

Governance Statement.

Background

This Statement is current as at 19 June 2023. It describes Churches of Christ in Queensland's approach to Governance and has been approved by the Board of Directors.

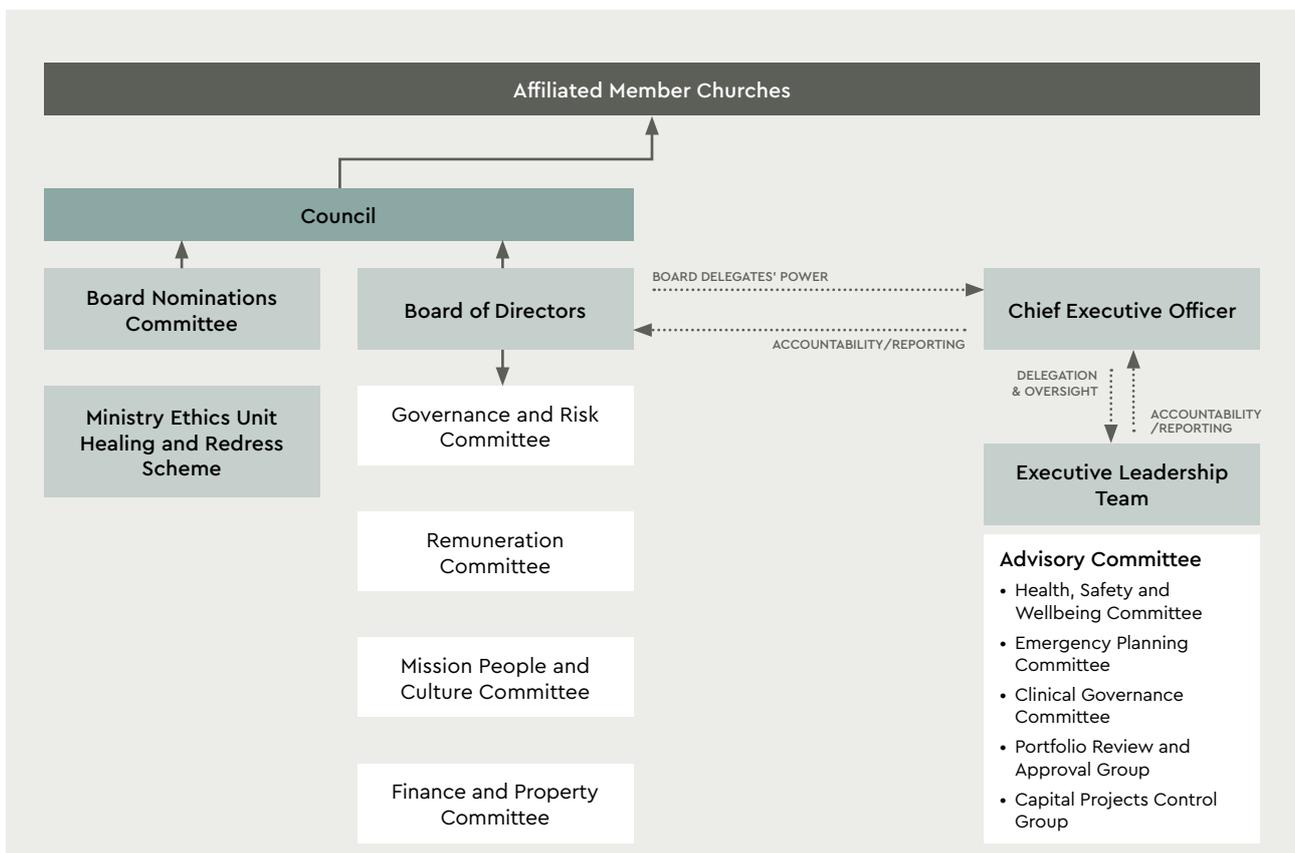
Churches of Christ in Queensland (Churches of Christ) is a Christ following movement of people, who are a part of the broader Christian Church. We exist to bring the light of Christ into communities and we do this by building supportive integrated communities, delivering innovative, holistic and caring services and by empowering people to live hope-filled, meaningful lives.

In conducting our affairs and services, we are guided by our Values:
Unconditional Love, Wise Stewardship, Mutual Trust, Continual Innovation and Safety.

Churches of Christ is incorporated under Letters Patent (LP) provisions (issued by the Crown) within Queensland, and is recognised as a legally incorporated body in other Australian States and overseas. The Churches of Christ Group of Entities comprise Churches of Christ Housing Services Ltd, and other subsidiary entities, which are all committed to proper and effective governance.

We are a registered charity regulated by the Australian Charities and Not-for profits Commission (ACNC). We are also a Public Benevolent Institution and endorsed by the Australian Taxation Office to access certain tax concessions (including as a deductible gift recipient). As a registered charity, we must comply with the ACNC Governance Standards.

Our organisation is overseen by a Council, which sets theological direction and elects a Board of Directors. Our Board oversees governance, financial performance of the organisation and its performance against the strategic plan. Our executive team leads a team of almost 4000 employees to implement our strategy, reporting into our Board.



Compliance to ACNC Governance Standards

As the foundation of its governance framework, Churches of Christ has adopted and complies with the [ACNC Governance Standards](#). The Standards ensure that we remain charitable, operate lawfully, and are run in an accountable and responsible way.

This document demonstrates the appropriate steps Churches of Christ takes to comply with the ACNC Governance Standards.

Standard 1: Purposes and not-for-profit nature

A charity must be not-for-profit and work towards its charitable purpose. It must be able to demonstrate this and provide information about its purposes to the public.

Set out in Rule 4 of Churches of Christ's Constitution are its charitable purposes. Churches of Christ demonstrates achievement of its charitable purposes through its strategic plan, annual reports and by submitting Annual Information Statements to the ACNC on an annual basis. These documents are publicly available on [our website](#) and on the ACNC website respectively. The Board's Governance and Risk Committee annually conducts a self-assessment covering each of the ACNC's six Governance Standards to ensure compliance with our obligations as a charity. Every three years, the Constitution is reviewed (internally and by external experts) for relevance and proposed amendments presented to members at the Annual General Meeting. All of Churches of Christ's income is applied to promoting its charitable purposes.

Standard 2: Accountability to members

A charity that has members must take reasonable steps to be accountable to its members and provide them with adequate opportunity to raise concerns about how the charity is governed.

Churches of Christ's membership comprises 60+ affiliated churches. Its constitution establishes a council of representatives of Members known as Conference Council. In addition, a dedicated Church Engagement Team provides regular interface with affiliated member churches and ensures regular communication between Churches of Christ through email, newsletters, the website and social media. Churches of Christ produces an annual report for member churches which include financial information and achievements towards Churches of Christ's purposes. In the lead up to Annual General Meetings where constitutional changes will be presented, Churches of Christ consults with its member churches, seeking their input and communicating any significant changes.

Each year members receive notice of the Annual General Meeting where the full financial report is presented together with an Annual Report and Conference Council members are elected. The Chair of the Board and CEO attend the meeting and are available to answer members' questions about the audited financial accounts, the status of internal controls and the preparation and content of the auditor's report.

Outside of the Annual General Meeting members are able to raise matters of concern directly with the Chair of Council and the CEO. They can also do so through a confidential whistle-blower process.

Churches of Christ has many other stakeholders, including clients and their families, our donors and benefactors, tenants, residents our staff and volunteers, the broader community, our suppliers and government agencies that provide us with funds and regulate our operations.

We adopt a consultative approach in dealing with our stakeholders. We are involved in not-for-profit forums, receive feedback from forums and regular surveys, and ensure government at all levels is aware of our main concerns, achievements and remains abreast of industry developments that affect us.

All Churches of Christ services are required to comply with external service standards. For many of these, Churches of Christ's compliance with the standards is independently audited as part of an accreditation process. In all cases, Churches of Christ must achieve accreditation in order to gain a Licence to operate the service. These standards require organisations to evidence good governance and a commitment to quality, including complaints management processes.

Standard 3: Compliance with Australian laws

A charity must not commit a serious offence (such as fraud) under any Australian law or breach a law that may result in a penalty of **60 penalty units** or more.

Churches of Christ stays up to date with its obligations by subscribing to regulator and peak body newsletters and checking regulators' websites for any changes that may affect the organisation. We also get professional advice if uncertain. We conduct training to the Board and key staff on anti-money laundering and counter-terrorism financing. We also have processes such as the Whistle-blower protection system, which enables staff, volunteers and beneficiaries to report suspected wrongdoing without fear, recrimination or disadvantage.

In 2023, Churches of Christ commenced roll out of its Compliance Program by establishing an Obligations Register. The Obligations register will provide a list of all of the known legislation, regulations, standards and codes that apply to Churches of Christ including areas where the Organisation needs to discharge a particular legislative or regulatory obligation.

Standard 4: Suitability of Responsible People

A charity must take reasonable steps to:

- be satisfied that its Responsible People (such as Board or committee members or trustees) are not disqualified from managing a corporation under the *Corporations Act 2001 (Cth)* or disqualified from being a Responsible Person of a registered charity by the ACNC Commissioner, and
 - remove any Responsible Person who does not meet these requirements.
-

Churches of Christ requires its Board of Directors to have undertaken and completed the AICD course, including keeping up to date with requisite professional development requirements. The Board of Directors undergo an external review every three years to address the mix of skills and experience that it needs to address existing and emerging business and governance issues. The individual and combined capabilities of the Board are then assessed and the insights documented in a skills matrix that is used to assist the Board in succession planning and in new director selection and to consider any professional development training required for directors. Probity checks, including criminal record and bankruptcy are undertaken prior to the appointment of directors and each director is required to make declarations and disclosures on a continuous basis and via a quarterly attestation regarding their suitability to continue in the role. The Board Renewal Policy sets out the nomination and search processes for new directors, appointment and induction processes, tenure and performance evaluation process including the tri-ennial formal review by an external governance expert/firm.

Standard 5: Suitability of Responsible People

A charity must take reasonable steps to make sure that its Responsible People are subject to, understand, and carry out the duties set out in Governance Standard 5.

Churches of Christ ensures Directors are aware of and understand their director duties in a number of ways:

- by reference of their duties in their induction pack
- by providing information updates and advice relating to major reforms effecting Churches of Christ and Directors
- by providing training and other forums for Directors to be refreshed on their duties and the application of their duties to Churches of Christ.

Standard 6: Maintaining and Enhancing Public Trust and confidence in the Australian not-for-profit sector

Churches of Christ has established a Governance and Risk Committee with at least two Non Executive Directors who have legal, risk, clinical governance related expertise. The Committee has formal Terms of Reference with responsibility to assist the Board to fulfil its corporate governance responsibilities, particularly in relation to:

- ensuring relevant best practice is followed by the organisation in relation to risk mitigation and governance activities
- reviewing governance structures (Council, Board, Board Committees) and Body Corporate/ Company arrangements to ensure they meet the continuing needs of the organisation moving forward
- endorsing the organisation's risk management policy and risk management framework
- ensuring relevant best practice is followed in relation to risk mitigation and governance activities
- overseeing compliance monitoring and major risk exposure/incident and crisis management response
- monitoring outcomes that indicate the effectiveness of internal risk controls
- overseeing internal audit activity
- monitoring coronial enquiry reports
- reviewing organisational insurance arrangements so that best practice and Churches of Christ in Queensland constitutional requirements can be met in relation to insurance currency and coverage
- encouraging good governance activity in affiliated churches
- overseeing policy and direction in relation to the ethical conduct of the organisation.

CHURCHES of CHRIST

41 Brookfield Road Kenmore Qld 4069
P.O. Box 508 Kenmore Qld 4069

P 07 3327 1600

cofc.com.au

