



Sydney Adventist Hospital, 2003. It is one of the South Pacific Division properties owned by ACA.

Photo courtesy of South Pacific Division Heritage Centre.

Australasian Conference Association Limited

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Australasian Conference Association Limited (ACA) is the most significant and oldest Seventh-day Adventist legal organization in the South Pacific Division of the General Conference of Seventh-day Adventists (SPD). ACA was

registered on March 26, 1909, under the State of New South Wales Companies Act. In 2018 only a small number of Australian commercial companies older than ACA have retained a form similar to that with which they commenced.

ACA Purpose and Structure

ACA is the corporate entity that holds denominational property in trust for the Seventh-day Adventist Church in Australia and in other countries within the SPD where there is no trustee to own denominational property. It operates as a trustee, and its accounts record no financial activity in its operating statement or balance sheet. As such, ACA is registered with the Australian Charities and Not-for-profits Commission as a charitable organization.

ACA has members rather than shareholders. Each member has limited liability. In order to be a member, a person must currently sit on either the South Pacific Division Executive Committee or the Australian Union Conference Executive Committee. ACA has a board of directors composed of ex officio and appointed directors.

ACA is an Australian public company limited by guarantee, registered with the Australian Securities and Investments Commission (Australian company number 000 003 930, Australian business number 52 000 003 930, previous New South Wales registration number 00324406). The registered office of ACA is 148 Fox Valley Road, Wahroonga, New South Wales, Australia.

Factors Contributing to the Legal Structure of the Denomination, Pre-1909

On January 1, 1901, the British Parliament passed legislation allowing the six Australian colonies to govern in their own right as part of the Commonwealth of Australia. Before that date, each state was a separate British colony having a mixture of British and local laws.

In 1885 the first Seventh-day Adventists had arrived in Melbourne, Australia. At that time, Melbourne was the second largest city in the British Empire after London and one of the largest and richest cities in the world! After the economic boom of the 1880s, the severity of the Australian 1890s depression led to changes in company law and regulation. Australian companies were poorly regulated, and the introduction of limited liability legislation had seen failures due to ineffective regulation to stop malpractice. In 1903 partnerships were still preferred by 98 percent of businesses due to “the prejudice and distrust prevailing amongst ‘respectable’ business people towards the corporate form.”²

Several factors influenced the desire to change the way property was owned within the Australasian Union Conference (AUC):

1. Before the establishment of ACA, the ownership of denominational property in Australia and New Zealand was registered either in the name of an individual, or in an association, or in the name of a company set up specifically to operate the hospitals or the Signs Publishing Company. This practice was not sustainable. Commenting on the difficulties of such arrangements, the ACA treasurer of 1930 observed,

Prior to that time [the establishment of ACA] all church properties were held in the names of various trustees. This caused continual difficulty, some trustees dying, some moving away, some apostatising and threatening to refuse to allow members to use the church buildings, and so on.³

For example, the *Union Conference Record* reported on September 28, 1914, that it had taken four years to process an application with the government to transfer Bisiatabu land in Papua New Guinea from S. W. Carr to ACA.⁴ The February 1901 AUC Executive Committee minutes contained discussion around the need for legal associations. The minutes recorded that an incorporated organization was needed in order “to safeguard the temptation which might come to some selfish men or set of men to wreck the institution so as to get possession of its assets to transfer it into private hands as has been done in South Africa.”⁵

2. The 1903 General Conference Session had included a major and divisive discussion over property ownership brought on by the issues in Battle Creek and the related discussion about relocating the General Conference headquarters away from Battle Creek.

3. In 1908 after a period of legal maneuvers over the ownership structure for the Battle Creek Sanitarium in the United States of America, that institution was lost to the denomination. The Sydney Sanitarium and Benevolent Association owned Sydney Sanitarium and Hospital (later to be called Sydney Adventist Hospital). Dr. Merritt Kellogg (older brother of Dr. John Harvey Kellogg) was heavily involved from June 1900 to December 1902 in the construction and completion of the hospital. Dr. John Harvey Kellogg sent a large donation for the construction and recognized it as a sister institution to the Battle Creek Sanitarium. Dr. John Harvey Kellogg influenced the original wording of the hospital charter to include the words “undenominational,” but the AUC soon dropped that wording.⁶

The early days of ACA (1909–1949)

The original purpose of ACA was to care for the oversight of the AUC institutions (hospitals, schools, publishing house, cafés, and health food factories) and property for the denomination. The institutions were an integral part of ministry and finance of the church in Australasia to provide education, publishing, medical care, and healthy food. When ACA started, it received any profits from those institutions and distributed them to other institutions needing support, including state conferences or the AUC.

In September 1909 the ACA board in its initial actions stated that denominational properties held in trust would not be counted as assets of ACA. ACA also voted that where it was advisable for state conferences to retain

control of church properties under the Church trusts, ACA would refrain from accepting trusteeship of those properties.⁷

The loss of the Battle Creek Sanitarium to the denomination occurred in 1908 around the time the AUC was working toward forming ACA. The first recorded board action of ACA to acquire property was on January 24, 1911, when it passed an action to take over the business and property of the Sydney Sanitarium and Benevolent Association.

The first Annual General Meeting of ACA in 1910 reported assets of £1,676 and liabilities of £1,737. To cover the balance sheet shortfall and to provide finance for building churches and institutions, the AUC and ACA in 1912 voted to encourage members to deposit their surplus funds with ACA. Members were given passbooks or could make fixed-term deposits. Deposit-taking was promoted by church administrators in church publications and at camp meetings and conference sessions. To encourage this were statements such as, "There are only two places in the world where we can deposit our treasures,—in God's storehouse or in Satan's; and all that is not devoted to Christ's service is counted on Satan's side, and goes to strengthen his cause."⁸

The maximum interest paid to members was 3 percent, and some deposits were placed interest-free. The church in the United States was offering 8 percent interest to members. In 1914 the AUC asked the General Conference not to compete for members' funds as it did not want to pay more than 3 percent interest. The 1912 ACA Annual General Meeting reported that £2,557 was on deposit interest-free. By 1918 deposits had increased to £79,199, of which £15,201 was interest-free. By 1930 (when total membership in Australia and New Zealand was 9,516), 1,977 members had £161,422 deposited with ACA. In comparison to deposits, at that time annual tithe in Australia and New Zealand was £76,566. Deposits with ACA by members became a major source of finance to develop churches, schools, and institutions in the AUC.

By 1912 ACA began accepting local church properties. The process of transferring local churches to ACA occurred over time. The historic North Fitzroy church (Melbourne) was transferred in 1922. Some local church properties were not transferred to ACA until the 1950s. C. H. Pretyman (AUC treasurer 1909–1910, 1912–1916, 1919–1920), writing in 1955 about the early years of ACA, said,

"The consequent transfers of titles of properties and church buildings which had been held in the names of various groups of private trustees, many of whom had returned to America, entailed much labour. It took several years to complete this task, necessitating frequent consultations with solicitors and with the courteous head of the Lands Titles Office in Sydney; and correspondence with those abroad."⁹

In 1912 the AUC voted a policy that ACA could make loans to local churches at 3 percent interest with a guarantee by state conferences. The land was to be paid in full before requesting a loan to build a church. The loan was limited to the equivalent of 30 percent of the land value. An interest rate of 5 percent was used for loans to institutions. The difference between the interest charged and paid out was used by the ACA to pay for

its finance department and support of the AUC.

In the late 1920s the AUC took action to follow the counsel of Ellen White to eliminate institutional debt, and as a result, all institutional debts were transferred to ACA to be eliminated as quickly as possible. By 1930 the Signs Publishing Company debt had been eliminated, but the largest debt was for the Sydney Sanitarium and Hospital, which had the least ability to repay it, but it was planned that it would be debt free in the “not very distant future . . . for the first time in its existence.”¹⁰

Between 1916 and 1920, ACA commenced self-insurance to cover small risks, including most churches and church schools, mission houses, mission boats, conference offices, and tent stocks. The mission ketch *Melanesia* was the first item insured by ACA. In December 1921, the self-insurance fund balance was £2,239 and had increased to £17,543 by December 1929. ACA did not accept any individual risk greater than one-third of the fund balance.

In 1927 an *Australasian Record* report on ACA stated, “A large proportion of the profits is allocated to foreign missions, and to the training of missionaries: the remainder is used for development of institutional work.”¹¹

At the 1930 AUC Session, T. W. Hammond (AUC treasurer) reported on ACA. He stated that while many knew of ACA, relatively few understood it. He explained that religious bodies were not recognized as having legal standing, so ACA was necessary to register property for the church. He stated that most but not all denominational property was registered in the name of ACA. ACA was the registered proprietor of Signs Publishing, the two sanitariums, the health food factories, the cafés, and the schools. He reported that 700 people were employed by those institutions and estimated that tithe from those employees amounted to around 18 percent of the total conference tithe. He said that if the profits from ACA did not exist, between half and two-thirds of church schools plus all the missionary schools and sanitariums would close. He was making the point that the work of ACA was inseparable from the evangelistic work of the AUC.¹²

Arising out of the 1936 Companies Act in New South Wales and changes in reporting to the Registrar of Companies in the early 1940s, nil reporting commenced. This meant that no assets, liabilities, income, or expenses were recorded in the accounts of ACA, which reflected that ACA was merely the trustee and not the beneficial owner of assets registered in its name. In 1949 the AUC territory was reorganized with four unions created, and some institutions were transferred to one of the new unions. This change affected the function of ACA. After 1949 the coordination and oversight of the remaining institutions, self-insurance, and the deposit fund came under the auspices of the new Australasian Inter-Union Conference, later to become the Australasian Division, then SPD.

Intellectual Property

Until the 1970s the registration of business names was controlled by individual states of Australia. Up until that time, it was not possible for the church to register trading names for activities that were not seen as “trading.” There was an inconsistent application of which names could be registered in each state.

It was not necessary for a corporation to register a trading name, but an individual or an unincorporated association could register it. In the 1970s the states changed from registering trading names to registering business names. With this change, ACA took over the registration of existing names that had been registered in the name of the conferences. All new registrations of business names and trademarks were done in the name of ACA. ACA also has registered denominational business names and trademarks in its name in other countries.

Present Scope of ACA¹³

After 1949 the functions of ACA became more focused on its role as the trustee for denominational property, particularly real and intellectual. Changes to requirements on property ownership in some countries in the SPD have meant local legal entities have had to be formed to own denominational property. ACA is no longer the trustee for denominational property in Fiji, French Polynesia, New Caledonia, New Zealand, Papua New Guinea, and Solomon Islands. This is a trend that will continue with more countries requiring their own local trustee.

In 1999 Australia introduced Australian Business Numbers (ABNs). The ABN was required to be disclosed on all legal documents and stationery. In 2001 Australia introduced Australian Company Numbers (ACNs). All legal ownership and trading documents required an ACN to be disclosed as well as the registered business name. Until early 2001, ACA was the only legal entity of the church in Australia, and it was becoming necessary for the unincorporated entities in Australia to use an ACN or ABN. There were numerous changes to Australian commercial law, and it became necessary to ensure that there was a clear distinction between the role of ACA and the church’s various unincorporated associations.

In 2001 the SPD Executive Committee took actions to establish companies to act as trustees for Sydney Adventist Hospital and the health food work in Australia. In 2002 it approved of companies being incorporated to act as trustees and to take over certain specific responsibilities of the Executive Committees of the Australian Union and the Australian Conferences. In the following years, most of the division’s functions were transferred by its Executive Committee to different trustee corporations.

As of 2018, ACA continues to be the sole trustee for denominational real and intellectual property in Australia and some other countries of the SPD. It holds all assets for the purposes of forwarding the church’s objects within the South Pacific Division.

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10. Hammond, "Treasurer's Report," 6.
11. A. W. Anderson, "Seventh-day Adventists: A Brief Epitome of the History of our Work in Australasia," *Australasian Record*, March 7, 1927, 2.
12. Hammond, "Treasurer's Report," 5–7.
13. This section of the article is written from the personal knowledge of the author, who has been the treasurer of the South Pacific Division from 2000 until the time of writing in October 2018.

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