,000	-	74,000
Depreciation expense	-	(32,880)	(32,880)
Balance at 31 December 2025	767,000	496,379	1,263,379

The land was revalued according to NSW Government Valuer General land value search. The revaluation was made on 14 July 2025. The revaluation is recognised through other comprehensive income and held as a reserve.

Note 15. Property, plant and equipment

	2025 $	2024 $
Non-current assets		
Land - at assessed value	2,330,584	2,275,473
Buildings - at cost	2,720,866	2,711,083
Less: Accumulated depreciation	(831,157)	(707,462)
	1,889,709	2,003,621
Office equipment - at cost	102,350	98,752
Less: Accumulated depreciation	(86,388)	(78,843)
	15,962	19,909
Vehicle - at cost	52,749	52,749
Less: Accumulated depreciation	(14,926)	(4,376)
	37,823	48,373
	4,274,078	4,347,376

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land $	Buildings $	Office Equipment $	Vehicle $	Total $
Balance at 1 January 2024	2,152,868	2,132,706	31,531	-	4,317,105
Additions	-	-	5,186	52,749	57,935
Revaluation	122,605	-	-	-	122,605
Depreciation expense	-	(129,085)	(16,808)	(4,376)	(150,269)
Balance at 31 December 2024	2,275,473	2,003,621	19,909	48,373	4,347,376
Additions	-	24,459	7,843	-	32,302
Disposal	-	(10,913)	-	-	(10,913)
Revaluation	55,111	-	-	-	55,111
Depreciation expense	-	(127,458)	(11,790)	(10,550)	(149,798)
Balance at 31 December 2025	2,330,584	1,889,709	15,962	37,823	4,274,078

The land was revalued according to NSW Government Valuer General land value search. The revaluation was made on 5 August 2025. The revaluation is recognised through other comprehensive income and held as a reserve.

Note 16. Investment in related parties

Investment in Warrambui using the equity method
Warrambui has the same year end as Lutheran Church of Australia, NSW and ACT District.

For the reasons detailed in Note 2, the Council considers that Lutheran Church of Australia, NSW and ACT District has an investment in Warrambui. The annual surplus or deficit of Warrambui is shown as an income or expense of Lutheran Church of Australia, NSW and ACT District, such that the investment in Warrambui is equal to net assets of Warrambui.

No adjustments are made for differences in accounting policies between Lutheran Church of Australia, NSW and ACT District and Warrambui.

	2025 **$**	**2024** **$**
Non-current assets		
Investment in Albury Aged Care (at nominal value)	1	1
Investment in St Paul's College (at nominal value)	1	1
Investment in Warrambui (equity method)	4,627,728	4,612,258
	4,627,730	4,612,260

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Balance of investment at beginning of the year	4,612,260	4,752,864
Net loss for the year	(164,530)	(210,604)
Additional investment during the year	180,000	70,000
Closing fair value	4,627,730	4,612,260

Note 17. Other investment

The investment in Bass Hill Manse is to assist the Southern Cross Sydney Finnish congregation with its cash flow over the remaining seven years of its existence as it serves the Finnish people of Sydney. This is achieved by selling a percentage of the property to the district for a fixed cash amount as required by the Finnish congregation.

Non-current assets		
Investment in Bass Hill	180,600	129,000

Note 18. Amounts held on behalf of LCA entities and other payables

Current liabilities		
Amounts held on behalf of LCA entities	22,505	30,142
PAYG and other payables	24,817	18,743
	47,322	48,885
Non-current liabilities		
Amounts held on behalf of LCA entities	442,176	442,176

Note 19. Provision for employee benefits

	2025 $	2024 $
Current liabilities		
Employee benefits	70,501	81,579
Non-current liabilities		
Employee benefits	107	-

Note 20. Rural Congregational Support Fund

Rural Congregation support fund	56,953	69,173

The rural congregation support fund is donated by the Anna Bay congregation specifically to assist and support struggling congregations of the Church, especially those in rural communities.

Note 21. James Haak Memorial Fund

James Haak memorial fund	382,754	417,254

The James Haak Memorial Fund is for the purpose of professional development for pastors and paid lay workers, in theology, governance, leadership, counselling, training and support, and any other training and mentoring as deemed fit by the Bishop.

Note 22. LLL Grants Fund

LLL grants fund	969	969

Note 23. Contingent liabilities

The Lutheran Church of Australia, NSW and ACT District guaranteed the loans of various District entities. The loans guaranteed at year end were:

Lutheran Aged Care Albury	6,069,618	4,543,215
Jindera St Johns Lutheran School	1,102,004	1,152,226
Walla Walla St Pauls College Ltd	1,091,323	270,565
Wagga Wagga Lutheran School	33,900	145,396
Woden Valley Immanuel Lutheran Church	32,442	69,109
	8,329,287	6,180,511

Note 24. Events after the reporting period

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Entity's operations, the results of those operations, or the Entity's state of affairs in future financial years.

Note 25. Related party transactions

No remuneration has been paid to key management personnel during the year.

Loans to district entities are disclosed in Note 11.

Investment in related parties is disclosed in Note 16.

Contribution transferred to the Lutheran Church of Australia during FY25 was $200,000 (FY24: $250,000).

Transactions between related parties are on standard commercial terms and conditions no more favorable than those available to other parties unless otherwise stated.

Note 26. Entity details

The registered office of and principal place of business is:

Lutheran Church of Australia, NSW and ACT District
215/20B Lexington Drive
Bella Vista NSW 2153

Lutheran Church of Australia, NSW District
Trading as Lutheran Church of Australia, NSW and ACT District
Statement by members of the NSW and ACT District Church Council
31 December 2025

The members of the District Church Council have determined that the Entity is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

The members of the District Church Council declare that:

(1) The financial statements and notes, as set out on pages 2 to 17, present fairly the Entity's financial position as at 31 December 2025 and its performance at year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and

(2) In the member's opinion, there are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the members of the District Church Council.

Chairman

Bruce Robt Arnold

Treasurer

Dated this 3rd day of July2026

AUDITOR'S INDEPENDENCE DECLARATION UNDER ACNC ACT S 60-40
TO THE MEMBERS OF LUTHERAN CHURCH OF AUSTRALIA, NSW DISTRICT

In accordance with Subdiv 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the members of Lutheran Church of Australia, NSW District.

As the lead audit partner for the audit of the financial statements of Lutheran Church of Australia, NSW District for the year ended 31 December 2025, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025 there have been no contraventions of:

i. the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

CIB ACCOUNTANTS AND ADVISERS
Chartered Accountants

ANGELA YU
Partner

Dated this 3rd day of July 2026

Parramatta NSW 2150

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NSW 1750

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+61 2 4721 6000
Suite 12, 308 High Street Penrith
NSW 2750
PO Box 1142, Penrith
NSW 1750

SYDNEY
+61 2 9249 7400
Level 11, 56 Pitt Street
Sydney NSW 2000
PO Box 2492, North Parramatta
NSW 1750

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LUTHERAN CHURCH OF AUSTRALIA, NSW DISTRICT

Opinion

We have audited the financial report of Lutheran Church of Australia, NSW District (the Entity), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the statement by members of the NSW and ACT District Church Council.

In our opinion, except for the effects of the matter described in the *Basis of Qualified Opinion* section of our report, the accompanying financial report of the Entity is:

a) giving a true and fair view of the Entity's financial position as at 31 December 2025 and of its financial performance for the year then ended; and

b) complying with material accounting policies described in Note 2.

Basis for Qualified opinion

We draw attention to Note 11 and 16 to the financial statements, which disclose the Entity's loan receivable from Warrambui Retreat and Conference Centre (Warrambui) of $2,777,197 and investment of $4,627,728 in Warrambui. Warrambui is dependent on the Entity for its ongoing financial support. The recoverability of the Entity's loan and investment in Warrambui is dependent on the realisation of Warrambui's property, plant, and equipment, which has a carrying amount of $7,595,181 and is subject to a qualification in Warrambui's audit report for the year ended as at 31 December 2025. As a result, we are unable to obtain sufficient appropriate audit evidence to support the recoverability of the Entity's loan receivable and investment in Warrambui. We therefore are unable to express an opinion on the recoverably of the Entity's loan and investment to Warrambui.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the needs of the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Members of the District Church Council for the Financial Report

The members are responsible for the preparation and fair presentation of the financial report in accordance with the accounting policies described in Note 2 and for such internal control as the members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The members are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.

- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CIB ACCOUNTANTS AND ADVISERS
Chartered Accountants

ANGELA YU
Partner

Dated this 3rd day of July 2026

Parramatta NSW 2150