



**russian orthodox
church of
saint panteleimon
gosford**

ABN 98 562 088 123

2007

Annual Report

CONTENTS

1.	Rector's Message	3
2.	About our Parish	4
3.	The Parish Council	4
4.	Significant Events in 2006-07	5
5.	Parish Council Report	6
6.	Parish Financial Statement with Notes	9
8.	Discussion and Analysis of Financial Statements	10
9.	Auditing Committee's Report	11

RECTOR'S MESSAGE

Dear brothers and sisters in Christ,

For the third consecutive year, the Parish Council presents to members a parish 'Annual Report'. Our Annual Report outlines parish governance, highlights events of significance during the year under review, discusses the activities of the parish in the course of the year, and sets out the financial position of the parish.

The 2007 Annual General Meeting has been delayed in order for the Parish Council to accurately present the financial position of the parish. An accounting system has now been put into place that ensures the ready availability each year of the necessary financial information, together with a consistent presentation of the same.

Our parish continues to grow both spiritually and materially. We now have a well-established pattern of services with many people participating in the liturgical life of the church, reading and singing at the Divine Services. The Parish Council has wisely managed parish funds, significantly reducing our mortgage whilst continuing to improve and adorn the church building.

A particularly pleasing development in the past year has been the collection during Lenten periods of funds for charitable purposes, thereby linking our prayer and fasting with almsgiving.

The Annual Report not only summarises and reports on parish activities and management, but also raises issues of note or concern. Parish members are encouraged to read the Annual Report carefully so as to better participate in such discussion of parish life as may arise at the Annual General Meeting.

An evident weakness in parish life is that of Christian education, both for the many children that we have in our parish and for the adults. It is to be hoped that the coming year will see positive developments in this regard.

In Christ,

Rev. James Carles
Parish Priest
20 February 2008

ABOUT OUR PARISH

Saint Panteleimon Russian Orthodox Church is an Orthodox Christian parish of Russian tradition serving the NSW Central Coast. It exists to

- worship God and praise His saints in the divine services of the Holy Orthodox Church
- enable the fullness of the Orthodox Christian life in Christ
- provide for the spiritual and educational needs of Russian and other Orthodox Christians on the Central Coast and
- bear witness to the Orthodox Christian faith

Our parish is part of the Sydney, Australia & New Zealand Diocese of the Russian Orthodox Church outside Russia. We are within the jurisdiction of the Synod of Bishops of the Russian Orthodox Church outside Russia, a self-governing part of the Russian Orthodox Church.

Our parish is the youngest in the Diocese, having emerged out of a mission established by the ruling bishop, Archbishop Hilarion, in 2000. It has grown in that time from a small Eucharistic community using rented premises to a vibrant parish with a beautiful place of worship and parish centre.

An Orthodox Christian parish of Russian tradition, our parish is nevertheless diverse, with worshippers from many different backgrounds. Our parish is a friendly one that is well-known for its hospitality.

THE PARISH COUNCIL

The Parish Council consists of the parish priest and such lay members as are elected at the Annual General Meeting (AGM) of the parish.

The parish priest is Father James Carles. The lay members of the Parish Council elected at the 2006 AGM are

- Kate Marcotrigiano (Secretary)
- Sophia Kfoury (Treasurer)
- Olga Petroff (Head Sister)
- Rick Golovin (Building & Maintenance)
- Paul Pereboeff (Fundraising & Charitable Work)
- Bill Reid
- Victor Bendeovski

Members of the Parish Council are not paid for their work. Standards of conduct for Parish Council members – and indeed, all parish members – are set out in the ‘Normal Parish By-Laws’. They must

- Confess their sins and receive Holy Communion at least once a year
- Pay agreed membership fees if able
- Tend to the moral and economic welfare of the parish
- Remain loyal to the Russian Orthodox Church outside Russia
- Remain loyal to their parish and cooperate with the parish priest and Parish Council
- Act in a way that promotes peace and unity within the parish

The Parish Council met 10 times during its period of office, generally on the first Tuesday of each month. Meetings were well-attended by members of the Parish Council and conducted in a positive spirit. Minutes were kept of all meetings.

SIGNIFICANT EVENTS IN 2006-07

November

- Our 2006 Annual General Meeting
- A fundraising BBQ for our parish arranged and hosted by the Cabramatta parish, raising \$4620.00

December

- Our parish school of Saint Innocent of Alaska holds a concert and presentation
- A major church clean-up in preparation for the Christmas and Theophany services

January

- Russian Orthodox Christmas services on January 6th and 7th
- Services, great blessing of water and the customary house blessing on the Sunday after Theophany

February

- Our 4th annual fishing competition is held, raising \$2301.50

March

- A major church clean-up in preparation for the Easter services
- A visit from Archbishop Hilarion to preside at the General Anointing service ("Soborovanie") during Great Lent

April

- The third anniversary of Divine Services in our church at West Gosford
- Services for Palm Sunday
- Services every night for the first four days of Holy Week; Divine Liturgy on Great and Holy Thursday; services for Great and Holy Friday and the feast of the Annunciation; and Paschal services
- The purchase of a new chalice, a new English-language Gospel book, and a new Paschal candle holder

May

- The placement of donation tins in church to raise funds for Diocesan monasteries
- The signing of the Act of Canonical Communion on Ascension Day in Moscow

June

- The distribution of donation tins to the faithful to raise funds for Gosford Hospital during the Apostles' Fast. \$327.50 was collected, with the total increased by the Parish Council to \$500.00

July

- The beginning of liturgical commemoration in our parish of Patriarch Alexis of Moscow and All Russia

August

- The celebration of our patronal feast of Saint Panteleimon, which included Archbishop Hilarion's visit with the Kursk-Root Icon of the Mother of God and a festive banquet for over 200 people

PARISH COUNCIL REPORT

Parish activities

Service Schedules are prepared on a seasonal basis – Summer, Autumn, Winter and Spring. Services have been held on the first, third and fifth weekends throughout the year, with additional services held on certain major feast-days and during Holy Week.

On average, there are six services per calendar month – three in the evening, and three in the morning. The choir generally sings in English at evening services and in Slavonic at morning services, with occasional exceptions. Other parts of the service are in Slavonic or English according to need.

Archbishop Hilarion visited our parish twice in the 2006-2007 year, in March and August 2007. The first visit was in Great Lent in order to preside at the customary Service of General Anointing. The second was with the Kursk-Root Icon of the Mother of God on the occasion of our feast-day.

Between September 2006 and September 2007 in our parish 10 people – 3 adults and 7 children - were received into the Orthodox Church by baptism or chrismation.

Significant progress was made in reducing our mortgage, with payments totalling over \$20 000 made in the course of the year. The assistance that we have received from the Holy Protection parish in Cabramatta has been important in this regard, as has the work of a group of young men in the parish in organising a fundraising fishing competition. Fundraising remains a priority for our parish.

We continued to work for the adornment of the church, purchasing a number of items for use in the Divine Services. New icons were framed and placed in the church for veneration. A beautiful set of blue vestments for the church was made by Katya Lugovoy, completing the set of different coloured vestments.

We have met our obligation to provide material support to the church authorities. All mandatory collections have been taken unless our service schedule precluded it. We have paid Diocesan levies on candle sales, but have remained free from the obligation to pay other levies.

Our parish priest is engaged in full-time secular employment and so the need for his remuneration has been significantly reduced. Occasional gifts are given in the course of the year in lieu of a stipend. Honoraria have been paid to our choir director and to the Archbishop and other visiting clergy.

The majority of parishioners present generally gather after Divine Liturgy on Sundays and major feast-days for a simple meal and for fellowship. This provides an opportunity to be hospitable to the many visitors that we receive in the course of the year. On occasions, the parish ladies arrange a BBQ or prepare piroshki.

A parish newsletter was published monthly throughout the year. This newsletter is distributed in church and by post. It provides information to parishioners and friends about the life of the parish and about developments in the wider church. As at the end of September 2007, 68 issues of the newsletter had been published.

The parish has had a website for a number of years, designed and maintained at no cost to the parish by Olga and Dmitri Lusim of Lussoft Systems. It is an important source of information to friends of the parish, making service schedules and parish newsletters available to a wide audience.

Sadly, our parish school did not function during 2007. This was because of the small number of students and competing demands on Saturday mornings. A workable alternative has yet to be developed. The Parish Council remains committed to developing the educational work of the parish. This will be a major focus in 2007-08.

An initiative during the Apostles' Fast in 2007 was the distribution of collection tins to parish families. Money was collected in the course of the fast, and the tins returned after the feast day of the Apostles Peter and Paul. The money collected was donated to Gosford Hospital. It was agreed by the Parish Council that such charitable collections be a feature of Great Lent, the Apostles' Fast, and the Nativity Fast each year.

Strategic concerns

The Parish Council has given consideration to a range of issues of strategic importance. These issues include:

Future plans

There was a great deal of discussion in the course of the year concerning the possibility of moving to a permanent church building in the future. It was ultimately acknowledged that this was a long-term goal, our present parish centre being adequate for our current needs and those in the foreseeable future. Having services every Sunday with significant attendance was identified as an indicator that a new church would be necessary. Upon completion of our mortgage payments, the Parish Council plans to consider investment in a residential property.

A decision has been made to build an awning over the area between the church and the retaining wall, thereby making available additional space for church functions. The Parish Council is also costing the building of a second floor above the hall with a view to providing space for a parish office, book and icon store, and a meeting room or classroom. Re-design of the candle-desk and the building of a loft for the choir at the rear of the church have also been discussed.

Inventory

The Parish Council has long recognised the importance of undertaking an inventory of parish property for insurance purposes and in order to better facilitate the management of such property. This remains a priority for the Parish Council in 2007- 2008.

Legal obligations

Work has continued to ensure that the parish is compliant with relevant civil laws such as those concerning privacy and child protection. A draft privacy policy now exists and will be endorsed by the Parish Council in 2007-2008.

Record keeping

Work has commenced to ensure that the administrative and financial records of the parish are maintained in an orderly fashion. This includes the proper storage and organisation of such records.

Virtual office

Steps were taken during the year to improve parish management by the creation of a virtual office. Important parish records have been stored on the parish laptop and parish email addresses made available to members of the Parish Council. Work will continue on this in 2007-08.

Administrative guidelines

The Parish Council began to consider administrative guidelines covering such areas as expenditure, the parish website, the auditing process, the use of email addresses, and so on. Work will continue on these guidelines in 2007-08.

Software

The Parish Council endorsed this year the purchase of software to facilitate parish management. Unfortunately, delays in the development of an updated version of this software, "Deacon 2007", have prevented purchase and implementation. This system, one developed specifically to assist parish management in Orthodox Christian parishes, will greatly assist the work of the parish priest and Parish Council.

**SAINT PANTELEIMON RUSSIAN ORTHODOX CHURCH
STATEMENT OF FINANCIAL POSITION**

For the year 1 September 2006 until 30 September 2007

Income	
First Plate ¹	7574.70
Second Plate ²	9978.35
Candles	8159.80
Prospora	1091.30
Tithes ³	700.00
Donations ⁴	11899.40
Collections ⁵	1700.70
Fundraising ⁶	2301.30
GST refunds	288.00
Bank Interest	19.93
Miscellaneous & other income	631.15
Loan repayment chest ⁷	2044.00
Total Income	\$46388.63
Expenses	
Choir Conductor ⁸	1755.00
Bank charges	56.00
Mortgage	20654.00
Utilities ⁹	1175.18
Interest	0.31
Periodicals ¹⁰	399.00
Candles	2270.00
Strata	2983.00
Insurance	1531.10
Clergy payments ¹¹	2450.00
Collections ¹²	1264.20
Special purchases	2189.11
Repairs and maintenance	199.70
Donations	500.00
Administration & stationery	311.25
Miscellaneous	1513.74
Total expenses	\$39251.59
Profit (Loss)	\$7137.04

¹ The first plate is marked "For the needs of the church".

² The second plate is marked "For the upkeep of the church".

³ Tithes are the annual dues of \$20.00 paid by parish members.

⁴ This refers to all donations to our parish and to external fundraising.

⁵ This refers to collections taken in church, usually upon Diocesan request.

⁶ This refers to all internal fundraising such as the fishing competition.

⁷ This refers to a collection box labelled as such and placed in church.

⁸ Our choir conductor is paid a small gratuity for each service.

⁹ This refers to electricity and water.

¹⁰ This refers to payments for «Церковное Слово» ("Word of the Church") and "The Voice".

¹¹ Clergy payments include gifts to the rector in lieu of a stipend and honoraria paid to visiting clergy and altar servers, usually on the occasion of an Episcopal visit.

¹² This refers to funds collected that are returned to the Diocesan authorities.

Actual position at 30 September 2007

Cheque account balance 30.09.2007	3769.18	
Less value of unpresented cheques	971.60	
		\$2797.58
Cash on hand: float & unbanked income	139.00	
	Total	\$2936.58

Amount remaining to be paid on mortgage \$46198.99

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS**The Parish**

It is evident from the 'Statement of Financial Position' that it is essential at this stage of parish life to maintain fundraising activity and the 2007 level of donations. Our income without these additional funds would be insufficient to cover our expenses without significantly reducing our mortgage repayments, a move that would ultimately increase parish expenses over time because of a greater number of interest payments.

It is also evident that our expenses are moderate. The only areas of expense in which savings can be clearly made are special purchases and mortgage repayments. Special purchases are one-off expenses, and so it is to be expected that there will be savings in this area in 2008. The effect of reducing mortgage payments – and thus prolonging the repayment of the loan – has already been noted.

The Ladies' Auxiliary

It was not possible for a financial statement to be prepared for the Ladies' Auxiliary, nor for the Auditing Committee to undertake an audit.

The balance of the Ladies' Auxiliary account was, at 31 December 2007, \$13670.27. These funds derive from various fundraising activities including garage sales, sales of piroshki and other cooked items, BBQs, raffles, and cake auctions.

Expenses have included the festive banquet on our parish feast day in addition to items necessary for hospitality and church cleaning.

The bulk of the funds currently held in the Ladies' Auxiliary account will be used to pay for certain special purchases ordered in 2007 from Russia - candle stands, vestments, and other items – and for the awning to be erected outside the church.

In accordance with a Parish Council resolution, the parish Treasurer will in 2008 take responsibility for the Ladies Auxiliary accounts, maintaining them in a manner consistent with the parish accounts. The Parish Council expects to present an audited 'Statement of Financial Position' relating to the Ladies' Auxiliary funds at the 2008 Annual General Meeting.

AUDITING COMMITTEE REPORT

Having examined the financial records of Saint Panteleimon Russian Orthodox Church, we confirm that the 'Statement of Financial Position' included in this Annual Report is accurate and complete.

Recommendations:

1. That the Auditing Committee conducts an audit of the parish and Ladies' Auxiliary accounts annually.
2. That the Ladies' Auxiliary funds be deposited into the parish mortgage account, with the ability to redraw funds as required. Alternatively, that the funds be deposited into an account yielding greater interest, such as a term deposit.
3. That the Parish Council provides a bookkeeping template to the Ladies' Auxiliary.

Sebastian Reid
14 February 2008

Andrew Kfoury
14 February 2008

Members of the 2006-07 Auditing Committee of
Saint Panteleimon Russian Orthodox Church

Response to the Auditing Committee Report

Having considered the report of the Auditing Committee and other matters relevant to financial management, the Parish Council resolved on 19 February 2008:

1. That the Auditing Committee conducts an audit of the parish and Ladies' Auxiliary accounts quarterly.
2. That the Ladies' Auxiliary funds remain separate from other parish funds, and not be deposited into the mortgage account.
3. That the Parish Treasurer maintains the Ladies' Auxiliary accounts so as to ensure consistency of documentation and reporting with the other parish accounts.



russian orthodox
church of
saint panteleimon
gosford

ABN 98 562 088 123

Saint Panteleimon Russian Orthodox Church
4/7 Comserv Close
WEST GOSFORD NSW 2250

Post Office Box 3356 ERINA NSW 2250

www.gosfordrussianchurch.org.au