

To be the trusted financial services provider of the Diocese of Grafton,
enabling ministry growth.

Minutes
Thursday 14th December 2017
9.00 am via teleconference

1. **Opening Prayer**
2. **Attendees:**
Apologies:
3. **Call for additional Agenda items and close of Agenda –**
4. **Confirmation of**
 - a) **Minutes - 5th October 2017 –** 3 Pages
 - b) **Flying Minute – 16/11/17 Camfar Properties P/I** 10 Pages
 - c) **Flying Minute – 16/11/17 Bishop Druitt College** 23 Pages
5. **Conflict of Interest Declarations - Standing Register of interests at present**
 - Bishop Sarah Macneil - various Diocesan Board representations
 - Chris Nelson - various Diocesan Board representations
 - Blaine Fitzgerald – Anglicare North Coast
 - David Ford - Bishop Druitt College (BDC)
 - Ted Clarke – Clarence Valley Anglican School (CVAS)
6. **Correspondence In & Out**

In:	i.	Nil
Out:	i.	Nil
7. **Matters for Decision/Discussion:**
 - a) **Ord Minnett – Performance update presented by Alison Perrott** 24 Pages
 - b) **APRA, ASIC & AFS Licence update** including the Melbourne Securities Corporation proposal.
Consistent with key result area 5. Governance Compliance and Risk Management
 - c) **2018 Budget and assumptions for consideration.**
Includes HR and structure considerations
To be provided as a later paper.
Consistent with key result area 1. Financial Performance & key result area 4. Human Resources

d) Board member recruitment update

Consistent with key result area 5. Governance Compliance and Risk Management.

8. Matters for Update:

a) Nil

9. Matters for Noting

a) Fund Managers Report - to 22/9/17 to 7/12/17 -	(including header)	7 pages
b) Financial Reports - as at 31/10/17	(including header)	16 pages

Next Meeting – 22nd February 2018



BOARD MEETING DATE:

14/12/2017

No 4 Confirmation of

Item: a

Title: Minutes 5th October

No of Pages. 4 incl Header

To be the trusted financial services provider of the Diocese of Grafton,
enabling ministry growth.

Minutes
Thursday 5th October 2017
9.00 am via teleconference

1. Opening Prayer

2. Attendees: Mr David Ford Chair, Mr Chris Nelson, Bishop Sarah Macneil, Mr Blaine Fitzgerald
Dialed in: Mr Phil Crandon, Mr Terry Hunt, Ms Lisa Mulvaney

Apologies: , Mr John Adlington, Mr Ted Clarke, Mr Gary Boyd

3. Call for additional Agenda items and close of Agenda –

Mr Terry Hunt requested an update on financial forecasting to 31/12/17 and that it be discussed further at item 9(b) Financial Reports

4. Confirmation of

a) Minutes - 24 August 2017 –

Motion

That the minutes of 24 August 2017 be accepted as true and correct

Moved: Mr Phil Crandon

Seconded: Mr Chris Nelson

Carried

5. Conflict of Interest Declarations - Standing Register of interests at present

- Bishop Sarah Macneil - various Diocesan Board representations
- Chris Nelson - various Diocesan Board representations
- Blaine Fitzgerald – Anglicare North Coast
- David Ford - Bishop Druitt College (BDC)
- Ted Clarke – Clarence Valley Anglican School (CVAS)

6. Correspondence In & Out

In: i. CVAS Response

Motion

That the AFGD Board accepts the letter of 19th September 2017 from CVAS outlining their financial position and encourages the Fund Manager to continue to liaise with the School Business Manager.

This matter is to be revisited when the February 2018 Census figures become available.

Moved: Mr Chris Nelson

Seconded: Mr David Ford

Carried

Out: i. Nil

7. Matters for Decision/Discussion:

a) APRA/ASIC update and next steps – refer to item 7.b)

Consistent with key result area 5. Governance Compliance and Risk Management

b) AFS Licence update - (Australian Financial Services Licence)

Melbourne Securities Corporation (MSC) have been engaged to complete our initial registration of the trust for the Managed Investment Scheme. through ASIC
Refer to Fund Managers Report & scope and fee proposals

- I. Mills Oakley &
- II. Pitcher Partners

Motion

That the AFGD Board accepts the Mills Oakley and Pitcher Partners cost estimates and the Fund Manager is authorised to act on these up to a 10% variance on each quote.

Moved: Mr Chris Nelson

Seconded: Mr Terry Hunt

Carried

- III. Minter Ellison

Motion

That the Minter Ellison advice to the Diocese of Armidale has been noted and considered; however the AFGD Board is of the view that the proposed approach is not suitable for AFGD's situation.

Moved: Mr Chris Nelson

Seconded: Bishop Sarah Macneil

Carried

Consistent with key result area 5. Governance Compliance and Risk Management.

c) Board member recruitment update

Refer to CV attached James Flavin.

Motion

That the AFGD Board recommends to the Bishop-in-Council (B-i-C) that Mr James Flavin join the Board of AFGD

Moved: Mr Chris Nelson

Seconded: Mr David Ford

Carried

Consistent with key result area 5. Governance Compliance and Risk Management.

8. Matters for Update:

- a) **Staff update** - Fund Managers report on staffing noted and accepted

Consistent with key result area 4. Human Resources

9. Matters for Noting

- a) **Fund Managers Report** - to 18/8/17 to 22/9/17 – Noted and accepted
- b) **Financial Reports** - as at 31/8/17

Motion

That the Financial report as at 31/8/17 be accepted and the Board notes that AFGD is trading solvently.

Further on the basis that the projected 2017 results for AFGD will not contribute funds for the capital adequacy of the AFGD, the AFGD board requests Bishop-in-Council to revise the AFGD Contribution to the Diocesan budget back to \$150,000 for the 2017 year only.

Moved: Mr Terry Hunt
Seconded: Mr David Ford
Abstained: Bishop Sarah Macneil, Mr Chris Nelson
Carried

Next Meeting – 23rd November 2017
(or via teleconference if required between 5/10/17 and 23/11/17)

CONFIRMED – As a true and correct record of proceedings of Anglican Funds Grafton Diocese (AFGD) meeting of 5th October 2017



Chair – David Ford



BOARD MEETING DATE:

14/12/2017

No 4 Confirmation of

Item: b

Title: Flying Minute 16/11/17 Camfar Properties P/L

No of Pages. 10 incl Header



Blaine Fitzgerald <blaine.fitzgerald@afgd.com.au>

Flying Minute - Camfar Properties P/L additional funding sought

10 messages

Blaine Fitzgerald <fundmanager@afgd.com.au> 16 November 2017 at 16:31

To: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Dear Board members

Over the past 30 days I have been in discussion with Camellia Flanagan regarding her investment company Camfar Properties P/L.

Camellia has signed a contract to purchase a unit in Grafton for \$470K and is seeking finance of \$423K to finalise the purchase.

Settlement is scheduled to occur on 15/12/17 or sooner and for that reason I am unable to hold it over until the 14 December 17 Board meeting.

The submission attached is self contained and sets out the proposal.

I am recommending we approve the funding and have provided her with a verbal response that we would assist. Note: The Commonwealth Bank who have had prior borrowings with Camfar Properties P/L have indicated they are willing to assist.

I will need a person to move the motion and another person to second it.

Draft motion:

"That the Board of AFGD approve maximum funding of \$423,000 for Camfar Properties Pty Ltd to purchase Unit 2/31 Victoria Street , Grafton 2460"

Please review the submission and respond to all:

Yes: - Approve
No: - Decline/Defer

I am happy to discuss in detail with any Board member who may be seeking further clarification.

kind regards,

Blaine Fitzgerald
Fund Manager - Anglican Funds Grafton Diocese
Level 1, 50 Victoria Street GRAFTON NSW 2460
PO Box 4 GRAFTON NSW 2460
Ph: 02 6642 4480 Fax: 02 6643 2391 Mobile: 0488 724 480
FreeCall 1800 810 919 (NSW Only)

-	MOVE -	GB	✓
-	Sec	T. H.	✓
-	DF	/	
-	C.N.	/	
-	B.S.	✓	
-	J.A.	✓	
-	P.C.	✓	
-	T.C.	✓	
			MISSING
			LM ✓

171115 Camfar Properties PL - Camellia Flanagan.docx
78K

Gary Boyd <garyandcilla@outlook.com>
To: Blaine Fitzgerald <fundmanager@afgd.com.au>

16 November 2017 at 17:14

Cc: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Hi Blaine

I'm happy to move or second the motion re 'Camfar Properties P/L'

Bless you heaps

Gary Boyd

Sent from my iPad

[Quoted text hidden]

<171115 Camfar Properties PL - Camellia Flanagan.docx>

Chris Nelson <chris.nelson@graftondiocese.org.au>

16 November 2017 at 17:29

To: Blaine Fitzgerald <fundmanager@afgd.com.au>

Cc: David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Yes - Approve

[Quoted text hidden]

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Regards,

Chris Nelson

General Manager/Registrar

Anglican Diocese of Grafton

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Bishop Sarah Macneil <bishop@graftondiocese.org.au>

16 November 2017 at 17:58

To: Chris Nelson <chris.nelson@graftondiocese.org.au>

Cc: Blaine Fitzgerald <fundmanager@afgd.com.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Dear Blaine,

Yes, I approve.

Blessings,

+Sarah

Bishop Sarah Macneil

Anglican Diocese of Grafton

[Quoted text hidden]

D&C <djcaford@gmail.com>

16 November 2017 at 18:19

To: Blaine Fitzgerald <fundmanager@afgd.com.au>

Cc: Chris Nelson <chris.nelson@graftondiocese.org.au>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Greetings Blaine,
I approve this motion

Regards
David Ford
[0418654909](tel:0418654909)

[Quoted text hidden]

<171115 Camfar Properties PL - Camellia Flanagan.docx>

D&C <djacaford@gmail.com>

16 November 2017 at 18:20

To: Blaine Fitzgerald <fundmanager@afgd.com.au>

Cc: Chris Nelson <chris.nelson@graftondiocese.org.au>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

If you still need a mover or seconder I am will to be either for this motion

Regards
David Ford
[0418654909](tel:0418654909)

On 16 Nov 2017, at 4:31 pm, Blaine Fitzgerald <fundmanager@afgd.com.au> wrote:

[Quoted text hidden]

<171115 Camfar Properties PL - Camellia Flanagan.docx>

John Adlington <jadlington2@gmail.com>

16 November 2017 at 18:38

To: D&C <djacaford@gmail.com>

Cc: Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, Gary Boyd <garyandcilla@outlook.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Hi Blaine

Yes, I approve

John

[Quoted text hidden]

Philip Crandon <phil_crandon@bigpond.com>

16 November 2017 at 18:46

To: John Adlington <jadlington2@gmail.com>

Cc: D&C <djacaford@gmail.com>, Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, Gary Boyd <garyandcilla@outlook.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

All good with me too Blaine.
Regards

Phil

iPad to you

[Quoted text hidden]

Ted & Peggy Clarke <tedpeggy@bigpond.net.au>

16 November 2017 at 19:58

To: Phil Crandon <phil_crandon@bigpond.com>

Cc: John Adlington <jadlington2@gmail.com>, D&C <djcaford@gmail.com>, Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, Gary Boyd <garyandcilla@outlook.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Terry Hunt <t_s_hunt@bigpond.com>

Blaine

Yes, I Approve

regards

Ted

[Quoted text hidden]

T&SHunt <t_s_hunt@bigpond.com>

17 November 2017 at 09:00

To: Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>

If the draft motion re Camfar has not been moved then I am happy to move the draft motion.

Terry Hunt

Sent from Mail for Windows 10

From: Blaine Fitzgerald

Sent: Thursday, 16 November 2017 4:31 PM

To: Chris Nelson; David Ford; Gary Boyd; John Adlington; Lisa Mulvaney; Phil Crandon; Sarah Macneil; Ted Clarke; Terry Hunt

Subject: Flying Minute - Camfar Properties P/L additional funding sought

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Diary Note 15/11/17

Camfar Properties Pty Ltd ABN 14 007 270 377

Purpose:

Camfar Properties Pty Ltd is the property investment company for retired clergy Camellia Flanagan and volunteer at The Grafton Cathedral.

The company has a property portfolio throughout the Northern Rivers region including a mix of commercial, rural and residential.

The McWilliam lodge upgrade is coming along slowly but as planned. In addition a recent development alongside that property is the redevelopment of a commercial building into 6 inner city living units.

Camellia has signed a contract on behalf of Camfar Properties Pty Ltd to purchase one of the units and will occupy it herself whilst McWilliam Lodge is inhabitable. It has three bedrooms and can also be utilised by visiting clergy to Grafton.

To that end bridging finance is required to complete the purchase.

Settlement is scheduled for on or before 15/12/2017.

Break up of funding sought:

Purchase Price	\$470,000.00
+ Stamp Duty legals etc	<u>\$ 20,000.00</u>
	\$490,000.00
Less customer contribution	\$ 67,000.00
Amount required to borrow	\$423,000.00
Borrowing Entity:	Camfar Properties Pty Ltd
Term:	1 year – pending sale of 26 River Park Road Port Macquarie
Rate:	5.05% Variable - base Parish Loan Borrowing Rate.
Repayments:	Interest only for 12 months or less with clearance in full from property sale.
Monthly Admin Fee:	Nil.

Address of property: Unit 2/31 Victoria Street, Grafton NSW 2460

Solicitor acting for Camfar Properties P/L: AJ Gallagher - Grafton
 Madeline Gallagher
 mfg@ajgallagher.com.au

History Background –through late 2016 and 2017.

Camfar Properties Pty Ltd in late 2016 purchased the Diocese property known as Mc William Lodge and is situated at 33 Victoria St Grafton. The residence has its own title and is alongside Bishopsholme.

Contract price to purchase the property was \$500K Camellia as the sole shareholder and company director and is able to reside there for free as caretaker.

Camellia is in the process of restoring and upgrading the property in line with heritage requirements. The upgrade will be substantial and will require significant funds to achieve the end result desired. This will be achieved through a property sale in Pt Macquarie. and AFGD’s Line Of Credit for \$190,000.

Upon completion the property should value between \$750,000 to \$900,000.

Verbally Camellia has indicated that it is her intention upon her death to gift the property back to the Diocese. Personally Camellia has an individual portfolio as well and is independently financially sound.

Camfar Properties Pty Ltd summary of holdings	Value estimate
59 Elbow St West Kempsey – unencumbered , Comm Leased until Nov 18,	\$ 250,000
26 River Park Road Port Macquarie – Mortgage to CBA resi property waterfront (note this property is to be sold to fund renovations McWilliam Lodge)	\$1,400,000
33 Victoria St Grafton – Mortgage to AFGD	\$ 500,000
163 -165 Gordon St Port Macquarie – unencumbered Comm shops	<u>\$ 800,000</u>
Total	\$2,950,000

Camellia Flanagan summary of holdings	Value estimate
130 Bridge St, Pt Macquarie - unencumbered 5 resi flats (low income approx. \$200p/w per unit. Unofficially plans to sell or gift it to Anglicare North Coast for Affordable Housing	\$450,000
The Basin Bob's Creek Heron's Creek - unencumbered rural land 18 Hectares	<u>\$360,000</u>
Total	\$810,000

Financial Performance - Ability to pay/ service facilities

	2013	2014	2015	2016	
Camfar Properties Pty Ltd					
Camellia Flanagan - Sole Director and shareholder					
Current Assets	\$ 66,077	\$ 190,061	\$ 263,387	\$ 554,536	
Cash	\$ 6,513	\$ 7,017	\$ 261,878	\$ 554,004	
GST	\$ 2,921	\$ 1,000	\$ 1,509	\$ 532	
Debtors other	\$ 56,643	\$ 182,044			
Non-Current Assets	\$ 2,303,031	\$ 2,247,473	\$ 2,337,791	\$ 2,050,895	
Property P&E	\$ 2,303,031	\$ 2,247,473	\$ 2,337,791	\$ 2,050,895	
Total Assets	\$ 2,369,108	\$ 2,437,534	\$ 2,601,178	\$ 2,605,431	
Current Liabilities	\$ -	\$ -	\$ 450,000	\$ -	
Sundry Creditors - CF			\$ 450,000	\$ -	
Borrowings					
Other					
Non- Current Liabilities	\$ 2,419,471	\$ 2,571,984	\$ 2,431,404	\$ 2,901,910	
Shareholders Loan - CF	\$ 2,236,787	\$ 2,563,951	\$ 2,431,404	\$ 2,901,910	
Capital Equity account	\$ 182,684	\$ 8,033			
Net Asset/Total equity	-\$ 50,363	-\$ 134,450	-\$ 280,226	-\$ 296,479	
Net Assets Excl Shareholders Ln acc.	\$ 2,186,424	\$ 2,429,501	\$ 2,151,178	\$ 2,605,431	
Income					
Rental Income	\$ 102,478	\$ 112,802	\$ 90,937	\$ 99,518	
Total Revenue	\$ 102,478	\$ 112,802	\$ 90,937	\$ 99,518	
Expenses					
Commissions paid	\$ 5,227	\$ 5,666	\$ 13,012	\$ 12,228	
Insurance	\$ 7,600	\$ 7,121	\$ 1,599	\$ 8,054	
MV expenses	\$ 4,300	\$ 3,616	\$ 4,040	\$ 4,466	
Rates & Taxes	\$ 39,318	\$ 33,619	\$ 31,007	\$ 27,388	
Repairs and Maintenance	\$ 4,656	\$ 56,610	\$ 24,370	\$ 36,018	
Depreciation	\$ 19,136	\$ 24,613	\$ 13,158	\$ 8,932	
Interest & leasing charges	\$ 5,402	\$ 9,644	\$ 288	\$ 1	
other expenses	\$ 19,918	\$ 3,423	\$ 12,959	\$ 11,784	
Total Expenses	\$ 105,557	\$ 144,312	\$ 100,433	\$ 108,871	
Operating Surplus/deficit	-\$ 3,079	-\$ 31,510	-\$ 9,496	-\$ 9,353	
Other income					
Interest Received			\$ 3,273	\$ 8,593	
Profit or Loss on sale property		-\$ 52,578	-\$ 139,651	-\$ 15,494	
EBIT	\$ 2,323	-\$ 21,866	-\$ 9,208	-\$ 9,352	
EBITD	\$ 21,459	\$ 2,747	\$ 3,950	-\$ 420	
Ratio Analysis					Benchmarks
Interest Cover (EBITD/Interest)	4.0	0.3	13.7	-420.0	>2.0x
Net Operating Margin	20.9%	2.4%	4.3%	-0.4%	> 10%

- Financial performance of Camfar Properties P/L in isolation looks quite poor. Its structure is designed as the investment arm for Camellia and when combined and taking into account asset backing position is in fact sound.

	2013	2014	2015	2016
Capacity to pay				
Operating surplus	-\$ 3,079	-\$ 31,510	-\$ 9,496	-\$ 9,353
Plus addbacks				
Depreciation	\$ 19,136	\$ 24,613	\$ 13,158	\$ 8,932
Interest	\$ 5,402	\$ 9,644	\$ 288	\$ 1
Camellia Flanagan PNL taxable income	\$ 66,957	\$ 47,474	\$ 59,502	\$ 56,812
less tax	-\$ 14,312	-\$ 7,688	-\$ 12,075	\$ 10,011
less personal living costs	-\$ 18,000	-\$ 18,000	-\$ 18,000	-\$ 18,000
	\$ -	\$ -	\$ -	\$ -
	\$ 56,104	\$ 24,533	\$ 33,377	\$ 48,403
Less Commitments				
Line of Credit \$190,000 int only	\$ 10,735	\$ 10,735	\$ 10,735	\$ 10,735
New Unit Purchase \$423,000 at 5.73%	\$ 24,111	\$ 24,111	\$ 24,111	\$ 24,111
	\$ 34,846	\$ 34,846	\$ 34,846	\$ 34,846
Net Surplus/Deficit	\$ 21,258	-\$ 10,313	-\$ 1,469	\$ 13,557
Total Finance Commitments sensitised Average rate of 6.00% 25yrs	\$ 47,395	\$ 47,395	\$ 47,395	\$ 47,395
Net Surplus/Deficit	\$ 8,709	-\$ 22,862	-\$ 14,018	\$ 1,008

- Capacity to service facilities on actual rate and full utilisation can be demonstrated with nominal surplus evident.
- Based on sensitised rate ability to service is tight. However it should be noted the funding request proposed is bridging only with clearance of all AFGD borrowings by 31/12/18.

Security:

Given by

Camfar Properties Pty Ltd

Held

First registered mortgage over the property situated at 33 Victoria St Grafton NSW 2460 Values \$500,000 XTV 80% \$400,000

To be taken

First registered mortgage over the property situated at 2/31 Victoria St Grafton NSW 2460 Values \$470,000 XTV 80% \$376,000
\$776,000

Less limits required \$613,000

Position will be fully secured. Loan to value ratio 63%

Camfar Properties Pty Ltd & Camellia Flanagan

Held

Deed of Loan

General Security Deed.

Other consideration:

DFATF guidelines indicate that an RCDF such as AFGD can lend up to 5% of total assets to unrelated third party borrowings.

Risk weighting to be applied < 5%: 50% of the limit same as a secured loan.

Risk weighting to be applied > 5%: 400% of the limit same as equities.

By definition ASIC would not consider Camfar Properties Pty Ltd an associated entity therefore it would apply in this case.

AFGD Draft 31/10/17 Balance sheet indicates total assets of **\$ 39,261,815**

5% represents	\$ 1,963,091
Less current third party borrowings	\$ 190,000
Less proposed Camfar Properties P/L	<u>\$ 423,000</u>
Balance available for other third parties	\$ 1,350,091

Recommendation:

Approval of facilities as documented in submission.



Blaine Fitzgerald
Manager - AFGD



BOARD MEETING DATE:

14/12/2017

No 4 Confirmation of

Item: c

Title: Flying Minute 16/11/17 Bishop Druitt College

No of Pages. 23 incl Header



Blaine Fitzgerald <blaine.fitzgerald@afgd.com.au>

Flying minute confirmation of BDC Funding

9 messages

Blaine Fitzgerald <fundmanager@afgd.com.au>

16 November 2017 at 10:18

To: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Dear Board members,

After 12 months of negotiations with BDC the proposed split of loan facilities between AFGD and Westpac is ready to progress for dual sign off.

We have been discussing the acquisition of this key client over the course of the year. I have completed my analysis on historical results and against forward forecasts and have stress tested and full limit usage of \$12M at 6.75% and the College meets the dual underwriting standards.

I am comfortable the remedial action taken by BDC will position the College well for sustainability through 2018 to 2020 and I am recommending approval of facilities as documented.

David Ford due to a conflict of interest has asked to abstain from the vote..

I will need a person to move the motion and another person to second it.

Draft motion:

"That the Board of AFGD approve a maximum funding line for \$12 million commencing 1/1/2018 with facilities to be shared under Pari Passu Deed arrangement with Westpac. With the mix of facilities to be determined by the two financiers.

Further the Board of AFGD approve short term financing for a maximum of 60 days commencing 1/12/2017 and expiring 31/01/2018 for an amount of \$560,000 to cover redundancy payments"

Please review the submission and respond to all:

Yes: - Approve
No: - Decline/Defer

I am happy to discuss in detail with any Board member who may be seeking further clarification.

kind regards,

Blaine Fitzgerald
Fund Manager - Anglican Funds Grafton Diocese
Level 1, 50 Victoria Street GRAFTON NSW 2460
PO Box 4 GRAFTON NSW 2460
Ph: 02 6642 4480 Fax: 02 6643 2391 Mobile: 0488 724 480
FreeCall 1800 810 919 (NSW Only)

F.M.

M. TH!

S. P. C

X ABSTAIN - D.F. - CONFLICTS

GB!

C.N!

B.S!

J.A.

T.C. ✓

~~MISSAUNA~~

L.M. ✓

171106 BDC credit submission Pari Passu Lending with Westpac.docx
164K

T&SHunt <t_s_hunt@bigpond.com>

16 November 2017 at 15:38

To: Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>

I am prepared to move or second the motion, if not already done, assuming that there are no proposed amendments.

Terry Hunt

Sent from Mail for Windows 10

From: Blaine Fitzgerald**Sent:** Thursday, 16 November 2017 10:18 AM**To:** Chris Nelson; David Ford; Gary Boyd; John Adlington; Lisa Mulvaney; Phil Crandon; Sarah Macneil; Ted Clarke; Terry Hunt**Subject:** Flying minute confirmation of BDC Funding

[Quoted text hidden]

Philip Crandon <phil_crandon@bigpond.com>

16 November 2017 at 15:41

To: Blaine Fitzgerald <fundmanager@afgd.com.au>

Cc: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Afternoon Blaine and board,

I will move and or second the motion. Looks like a good long awaited outcome for your efforts.

Regards

Phil

[Quoted text hidden]

[Quoted text hidden]

<171106 BDC credit submission Pari Passu Lending with Westpac.docx>

David & Carol Ford <djcaford@gmail.com>

16 November 2017 at 15:41

To: Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, T&SHunt <t_s_hunt@bigpond.com>

Blaine I need to be shown to abstain from this motion

Regards

David Ford

Unit 3 7 Moore St
Coffs Harbour Jetty 2450

On 16 Nov 2017, 3:38 PM +1100, T&SHunt <t_s_hunt@bigpond.com>, wrote:

I am prepared to move or second the motion, if not already done, assuming that there are no proposed amendments.

Terry Hunt

Sent from Mail for Windows 10

From: Blaine Fitzgerald
Sent: Thursday, 16 November 2017 10:18 AM
To: Chris Nelson; David Ford; Gary Boyd; John Adlington; Lisa Mulvaney; Phil Crandon; Sarah Macneil; Ted Clarke; Terry Hunt
Subject: Flying minute confirmation of BDC Funding

Dear Board members,

[Quoted text hidden]

Gary Boyd <garyandcilla@outlook.com> 16 November 2017 at 15:53
To: Blaine Fitzgerald <fundmanager@afgd.com.au>
Cc: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djacaford@gmail.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Hi Blaine
I support the motion
Great result
Bless you heaps
Gary Boyd

Sent from my iPad
[Quoted text hidden]

<171106 BDC credit submission Pari Passu Lending with Westpac.docx>

Chris Nelson <chris.nelson@graftondiocese.org.au> 16 November 2017 at 17:53
To: Blaine Fitzgerald <fundmanager@afgd.com.au>
Cc: David Ford <djacaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Sarah Macneil <sarah.macneil@graftondiocese.org.au>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Yes - Approve

https://mail.google.com/mail/u/0/?ui=2&ik=8045b82d26&jsver=x3OKJNT3Vkc.en_GB.&view=pt&q=phil_crandon%40bigpond.com&qs=true&search=qu... 3/!

[Quoted text hidden]

Regards,

Chris Nelson

General Manager/Registrar

Anglican Diocese of Grafton

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Bishop Sarah Macneil <bishop@graftondiocese.org.au>

16 November 2017 at 17:57

To: Chris Nelson <chris.nelson@graftondiocese.org.au>

Cc: Blaine Fitzgerald <fundmanager@afgd.com.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, John Adlington <jadlington2@gmail.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Dear Blaine,

Yes, I approve.

Blessings,
+Sarah

Bishop Sarah Macneil
Anglican Diocese of Grafton

[Quoted text hidden]

John Adlington <jadlington2@gmail.com>

16 November 2017 at 18:37

To: Bishop Sarah Macneil <bishop@graftondiocese.org.au>

Cc: Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Ted Clarke <tedpeggy@bigpond.net.au>, Terry Hunt <t_s_hunt@bigpond.com>

Hi Blaine

Yes, I approve

John

[Quoted text hidden]

Ted & Peggy Clarke <tedpeggy@bigpond.net.au>

16 November 2017 at 19:57

To: John Adlington <jadlington2@gmail.com>

Cc: Bishop Sarah Macneil <bishop@graftondiocese.org.au>, Blaine Fitzgerald <fundmanager@afgd.com.au>, Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <djcaford@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, Lisa Mulvaney <lisamulvaney1@icloud.com>, Phil Crandon <phil_crandon@bigpond.com>, Terry Hunt <t_s_hunt@bigpond.com>

Blaine

Your attachment was appreciated.

Yes I approve

Ted

[Quoted text hidden]



Blaine Fitzgerald <blaine.fitzgerald@afgd.com.au>

Flying Minute follow up

3 messages

Blaine Fitzgerald <fundmanager@afgd.com.au>
To: Lisa Mulvaney <lisamulvaney1@icloud.com>

28 November 2017 at 12:46

Hi Lisa

On 16/11/17 I emailed to all Board members two flying minutes that need review and an approval or declinal by all board members

Camfar Properties Pty Ltd
Bishop Druitt College.

I do not appear to have your response.
Are you able to confirm that you received them.

kind regards,

Blaine Fitzgerald
Fund Manager - Anglican Funds Grafton Diocese
Level 1, 50 Victoria Street GRAFTON NSW 2460
PO Box 4 GRAFTON NSW 2460
Ph: 02 6642 4480 Fax: 02 6643 2391 Mobile: 0488 724 480
FreeCall 1800 810 919 (NSW Only)

Lisa Mulvaney <lisamulvaney1@icloud.com>
To: Blaine Fitzgerald <fundmanager@afgd.com.au>

28 November 2017 at 14:00

Yes received and yes approved, sorry I didn't realise we all had to approve, I saw so many I thought I didn't need to.

From: Blaine Fitzgerald [mailto:fundmanager@afgd.com.au]
Sent: Tuesday, 28 November 2017 11:46 AM
To: Lisa Mulvaney <lisamulvaney1@icloud.com>
Subject: Flying Minute follow up

[Quoted text hidden]

Blaine Fitzgerald <fundmanager@afgd.com.au>
To: Lisa Mulvaney <lisamulvaney1@icloud.com>

28 November 2017 at 14:09

No sweat thanks for coming back to me.

kind regards,

Blaine Fitzgerald
Fund Manager - Anglican Funds Grafton Diocese

https://mail.google.com/mail/u/0/?ui=2&ik=8045b82d26&jsver=x3OKJNT3Vkc.en_GB.&view=pt&search=inbox&th=160009a285cbe9a0&siml=160004d... 1/2



Blaine Fitzgerald <blaine.fitzgerald@afgd.com.au>

Flying Minute follow up

Lisa Mulvaney <lisamulvaney1@icloud.com>
To: Blaine Fitzgerald <fundmanager@afgd.com.au>

28 November 2017 at 14:00

Yes received and yes approved, sorry I didn't realise we all had to approve, I saw so many I thought I didn't need to.

From: Blaine Fitzgerald [mailto:fundmanager@afgd.com.au]
Sent: Tuesday, 28 November 2017 11:46 AM
To: Lisa Mulvaney <lisamulvaney1@icloud.com>
Subject: Flying Minute follow up

[Quoted text hidden]

11/28/2017

Mail - Flying Minute follow up

Level 1, 50 Victoria Street GRAFTON NSW 2460
PO Box 4 GRAFTON NSW 2460
Ph: 02 6642 4480 Fax: 02 6643 2391 Mobile: 0488 724 480
FreeCall 1800 810 919 (NSW Only)

[Quoted text hidden]

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

Purpose of advices: History/Background

Meetings have been held over the past 18 months to enter into a joint funding arrangement between Bishop Druitt College (BDC), Westpac and ADGD.

Westpac currently hold all BDC borrowings circa \$10.3M and in principle are comfortable working through an equitable share to a 50/50 split.

Total approved limits on a group basis to be \$12M.

It is proposed to approve the limit in total on an annual basis. When the business performance of the college starts to improve college council can then strategically make a decision when to commence a new project eg the exam centre.

This will enable them to move forward with confidence knowing that if they can satisfy the dual underwriting requirements for the private college sector with Westpac and AFGD then funding for the right project should be approved as long as they do not exceed the \$12M cap.

Break up of funding:

A summary of the current and proposed break up is below;

BDC	Rate	01-09-17 Opening Balance	September	October	November	December
Westpac Term Finance						
Bank Bill Bus Ln	6.27% 5yr FR	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Bank Bill Bus Ln with redraw	4.04% +1% LF	\$ 5,628,000	\$ 5,583,000	\$ 5,538,000	\$ 1,080,000	\$ 1,035,000
		\$ 8,628,000	\$ 8,583,000	\$ 8,538,000	\$ 4,080,000	\$ 4,035,000
Westpac other Finance Limits						
ICT (Information Computer Technology ??)	6.00%	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Line of credit MCW	4.04% +1% LF	\$ 500,000	\$ 500,000	\$ 500,000		
Line of credit	4.04% +1% LF	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
* 1% line fee per annum						
* \$35 p/m credit facility fee						
		\$ 1,900,000	\$ 1,900,000	\$ 1,900,000	\$ 1,400,000	\$ 1,400,000
Westpac Total limits		\$ 10,528,000	\$ 10,483,000	\$ 10,438,000	\$ 5,480,000	\$ 5,435,000
AFGD Term Finance						
New Loan with re-draw	4.04% + 1% LF	\$ -		\$ -	\$ 4,413,000	\$ 4,413,000
AFGD Other Finance Limits						
MCW (Minor Capital Works)	4.04% + 1% LF				\$ 500,000	\$ 500,000
* 1% line fee per annum						
AFGD Total limits		\$ -	\$ -	\$ -	\$ 4,913,000	\$ 4,913,000
Total Facilities - includes OD		\$ 10,528,000	\$ 10,483,000	\$ 10,438,000	\$ 10,393,000	\$ 10,348,000
Maximum Outstandings at any point in time		\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
Variance		\$ 1,472,000	\$ 1,517,000	\$ 1,562,000	\$ 1,607,000	\$ 1,652,000

Loan Book pricing:

On AFGD facilities I propose the following on the new Term Loan facility with full re-draw

Variable rate:	4.04% (matching Westpac variable term debt).
Line fee	1.00% on \$6 Million overarching facility limit.
Monthly Administration fees	Nil
Loan Approval Fee	Nil
Valuation Costs	N/A

Solicitor's costs re – Pari Passu arrangement \$3,000 Indicative cost

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

Other funding sought:

The college has in place a Line of credit facility for \$1,000K to cover its core working capital requirements.

As at 31/12/17 the cash flow forecast presented indicates the balance will be \$310K debit balance and will increase to a high of \$784K at 15/1/2018 prior to government funding to be received \$5,299K.

Further their 2018 approved operating budget has an amount for redundancies factored in as a one off extraordinary expense of \$560K; however this payment is scheduled for payment in the last pay run of 2017 on 8/12/2017.

The college is committed to paying this in the 2017 year and will raise it as a prepaid expense in the 2017 year with it being accounted for in the 2018 year.

As a short term commitment and as a way to move forward with BDC I am proposing AFGD cover the redundancy payments on a short term overdraft/line of credit facility;

Limit amount:	\$560,000
Term:	60 days maximum or cancelled on receipt of government funding
Rate:	4.04%
Line Fee:	1.00%
Approval Fee:	Nil
Monthly Admin Charge:	Nil

Transition of accounts to AFGD:

This is the first step in transitioning to AFGD for BDC. Whilst it is not 100% compliant with the mandatory resolution it is seen as a step in the right direction for building support and strengthening relationships between BDC, The Diocese and AFGD.

At a sitting of B-i-C on 8/12/2016 a resolution approving the split financing arrangement was passed.

For AFGD it's a share of a business and income stream we were previously excluded from. AFGD will pick up the bulk of the large Federal Government funding and fee income and place those lump sums against the loan with re-draw availability.

BDC will provide cash flow forecasts of when funds are required each month in advance and transfer to Westpac for regular expenditure on creditors, payroll etc.

The colleges TAS software including parent portal to settle fees etc into the Westpac account.

This is replicating the model SCAS and Lindisfarne are utilising.

Financial data update:

- All financial data required to date has been received by AFGD.
 - 31/12/2016 audited results held
 - 30/09/2017 Management accounts held.
 - 31/12/2017 Forecast held.
 - 31/12/2018 annual approved operating budget held.
 - 2019 to 2020 Forecasts held.

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

On review of the financial accounts it can be seen the college has had some tight years over the past 3 years.

The college has been in consolidation mode during late 2016 and throughout 2017;

Notes:

Enrol numbers impacting government funding and tuition fee income.

- Student numbers have reduced from a high of 1210 in 2013 to 1118 in 2016 a reduction of 92 students. Budget for 2017 1100 students. - Reason
 - Coffs senior education campus is attracting year 11 & 12 students looking for diversified subject choices.
 - Fees for tuition are one of the highest in the area and families are looking to reduce costs.
 - Whilst being the highest the sense in the community it's not the best therefore questioning the benefit.

Fee income:

- The college subsidises a larger proportion of students when compared with other colleges in the Diocese.
- The general consensus is 15% BDC's currently sits at 25.5%.
- This legacy will remain with the college as it works through best practice in regard to this with years 10-12 at point in time the most heavily subsidised. Therefore with a clear policy and strategy moving forward improvements in this ratio should be achieved over the next 3 years.

Expenses:

- Are generally well controlled.
- Total salary costs are at a critical point for the college and have failed to be corrected as enrolments fell.
- They also have a number of senior staff both teaching and non-teaching in the top quartile for their respective pay range placing additional stress on the operating budget.
- This is being addressed in the 4yr plan and will result in redundancies either voluntary or forced.
- The Budget turnaround is hinged on rectifying this position.
- The majority of the redundancy cost will be paid by 31/12/17 with salary savings to reflect in the 2018 to 2020 operating budgets and financial performance.

Note: The 2018 college council approved budget has a \$560K extraordinary one off expense item to cover redundancies. This has been bought forward to the 2017 year and will occur 8/12/17, hence the request for short term facility. By doing this the restructure will be completed by the end of 2017 and set a sound base for the new Principal and leadership team of the college from 2018 through to 2020.

The goal is to return the college to a sound financial position re-building retained earnings allowing it to undertake maintenance and educational projects for the college.

Financial Performance Summary to 31/12/2016 audited results are summarised on the next page;

Bishop DrUITT College

Date: 06/11/17

Credit Memorandum

BDC (\$000's)	2011 Audited	2012 Audited	2013 Audited	2014 Audited	2015 Audited	2016 Audited	
Student Numbers*	1180	1200	1210	1209	1177	1118	
Staff FTE*	92	103	97	94	92	92	
Non Teaching	40	47	47	44	39	39	
Current Assets	\$ 826	\$ 1,704	\$ 1,147	\$ 1,053	\$ 848	\$ 461	
Cash	\$ 1	\$ 1,097	\$ 597	\$ 161	\$ 121	\$ 54	
Trade	\$ 493	\$ 348	\$ 219	\$ 281	\$ 184	\$ 314	
other	\$ 332	\$ 259	\$ 331	\$ 611	\$ 543	\$ 93	
Non-Current Assets	\$ 18,044	\$ 19,008	\$ 20,498	\$ 20,715	\$ 20,507	\$ 20,341	
Property P&E	\$ 18,044	\$ 19,008	\$ 20,498	\$ 20,715	\$ 20,507	\$ 20,341	
Total Assets	\$ 18,870	\$ 20,712	\$ 21,645	\$ 21,768	\$ 21,355	\$ 20,802	
Current Liabilities	\$ 4,561	\$ 5,348	\$ 3,799	\$ 4,559	\$ 4,687	\$ 5,021	
Trade	\$ 1,824	\$ 2,445	\$ 2,122	\$ 2,631	\$ 2,296	\$ 2,317	
Borrowings	\$ 2,164	\$ 2,247	\$ 932	\$ 958	\$ 1,391	\$ 1,391	
Other	\$ 573	\$ 656	\$ 745	\$ 970	\$ 1,000	\$ 1,313	
Non- Current Liabilities	\$ 8,993	\$ 9,988	\$ 10,438	\$ 9,937	\$ 9,357	\$ 8,563	
Borrowings	\$ 8,540	\$ 9,662	\$ 9,965	\$ 9,423	\$ 8,790	\$ 8,203	
other	\$ 453	\$ 326	\$ 473	\$ 514	\$ 567	\$ 360	
Non Interest Loan Diocese							
Net Asset/Total equity	\$ 5,316	\$ 5,376	\$ 7,408	\$ 7,272	\$ 7,311	\$ 7,218	
Net Assets Ex Loans	\$ 16,020	\$ 17,285	\$ 18,305	\$ 17,653	\$ 17,492	\$ 16,812	
Income							
Fees	\$ 6,449	\$ 6,626	\$ 6,884	\$ 7,292	\$ 8,079	\$ 7,522	
Gov Grants	\$ 10,407	\$ 10,686	\$ 11,454	\$ 11,791	\$ 12,007	\$ 11,843	
Govt Subsidy - Interest on borrowings					\$ -		
Capital Grants	\$ 1,500	\$ 750	\$ 1,877	\$ 118	\$ -	\$ -	
Enrolment Fees		\$ -	\$ 29	\$ 45	\$ 44	\$ 48	
Interest Income	\$ 35	\$ 15	\$ 25	\$ 18	\$ 31	\$ 6	
Other							
Other Revenue	\$ 159	\$ 95	\$ 358	\$ 167	\$ 88	\$ 197	
Diocesan Support - Donations		\$ -					
Total Revenue	\$ 18,550	\$ 18,172	\$ 20,627	\$ 19,431	\$ 20,249	\$ 19,616	
Expenses							
Staff Costs Teaching and Support	\$ 12,260	\$ 12,698	\$ 13,253	\$ 13,981	\$ 15,077	\$ 15,164	
Restructure savings net of redundancies							
Other staff costs super etc	\$ 163	\$ 105	\$ 89	\$ 194	\$ 472	\$ 23	
Other operating costs	\$ 3,238	\$ 3,458	\$ 3,413	\$ 3,538	\$ 3,038	\$ 2,940	
Depreciation	\$ 884	\$ 947	\$ 1,012	\$ 1,103	\$ 923	\$ 958	
Interest & leasing charges	\$ 942	\$ 903	\$ 828	\$ 751	\$ 700	\$ 624	
Total Expenses	\$ 17,487	\$ 18,111	\$ 18,695	\$ 19,667	\$ 20,210	\$ 19,709	
Surplus	\$ 1,063	\$ 61	\$ 2,032	\$ 136	\$ 39	\$ 93	
Operating Surplus	-\$ 437	-\$ 689	\$ 155	-\$ 254	\$ 39	-\$ 93	
EBIT	\$ 505	\$ 214	\$ 983	\$ 497	\$ 739	\$ 531	
EBITD	\$ 1,389	\$ 1,161	\$ 1,995	\$ 1,600	\$ 1,662	\$ 1,489	
Ratio Analysis							Benchmarks
Return on Investment	-2.7%	-4.0%	0.8%	-1.4%	0.2%	-0.6%	> 5%
Interest Cover (EBITD/Interest)	1.6	1.3	2.4	2.1	2.4	2.4	>2.0x
Debt EBITD	7.7	10.3	6.5	6.5	6.1	6.4	< 6.5x
Net Operating Margin	8.2%	6.7%	10.7%	8.3%	8.2%	7.6%	> 10%
Debt per student	\$ 9.1	\$ 9.9	\$ 9.0	\$ 8.6	\$ 8.6	\$ 8.6	<\$10K
Fee income per student	\$ 5.5	\$ 5.5	\$ 5.7	\$ 6.0	\$ 6.9	\$ 6.7	\$8K
Salary costs per student	\$ 10.4	\$ 10.6	\$ 11.0	\$ 11.6	\$ 12.8	\$ 13.6	
Students/Staff	12.8	11.7	12.6	8.8	9.0	8.5	>11
Salaries/Net Income %	66.97%	70.45%	64.68%	72.95%	76.79%	77.42%	< 75%
Salaries/Total Expenses %	71.04%	70.69%	71.75%	72.44%	76.94%	77.06%	

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

2016 Audited results:

Balance Sheet:

Current Assets: - consist of

Cash at Bank	\$ 54K
Trade Debtors	\$314K
Other- Prepayments	\$ 93K

Non-Current Assets: - consist of:

Property Plant & Equipment	
Land & Building	\$18,869K
P&E	\$ 1,472K

Current Liabilities: - consist of

Trade	\$ 540K
Other –deferred income	\$1,777K (student fees in advance for 2017)
Current borrowings	\$1,391K
Provisions	\$1,313K

Non-current Liabilities: - consist of

Long Term provisions	\$ 360K
Non current borrowings	\$8,203K

Total Equity:

Equity is summarised as College Funds	\$7,717K
---------------------------------------	----------

Profit and loss:

Income:

Consistent with the independent college sector student fees and government funding make up the bulk of the income for the college.

Expenses:

Likewise staffing costs make up the bulk of the expense costs at 77%.

Strategies to address the high cost of salaries commenced in the approval of the 2017 budget. This will continue to be the area of focus over the next 4 years.

Ratio analysis:

Interest cover:	for the past 3 years exceeds benchmark of 2%.
Debt/EBITDA:	The colleges gearing is quite low. With annual reductions of \$540K and sound EBITDA the college exceeds this benchmark.
Net Operating Margin:	is below industry standards. It will take another two years to correct this position.
Student/staff:	Ratio and salary costs continue to be a challenge for the College to get the balance right.
Salaries/Net Income:	Ratio appears Ok historically, however comes under pressure in actual from 2015 through to 2017.

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

Capacity to service – based on historical performance to 31/12/2016

	2011	2012	2014	2014	2015	31-12-16
Capacity to pay	Audited	Audited	Audited	Audited	Audited	Audited
Operating surplus	-\$ 437	-\$ 689	\$ 155	-\$ 254	\$ 39	-\$ 93
Plus addbacks						
Depreciation	\$ 884	\$ 947	\$ 1,012	\$ 1,103	\$ 923	\$ 958
Interest	\$ 942	\$ 903	\$ 828	\$ 751	\$ 700	\$ 624
Other -						
	\$ 1,389	\$ 1,161	\$ 1,995	\$ 1,600	\$ 1,662	\$ 1,489
Less Commitments						
Loan Liabilities	\$ 10,704	\$ 11,909	\$ 10,897	\$ 10,381	\$ 10,181	\$ 9,594
Interest cost	\$ 803	\$ 893	\$ 817	\$ 779	\$ 764	\$ 720
Annual amortisation required Westpac	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540
	\$ 1,343	\$ 1,433	\$ 1,357	\$ 1,319	\$ 1,304	\$ 1,260
Net Surplus/Deficit	\$ 46	-\$ 272	\$ 638	\$ 281	\$ 358	\$ 229
Total Finance Commitments \$12M	1274	1274	1274	1274	1274	1274
sensitised Average rate of 1.50% above average rate cacl 15yrs = 6.75%						
Net Surplus/Deficit	\$ 115	-\$ 113	\$ 721	\$ 326	\$ 388	\$ 215

Comments:

- Capacity to service current facilities based on historical performance can be demonstrated.

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

2017 Management Results YTD to 30/09/2017 are summarised

BDC (S000's)	2017 YTD		Variance
	Actual as at	Budget as at	
	30-09-2017	30-09-2017	
Student Numbers*	1100	1100	
Staff FTE*	92	92	
Non Teaching	39	39	
Current Assets	\$ 1,387	\$ -	
Cash	\$ 122		
Trade	\$ 864		
other	\$ 401		
Non-Current Assets	\$ 19,809	\$ -	
Property P&E	\$ 19,809		
Total Assets	\$ 21,196	\$ -	
Current Liabilities	\$ 5,120	\$ -	
Trade	\$ 170		
Fees in advance	\$ 1,757		
grants & advances	\$ 1,373		
Other	\$ 1,820	\$ -	
Non- Current Liabilities	\$ 8,743	\$ -	
Borrowings	\$ 8,383	\$ -	
other	\$ 360	\$ -	
Non Interest Loan Diocese			
Net Asset/Total equity	\$ 7,333	\$ -	
Net Assets Ex Loans	\$ 17,089	\$ -	
Income			
Fees	\$ 6,341	\$ 6,302	\$ 39
less discounts	-\$ 1,592	-\$ 1,563	-\$ 29
Gov Funding	\$ 8,769	\$ 8,790	-\$ 21
Govt Subsidy - Interest on borrowings			\$ -
Capital Grants			\$ -
Subject levies	\$ 261	\$ 289	-\$ 28
Interest Income		\$ -	\$ -
Other Revenue	\$ 196	\$ 95	\$ 101
other misc income	-\$ 69	-\$ 58	-\$ 11
Total Revenue	\$ 13,906	\$ 13,855	\$ 51
Expenses			
Staff Costs Teaching	\$ 9,604	\$ 9,909	\$ 305
Staff Costs Non Teaching			
Other staff costs super etc	\$ 1,283	\$ 1,092	\$ (191)
Other operating costs	\$ 1,867	\$ 2,063	\$ 196
Depreciation	\$ 747	\$ 747	\$ -
Interest & leasing charges	\$ 289	\$ 401	\$ 112
Total Expenses	\$ 13,790	\$ 14,212	\$ 422
Surplus	\$ 116	-\$ 357	\$ 473
Operating Surplus	\$ 185	-\$ 299	\$ 484
EBIT	\$ 474	\$ 102	\$ 372
EBITD	\$ 1,221	\$ 849	\$ 372

Notes:

Income at 30/9/17 is above budget.
\$100K one-off donation has assisted position.

Expense savings in some preliminary
redundancies and operating cost has assisted
overall position.

Net operating surplus is above budget.
BDC is anticipating deficit of \$519K. This may
increase by \$560K as redundancies are to be
completed by 8 December 2017.

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

Capacity to service 2017 Management Results YTD to 30/9/17 based on actual debt

Capacity to pay	30-09-17	
	BDC Actual	BDC Budget
Operating surplus	\$ 185	-\$ 299
Plus addbacks		
Depreciation	\$ 747	\$ 747
Interest	\$ 289	\$ 401
Other -		
	\$ 1,221	\$ 849
Less Commitments		
Loan Liabilities current outstandings	10500	10500
9 months interest cost	386	386
Annual amortisation required Westpac	405	405
	791	791
Net Surplus/Deficit	\$ 430	\$ 58
Total Finance Commitments	780.5	780.5
sensitised Average rate of 6.75% 15yrs		
Net Surplus/Deficit	\$ 441	\$ 69

Comments:

- Capacity to service demonstrated based on actual and sensitised rates YTD in 2017.

2017 to 2020 Budget and forecast information are summarised on the next page.

Notes:

- 2017 & 2018 are approved budgets.
- 2019 & 2020 are forecasts
- 2018 to 2019 has an enrolment target of 1035 students. The budget for 2018 and forecasts for 2019 & 2020 are based on 98% of 1035. Ie 1014. -This is considered conservative worstcase position.
- Depending on the accounting method utilised the operating deficit position in 2017 may increase by a further \$560K and the 2018 position may improve by \$560K.
- The college decision to restructure and reduce staffing numbers by 18 FTE results in a viable sustainable model.
- The ratio analysis in the summary is based on historical debt position reducing by \$540K per annum.
- All underwriting standards for independent college sector with Westpac and AFGD are satisfied.
- A separate exercise has been completed based on total approved facilities of \$12M to gauge the impact on the financial ratios with particular attention on the independent college sector underwriting standards.
 - Interest cover reduced from 5.50 to 4.0 – a result of the increased interest cost for full utilisation This still exceeds the standard of 2.00
 - Debt/EBITDA increased from 3.40 to 4.70 -a result of full debt load of \$12M. This still exceeds standard of <6.5 tomes.

Bishop DrUITT College

Date: 06/11/17

Credit Memorandum

BDC (\$000's)	31-12-2017 Budget Approved	31-12-2018 Budget Approved	31-12-2019 Forecast	31-12-2020 Forecast	
Student Numbers*	1100	1014	1014	1014	
Staff FTE*	92	87	85	84	
Non Teaching	39	24	24	24	
Current Assets	\$ 768	\$ 1,333	\$ 2,750	\$ 4,337	
Cash	\$ 218	\$ 783	\$ 2,200	\$ 3,787	
Trade	\$ 200	\$ 200	\$ 200	\$ 200	
other	\$ 350	\$ 350	\$ 350	\$ 350	
Non-Current Assets	\$ 19,346	\$ 18,397	\$ 17,468	\$ 16,564	
Property P&E	\$ 19,346	\$ 18,397	\$ 17,468	\$ 16,564	
Total Assets	\$ 20,113	\$ 19,730	\$ 20,218	\$ 20,901	
Current Liabilities	\$ 5,021	\$ 5,021	\$ 5,021	\$ 5,021	
Trade	\$ 2,317	\$ 2,317	\$ 2,317	\$ 2,317	
Borrowings	\$ 1,391	\$ 1,391	\$ 1,391	\$ 1,391	
Other	\$ 1,313	\$ 1,313	\$ 1,313	\$ 1,313	
Non- Current Liabilities	\$ 7,663	\$ 7,123	\$ 6,583	\$ 6,043	
Borrowings	\$ 7,663	\$ 7,123	\$ 6,583	\$ 6,043	
other					
Non interest Loan Diocese					
Net Asset/Total equity	\$ 7,429	\$ 7,586	\$ 8,614	\$ 9,837	
Net Assets Ex Loans	\$ 16,483	\$ 16,100	\$ 16,588	\$ 17,271	
Income					
Fees	\$ 6,494	\$ 6,210	\$ 6,398	\$ 6,563	
Gov Grants	\$ 12,025	\$ 11,724	\$ 12,190	\$ 12,674	
Govt Subsidy - Interest on borrowings					
Capital Grants		\$ -	\$ -	\$ -	
Enrolment Fees	\$ -	\$ -			
Interest Income					
Other	\$ 8	\$ 79	\$ 81	\$ 81	
Other Revenue	\$ 290	\$ 112	\$ 112	\$ 112	
Diocesan Support - Donations					
Total Revenue	\$ 18,817	\$ 18,125	\$ 18,781	\$ 19,430	
Expenses					
Staff Costs Teaching and Support	\$ 13,520	\$ 11,519	\$ 11,722	\$ 12,119	
Restructure savings net of redundancies					
Other staff costs super etc	\$ 1,596	\$ 1,339	\$ 1,390	\$ 1,429	
Other operating costs	\$ 2,690	\$ 2,734	\$ 2,806	\$ 2,885	
Depreciation	\$ 996	\$ 948	\$ 929	\$ 904	
Interest & leasing charges	\$ 534	\$ 460	\$ 437	\$ 422	
Total Expenses	\$ 19,336	\$ 17,000	\$ 17,284	\$ 17,759	
Surplus	-\$ 519	\$ 1,125	\$ 1,497	\$ 1,671	
Operating Surplus	-\$ 519	\$ 1,125	\$ 1,497	\$ 1,671	
EBIT	\$ 15	\$ 1,585	\$ 1,934	\$ 2,093	
EBITDA	\$ 1,011	\$ 2,533	\$ 2,863	\$ 2,997	
less extraordinary one off adj		\$ 560	\$ 80	\$ 84	
Redundancy payments					
Operating Surplus		\$ 565	\$ 1,417	\$ 1,587	
EBIT		\$ 1,025	\$ 1,854	\$ 2,009	
EBITDA		\$ 1,973	\$ 2,783	\$ 2,913	
Ratio Analysis					Benchmarks
Return on Investment	-3.1%	7.0%	9.0%	9.7%	> 5%
Interest Cover (EBITD/Interest)	1.9	5.5	6.6	7.1	>2.0x
Debt EBITDA	9.0	3.4	2.8	2.5	< 6.5x
Net Operating Margin	5.4%	14.0%	15.2%	15.4%	> 10%
Debt per student	\$ 8.2	\$ 8.4	\$ 7.9	\$ 7.3	<\$10K
Fee income per student	\$ 5.9	\$ 6.1	\$ 6.3	\$ 6.5	\$8K
Salary costs per student	\$ 13.7	\$ 12.7	\$ 12.9	\$ 13.4	
Students/Staff	8.4	9.1	9.3	9.4	>11
Salaries/Net income %	80.33%	70.94%	69.82%	69.73%	< 75%
Salaries/Total Expenses %	78.18%	75.64%	75.86%	76.29%	< 75%

Bishop DrUITT College

Date: 06/11/17

Credit Memorandum

BDC (\$000's)	31-12-2017 Budget Approved	31-12-2018 Budget Approved	31-12-2019 Forecast	31-12-2020 Forecast	
Student Numbers*	1100	1014	1014	1014	
Staff FTE*	92	87	85	84	
Non Teaching	39	24	24	24	
Current Assets	\$ 768	\$ 1,163	\$ 2,387	\$ 3,766	
Cash	\$ 218	\$ 613	\$ 1,837	\$ 3,216	
Trade	\$ 200	\$ 200	\$ 200	\$ 200	
other	\$ 350	\$ 350	\$ 350	\$ 350	
Non-Current Assets	\$ 19,345	\$ 18,397	\$ 17,468	\$ 16,564	
Property P&E	\$ 19,345	\$ 18,397	\$ 17,468	\$ 16,564	
Total Assets	\$ 20,113	\$ 19,560	\$ 19,855	\$ 20,330	
Current Liabilities	\$ 5,021	\$ 4,905	\$ 4,905	\$ 4,905	
Trade	\$ 2,317	\$ 2,317	\$ 2,317	\$ 2,317	
Borrowings	\$ 1,391	\$ 1,275	\$ 1,275	\$ 1,275	
Other	\$ 1,313	\$ 1,313	\$ 1,313	\$ 1,313	
Non- Current Liabilities	\$ 7,663	\$ 10,725	\$ 10,725	\$ 10,725	
Borrowings	\$ 7,663	\$ 10,725	\$ 10,725	\$ 10,725	
other					
Non Interest Loan Diocese					
Net Asset/Total equity	\$ 7,429	\$ 3,930	\$ 4,225	\$ 4,700	
Net Assets Ex Loans	\$ 16,483	\$ 15,930	\$ 16,225	\$ 16,700	
Income					
Fees	\$ 6,494	\$ 6,210	\$ 6,398	\$ 6,563	
Gov Grants	\$ 12,025	\$ 11,724	\$ 12,190	\$ 12,674	
Govt Subsidy - Interest on borrowings					
Capital Grants		\$ -	\$ -	\$ -	
Enrolment Fees	\$ -	\$ -			
Interest Income					
Other	\$ 8	\$ 79	\$ 81	\$ 81	
Other Revenue	\$ 290	\$ 112	\$ 112	\$ 112	
Diocesan Support - Donations					
Total Revenue	\$ 18,817	\$ 18,125	\$ 18,781	\$ 19,430	
Expenses					
Staff Costs Teaching and Support	\$ 13,520	\$ 11,519	\$ 11,722	\$ 12,119	
Restructure savings net of redundancies					
Other staff costs super etc	\$ 1,596	\$ 1,339	\$ 1,390	\$ 1,429	
Other operating costs	\$ 2,690	\$ 2,734	\$ 2,806	\$ 2,885	
Depreciation	\$ 996	\$ 948	\$ 929	\$ 904	
Interest & leasing charges	\$ 634	\$ 630	\$ 630	\$ 630	
Total Expenses	\$ 19,336	\$ 17,170	\$ 17,477	\$ 17,967	
Surplus	-\$ 519	\$ 955	\$ 1,304	\$ 1,463	
Operating Surplus	-\$ 519	\$ 955	\$ 1,304	\$ 1,463	
EBIT	\$ 15	\$ 1,585	\$ 1,934	\$ 2,093	
EBITDA	\$ 1,011	\$ 2,533	\$ 2,863	\$ 2,997	
less extraordinary one off adj		\$ 560	\$ 80	\$ 84	
Redundancy payments					
Operating Surplus		\$ 395	\$ 1,224	\$ 1,379	
EBIT		\$ 1,025	\$ 1,854	\$ 2,009	
EBITDA		\$ 1,873	\$ 2,783	\$ 2,913	
Ratio Analysis					Benchmarks
Return on Investment	-3.1%	6.0%	8.0%	8.8%	> 8%
Interest Cover (EBITD/Interest)	1.9	4.0	4.5	4.8	>2.0x
Debt EBITDA	9.0	4.7	4.2	4.0	< 6.5x
Net Operating Margin	5.4%	14.0%	15.2%	15.4%	> 10%
Debt per student	\$ 8.2	\$ 11.8	\$ 11.8	\$ 11.8	<\$10K
Fee income per student	\$ 5.9	\$ 6.1	\$ 6.3	\$ 6.5	\$8K
Salary costs per student	\$ 13.7	\$ 12.7	\$ 12.9	\$ 13.4	
Students/Staff	8.4	9.1	9.3	9.4	>11
Salaries/Net Income %	80.33%	70.94%	69.82%	69.73%	< 75%
Salaries/Total Expenses %	78.18%	74.89%	75.02%	75.40%	< 75%

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

Capacity to service – based on 2017 to 2020 Budget and forecast information with full \$12M debt load.

	31-12-2017	31-12-2018	31-12-2019	31-12-2020
Capacity to pay	Budget	Budget	Forecast	Forecast
	Approved	Approved		
Operating surplus	-\$ 519	\$ 395	\$ 1,224	\$ 1,379
Plus addbacks				
Depreciation	\$ 996	\$ 948	\$ 929	\$ 904
Interest	\$ 534	\$ 630	\$ 630	\$ 630
Other -				
	\$ 1,011	\$ 1,973	\$ 2,783	\$ 2,913
Less Commitments				
Loan Liabilities	\$ 9,054	\$ 12,000	\$ 12,000	\$ 12,000
Interest cost	\$ 475	\$ 630	\$ 630	\$ 630
Annual amortisation required Westpac	\$ 540	\$ 540	\$ 540	\$ 540
	\$ 1,015	\$ 1,170	\$ 1,170	\$ 1,170
Net Surplus/Deficit	-\$ 4	\$ 803	\$ 1,613	\$ 1,743
Total Finance Commitments \$12M	1274	1274	1274	1274
sensitised Average rate of 1.50% above average rate cacl 15yrs = 6.75%				
Net Surplus/Deficit	-\$ 263	\$ 699	\$ 1,509	\$ 1,639

Comments:

- Capacity to service demonstrated with full debt load of \$12M on actual rate and sensitised basis from 2018 onwards
- 2017 position is marginal and is understandable given the high expenditure cost of salaries for the 2017 year.

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

Indicative Risk Grade:

- Risk Grade adopted for the group 6C with 86% cover is recommended.
- The College is flagged as developing in that the restructure is in the process of being implemented and the financial performance is projected.
- The position can be revisited as historical information becomes available and overall performance improves.

Risk Grade Tool	Customer Credit Rating	Security Indicator		
Australian Government	1	A	125% + Cover	
State Government	2	B	100% - 124% Cover	
Local Government	3	C	80% - 99% Cover	
Very Strong Corporate entity	4	D	60% - 79% Cover	
Solid Corporate entity	5	E	40% - 59% Cover	
Developing Corporate entity	6	F	20% - 39% Cover	
High Risk Corporate entity	7	G	0% - 19% Cover	

Security Assessment sheet - Current position				
Description	Status	FMV	Extension Ratio	XTV
	Held/to be taken			
Registered Mortgage over the property situated at Coffs Harbour given by - Bishop Druitt College Council	to be taken	20,648,173	50%	10,324,087
Registered General Security Agreement given by - Bishop Druitt College Council	to be taken			
Pari Passu Deed between Bishop Druitt College Council Westpac Banking Corporation ABN 33 007 457 141 and The Corporate Trustees of the Diocese of Grafton ABN 88 144 942 068	to be taken			
Based on 31/12/2015 Audited financial results conservative valuation would appear to be Total Land & Buildings at written down value				
Given the limited alternate use and the likelihood of ever realising on this asset it would be considered a special purpose asset and would have a conservative extended value for risk assessment of 50%. Ie				
		10,324,087		
Total Limits \$12,000,000	as at December 2017			
86% cover security indicator C to apply.				

Bishop Druitt College

Date: 06/11/17

Credit Memorandum

Insurance Confirmation:

- Sufficient cover appears to be in place.
- The 2017 schedule to be completed by the college for ANIP will be update at next half yearly review.

								Please update for 2016-2017			
Entity Name	Building Name	Street Number	Street (Name)	Street (Type)	Suburb	State code	Post code	Buldings Value	Contents Value	Spec Items Value	Total Property Value
Bishop Druitt Colle	Associated external works	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$255,118	\$0	\$68,558	\$323,676
Bishop Druitt Colle	AUSCO Modular Demountable - Double	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$482,051	\$0	\$0	\$482,051
Bishop Druitt Colle	COLA	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$0	\$0	\$0	\$0
Bishop Druitt Colle	Digital Education Revolution	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$0	\$0	\$1,071,225	\$1,071,225
Bishop Druitt Colle	Digital Education Revolution	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$0	\$0	\$1,606,838	\$1,606,838
Bishop Druitt Colle	Double storey Blocks C,B, Music School	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$7,552,136	\$3,749,288	\$0	\$11,301,424
Bishop Druitt Colle	External roads, car parks, paths	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$1,606,838	\$0	\$0	\$1,606,838
Bishop Druitt Colle	Multi Purpose Centre	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$4,000,000	\$75,000	\$0	\$4,075,000
Bishop Druitt Colle	Primary Building	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$2,223,863	\$0	\$0	\$2,223,863
Bishop Druitt Colle	Primary Library	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$6,186,324	\$0	\$0	\$6,186,324
Bishop Druitt Colle	Trade Training Centre	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$1,178,348	\$306,049	\$15,319	\$1,499,715
Bishop Druitt Colle	Shade sails & superlawn-Primary	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$0	\$0	\$187,464	\$187,464
Bishop Druitt Colle	Shade sails & superlawn-Secondary	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$0	\$0	\$235,670	\$235,670
Bishop Druitt Colle	Blocks D, H, I, J	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$6,727,293	\$0	\$0	\$6,727,293
Bishop Druitt Colle	Storage Shed	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$12,689	\$0	\$0	\$12,689
Bishop Druitt Colle	Administration	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2450	\$1,339,031	\$0	\$0	\$1,339,031
Bishop Druitt Colle	Covered Walkways	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2451	\$450,000	\$0	\$0	\$450,000
Bishop Druitt Colle	Uniform Shop infill	111	North Boambee	Road	NORTH BOAMBEE VALLE	NSW	2452	\$275,000	\$75,000	\$0	\$350,000
								\$32,288,690	\$4,205,336	\$3,185,073	\$39,679,100

Covenants/ongoing monitoring requirements:

Total Facilities maximum \$12,000,000.00

- No additional Capex outside budgets presented.
- You agree and acknowledge to maintain the following minimum Group loan reductions:-
 - a minimum \$540,000 per annum in permanent reduction of College Debts /or line of credit facilities. Confirmation of loan facility reductions to be provided, and to be to the lender's satisfaction
- Transaction Banking is to remain with Westpac/AFGD as is the case now.
- Half Yearly reviews by 31/3 and 30/9. Specific review requirements are details below.
- Debt/EBITDA multiple is to be at all times <6.5x and ongoing. This will be tested half yearly on a rolling 12 month basis.
- EBITDA/ICR ratio is to be >2.0 times. This will be tested half yearly on a rolling 12 month basis.
- Plus any agreed Westpac covenants for alignment under Pari Passu.

Further conditions:

- "the Bishop-in-Council will not approve the application of church trust property to a first call mortgage by an external financial provider unless Anglican Funds Grafton Diocese is unable or unwilling to provide finance."
 - Approval obtained for joint funding proposal. Refer to correspondence dated 18th December 2016.
- "by the end of 2014 all Diocesan organisations will be required to conduct transactional banking with Anglican Funds Grafton Diocese unless authorised to bank with an external financial provider by the Bishop-in-Council"
 - Approval obtained for joint funding proposal. Refer to correspondence dated 18th December 2016.

Date: 06/11/17

Credit Memorandum

Recommendation

- Approval of facilities as documented



Blaine Fitzgerald

Fund Manager – Anglican Funds Grafton Diocese



BOARD MEETING DATE:

14/12/2017

No 7 Matters for Discussion

Item: a

Title: Ord Minnett

No of Pages. 25 incl Header

The Corporate Trustees of the Diocese of Grafton Investment Fund

Current Cost of Funds: 2.38% (targeting 3.38%)

Portfolio Summary & Performance							30-Nov-17
Account	Asset Type	Allocation %	Value \$	Performance Benchmark	Benchmark pa	Performance pa*	Over/Under Perf (pa)
Short Term	Cash & Term Deposits	17.2%	2,250,000.00	RBA Cash Rate	1.50%	2.60%	✓ 1.10%
Listed	Listed Sub Notes & Bonds	33.4%	4,364,547.96	Bank Bill Index	1.97%	3.93%	✓ 1.96%
Unlisted	Unlisted Bonds**	49.4%	6,459,319.55	Bank Bill Index	1.80%	6.20%	✓ 4.40%
Total		100.0%	13,073,867.51	Composite	1.80%	4.37%	✓ 2.57%

* IRR since inception of UMA on 13/10/15 (Listed), net of all fees. Gross Weighted Average Return used since inception on 22/6/16 (unlisted)
 Fees are deducted for both the listed and unlisted portfolios from the UMA cash balance within the listed portfolio. Because of the fees, the return on the unlisted is overstated (gross) and the listed return is understated. Current Average Interest Rate used for Short Term assets.
 ** The performance of the Unlisted Bonds includes a considerable amount of unrealised capital appreciation, we estimate the unlisted gross income yield to be approx: **4.59%**

Portfolio Details				
Account	Investment	Allocation %	Value \$	Asset Allocation
Short Term	Cash & Notice Accounts	0.0%	-	
	Term Deposits < 12 Mths	17.2%	2,250,000.00	
	SUB TOTAL (ORDS AC 1146256)	17.2%	2,250,000.00	
Listed	UMA Cash Account	0.1%	18,562.54	
	Listed Bonds & Subordinated Notes	33.2%	4,345,985.42	
	SUB TOTAL (UMA AC 24011234)	33.4%	4,364,547.96	
Unlisted	Pershing Cash	0.1%	18,896.55	
	Unlisted Bonds	49.3%	6,440,423.00	
	SUB TOTAL (PERSHING AC NG7-062128)	49.4%	6,459,319.55	
TOTAL PORTFOLIO		100%	13,073,867.51	

Issuer & Credit Rating Exposure					
S&P Issuer	Rating	Issuer Exposure	Allocation %	Value \$	S&P Unlisted Bond Ratings
BBB-	Auswide Bank		3.9%	512,275.00	Auswide N/A
A	AMP		30.4%	3,971,556.65	AMP BBB+
BBB+	Australian Unity		9.1%	1,195,166.50	
BBB+	Bendigo & Adelaide Bank		8.0%	1,041,250.00	Bendigo/Adel BBB-
A	Challenger		3.9%	505,615.00	Challenger BBB
BBB	ME Bank		13.2%	1,727,098.00	ME Bank BB+
A+	Suncorp (including AAI)		23.6%	3,083,998.91	AAI BBB+
AA-	Westpac		7.6%	999,448.36	
A	Cash		0.3%	37,459.09	
TOTAL			100.0%	13,073,867.51	"WATCH" "REVIEW"

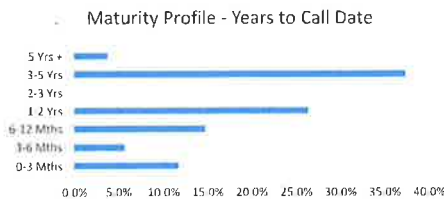
Notes:
 The maximum weighting to any Issuer shall be the lower of 5% of the assets of the Fund (TBC) or 25% of the portfolio by market value. For review and discussion.
 - Suncorp (incl AAI) is currently <25% of the Portfolio but need to check 5% total asset limit (TBC). Consider reducing AMP when the next AMP term deposit matures on 11 Dec.
 The credit quality of all securities must be investment grade or better and must also adhere to AFGD's ethical investment guidelines.
 - The Issuer ratings are all investment grade (> BBB-) however the Auswide Bond is not rated and the ME Bank Bond is rated BB+. For review and discussion.

Portfolio Snapshot (UMA Listed Assets)	
Inception 13/10/15	
Deposits	10,802,334.99
Withdrawals	-6,916,260.00
Net Deposits	3,886,074.99
Coupons	570,980.65
Interest	4,687.45
Income	575,668.10
Expenses	-70,703.95
Brokerage	-7,841.36
Total Expenses	-78,545.31
Capital Appreciation	-18,649.82
Closing Balance	4,364,547.96
Net IRR	8.59%
Net IRR (pa)	3.93%
IRR net of all fees	

Portfolio Snapshot (UMA Unlisted Assets)	
Inception 22/6/16	
Deposits	6,359,644.00
Withdrawals	-
Net Deposits	6,359,644.00
Coupons	205,779.06
Interest	-
Income	205,779.06
Expenses	0.00
Brokerage	0.00
Total Expenses	0.00
Capital Appreciation	72,224.00
Closing Balance	6,431,868.00
Performance	8.93%
Performance (pa)	6.20%
Gross return	

Benchmarks	
RBA Cash Rate	1.50%
90 Day Bank Bill	1.75%
Inflation	1.80%
3 yr Govt Bond	1.92%
5 yr Govt Bond	2.16%
10 yr Govt Bond	2.57%

Maturity Profile	
	Yrs to Call
0-3 Mths	11.8%
3-6 Mths	5.7%
6-12 Mths	14.8%
1-2 Yrs	26.5%
2-3 Yrs	0.0%
3-5 Yrs	37.4%
5 Yrs +	3.8%
Total	100.0%



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Portfolio Snapshot

From 13/10/2015 to 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))

Adviser Name: Alison Perrott at Ord Minnett Limited



Portfolio Snapshot: From 13/10/2015 to 30/11/2017

	Amount (\$)
Opening balance @13/10/2015	0.00
Deposits (Note 1)	10,802,334.99
Withdrawals (Note 1)	(6,916,260.00)
Net Deposits	3,886,074.99
Dividend/Distribution	570,980.65
Interest	4,687.45
Income (Note 2)	575,668.10
Expenses (Note 3)	(70,703.95)
Insurance Costs (Note 4)	0.00
TFN amounts withheld	0.00
Listed Securities Transaction Fees (Note 3)	(7,841.36)
Total Expenses	(78,545.31)
Capital Appreciation (Note 5)	(18,649.82)
Closing balance @ 30/11/2017	4,364,547.96

Portfolio Change

Portfolio Balance @13/10/2015 (\$)	Portfolio Change @30/11/2017 (\$)
Managed Portfolios	0.00
Australian Listed Securities	0.00
International Listed Securities	0.00
Managed Funds	0.00
Locked Securities	0.00
Term Deposits	0.00
Cash	18,562.54
Total Portfolio Balance (Note 6)	4,364,547.96

Note (2)- Portfolio Income

Portfolio Income Period 13/10/15 to 30/11/17 (\$)	Period YTD (\$)
Managed Portfolios	0.00
Australian Listed Securities	570,980.65
International Listed Securities	0.00
Managed Funds	0.00
Locked Securities	0.00
Term Deposits	0.00
Cash	4,687.45
Total Earnings	89,146.67

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Report executed: 5/12/2017 9:01:31 AM

Portfolio Snapshot

From 13/10/2015 to 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))

Adviser Name: Alison Perrott at Ord Minnett Limited

Note (1) - Deposits/Withdrawals

Date	Description	Amount (\$)
Deposits		
13/10/2015	Cash Deposit - Reference No. 240112340007 3564064 WBC OLP	2,000,000.00
13/10/2015	Transfer in IANG	20,956.43
13/10/2015	Transfer in ANZPA	31,378.56
06/11/2015	Cash Deposit - Reference No. 240112340007 ANGLI ANGLICAN FUNDS	1,000,000.00
09/11/2015	Cash Deposit - Reference No. 240112340007 GRAFT ANGLICAN FUNDS	1,000,000.00
13/11/2015	Cash Deposit - Reference No. 240112340007 GRAFT ANGLICAN FUNDS	1,000,000.00
16/11/2015	Cash Deposit - Reference No. 240112340007 GRAFT ANGLICAN FUNDS	1,000,000.00
27/01/2016	Cash Deposit - Reference No. 240112340007 3463766 WBC OLP 0026159	3,500,000.00
06/02/2017	Cash Deposit - Direct Debit - Trfr Ord Minnett IRS	1,250,000.00
Total		10,802,334.99
Withdrawals		
28/01/2016	Cash Withdrawal - Withdrawal for Term deposit	(3,500,000.00)
25/02/2016	Cash Withdrawal - OrdsUMA Withdrawal	(65,000.00)
25/07/2016	Cash Withdrawal - UMA Withdrawal for Term Deposits	(50,000.00)

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Portfolio Snapshot

From 13/10/2015 to 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))

Adviser Name: Alison Perrott at Ord Minnett Limited

Note (1) - Deposits/Withdrawals

Date	Description	Amount (\$)
02/11/2016	Cash Withdrawal - UMA Withdrawal	(80,000.00)
04/01/2017	Cash Withdrawal - UMA Withdrawal	(70,000.00)
21/03/2017	Cash Withdrawal - UMA Withdrawal for AA1	(70,000.00)
05/04/2017	Cash Withdrawal - UMA Withdrawal	(830,000.00)
21/06/2017	Cash Withdrawal - UMA Withdrawal	(1,660,000.00)
29/08/2017	Cash Withdrawal - UMA withdrawal for AMP bond	(252,260.00)
20/11/2017	Cash Withdrawal - UMA Withdrawal	(37,000.00)
23/11/2017	Cash Withdrawal - UMA Withdrawal Challenger	(170,000.00)
24/11/2017	Cash Withdrawal - UMA Withdrawal Challenger	(132,000.00)
Total		(6,916,260.00)

Note (2) – Refer to the Portfolio Income table on the previous page.

Note (3) – Refer to the Fee Statement for more detail - expenses include GST.

Note (4) – Insurance Costs includes GST as well as insurance premiums, administration costs, and any Adviser commissions that may be payable to your financial adviser as outlined in the Additional Information Booklet.

Note (5) – Capital Appreciation includes both realised and unrealised capital gains and losses.

Note (6) – Any amounts are reflective of current investment positions only, and do not represent a guarantee of benefit as the positions may not include tax payable to the Australian Taxation Office (ATO), fees or other deductions or credits. The actual amount payable will be determined at the time a payment is made. If your holdings include managed funds, property trusts or ETFs then reports are likely to be inaccurate or incomplete due to estimated data being provided - finalised data may not be available until some time after 30 June (in particular franking credits on managed fund distributions).

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Portfolio Snapshot

From 13/10/2015 to 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))

Adviser Name: Alison Perrott at Ord Minnett Limited



Note (7) – For Accountholders in the Investment Service (including SMSFs), tax payable to the ATO may need to be paid outside the Service in a tax return or as directed by an accountant - to facilitate this a finalised Annual Tax Statement will be separately provided some time after 30 June each year.

Note (8) – For Accountholders in the Superannuation Fund, tax is deducted from your account within the Fund at the time payment is made to the ATO and will be reflected as a Withdrawal from your account. Therefore, the tax liability at any point in time may not be reflected in the investment account balance. Tax may need to be paid on superannuation contributions, dividends, distributions, interest, and realised capital gains. The Tax payable to the ATO for a particular year generally cannot be finalised until after 30 June although provisional amounts may be withdrawn at earlier intervals. Members should note that the Government has placed restrictions (known as “Preservation” rules) on when superannuation benefits can be received - refer to the Product Disclosure Statement for more information.

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Performance with IRR



From 13/10/2015 to 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))

Adviser Name: Alison Perrott at Ord Minnett Limited

Asset Type	Market Value Start of Period (\$)	Market Value End of Period (\$)	Market Value End of Period (\$)	Sells in Period (\$)	Market Value End of Period (\$)	Income in Period (\$)	TFN Amounts withheld (\$)	Growth in Period (\$)	Total Earnings of Return (IRR) (Note 2) (\$)	Internal rate of Return (IRR) (Note 2) (%)	IRR (annualised) (Note 3) (%)
Australian Listed Securities											
AMPHA	0	1,221,632.55	0	1,218,751.65	91,028.19	(2,880.90)	88,147.29	9.36%	4.29%		
ANZHA	0	815,733.77	(797,181.89)	0	66,057.30	(18,551.88)	47,505.42	6.31%	3.70%		
ANZPA	0	31,378.56	(31,300.00)	0	1,434.42	(78.56)	1,355.86	4.43%	3.75%		
AYUHA	0	200,979.97	(198,500.00)	0	5,756.50	(2,479.97)	3,276.53	1.65%	3.34%		
AYUHB	0	1,160,074.15	0	1,195,166.50	83,826.05	35,092.35	118,918.40	12.81%	6.26%		
CNGHA	0	821,068.23	(804,700.00)	0	64,109.64	(16,368.23)	47,741.41	6.32%	4.25%		
IANG	0	20,956.43	(21,547.16)	0	1,330.98	590.73	1,921.71	9.47%	6.55%		
NABHB	0	816,038.73	(797,620.56)	0	65,483.10	(18,418.17)	47,064.93	6.27%	3.68%		
SUNPD	0	1,221,834.62	(287,478.17)	932,618.91	102,166.73	(1,737.54)	100,429.19	10.72%	4.89%		
WBCHB	0	996,097.94	0	999,448.36	70,007.06	3,350.42	73,357.48	10.07%	4.63%		
WBCHA	0	225,044.37	(220,200.00)	0	19,780.68	(4,844.37)	14,936.31	7.03%	3.74%		
Total	0	4,345,985.42	4,345,985.42	570,980.65	26,326.12	544,654.53					

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Report executed: 5/12/2017 9:01:34 AM

Performance with IRR



From 13/10/2015 to 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))

Adviser Name: Alison Perrott at Ord Minnett Limited

Consolidated Portfolio View	Market Value Start of Period	Deposits to Account	Withdrawals from Account	Market Value End of Period	Income in Period	TFN Amounts withheld	Growth in Period	Total Earnings	Internal rate of Return (IRR) (Note 2)	IRR (annualised) (Note 3)
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(%)	(%)
Total Portfolio	0	11,378,003.09	(6,986,963.95)	4,364,547.96	575,668.10	0	(26,491.18)	549,176.92	8.59%	3.93%

- 1) The Consolidated Portfolio View result includes the Cash Account. The Cash Account includes pending cash settlements, that is, uncleared deposits plus cash due from confirmed sell trades less cash held for confirmed buy trades less account payments not cleared. Amounts shown in "Deposits to Account" or "Withdrawals from Account" include all transactions into and out of the Service, including in specie transfers, cash income and fees.
- 2) IRR: The return shown is the internal rate of return (IRR) for the investment, or for the set of investments within the relevant sleeve. The IRR is gross of tax. It is gross of fees, except for the Consolidated Portfolio View result which is shown after fees (including investment management fees, investment performance fees, adviser fees and administration fees). It is calculated over the reporting period, or over the period during which the investment was in force (if this is shorter). The IRR is often defined as the discount rate that makes the present value of all cash flows for the investment during the period, plus that of the closing balance, equal to the investment balance at the start of the period. It takes into account the value and the timing of the cash flows.
- 3) Annualised IRR: This is the same IRR expressed as a percent per annum. Please note that, particularly for periods shorter than a year, the annualised IRR may take very large (positive or negative) nominal values. The numbers do not imply an expectation of an investment return of the nominal magnitude for the whole year. Therefore, care is recommended when interpreting these rates.
- 4) Buys and Sells include transfers between asset types, and for the locked securities asset type these include in specie transfers made to and from the Service/Fund.
- 5) Any amounts are reflective of current investment positions only, and do not represent a guarantee of benefit as the positions may not include tax payable, fees or other deductions or credits. The actual amount payable will be determined at the time a payment is made.

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Valuation Detailed

As at 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))
Adviser Name: Alison Perrott at Ord Minnett Limited

Valuation Detailed – detailed value of each underlying Security within an Asset Type

Code	Security	Units	Last Price (\$)	Market Value as at 30/11/2017 (\$)	Cost Base (\$)	Estimated Gain/Loss (%)
Australian Listed Securities						
AMPHA	AMP LIMITED FRN 18-DEC-23	11,931.000000	102.150000	1,218,751.65	1,221,671.44	28.04%
AYUHB	AUSTRALIAN UNITY LTD 5 BND 3M 12-20	11,437.000000	104.500000	1,195,166.50	1,160,074.15	27.50%
SUNPD	SUNCORP GROUP LTD SUB.NOTE 22-NOV-23	9,173.000000	101.670000	932,618.91	929,869.34	21.46%
WBCHB	WESTPAC BANKING CORP UNSEC.FRN 22-AUG-23	9,919.000000	100.761000	999,448.36	996,113.12	23.00%
Total				4,345,985.42		100.00%
				4,345,985.42		100.00%
Cash						
	Cash Account - cleared funds (Note 1)			18,562.54		
	Cash Account - uncleared funds			0.00		
	Pending cash settlement (Note 2)			0.00		
	Cash Reserved			0.00		
	Total Portfolio Value			4,364,547.96		

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Valuation Detailed

As at 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))
Adviser Name: Alison Perrott at Ord Minnett Limited

Note:

1. Cash Account - cleared funds includes the minimum cash balance requirement of your account.
2. Pending Cash settlements represents : Deposits uncleared plus cash due from confirmed sell trades less cash held for confirmed buy trades less account payments not cleared
3. Any amounts are reflective of current investment positions only, and do not represent a guarantee of benefit as the positions may not include tax payable, fees or other deductions or credits. The actual amount payable will be determined at the time a payment is made.
4. Current tax parcel allocation method is MIN
5. The Cost Base column displays the aggregate cost base for capital gains purposes. This number is generally close to the acquisition costs of the units/shares in the holding but it has been calculated using the specific rules required for the determination of the cost base, including rules regarding the allocation of sales to parcels of securities.
6. The estimated Gain/Loss amounts for gains of a capital nature are gross amounts excluding any CGT discount. Losses are shown as negative. Gain/Loss amounts = Market Value less Apportioned Cost Base. For ASX listed securities, the Cost Base is then proportionately allocated across the different asset types (Managed Portfolio, Securities Portfolio, Locked Securities) for the purposes of calculating the estimated Gain/Loss amounts.
7. The Market Value (%) is the % calculated in relation to the Total Portfolio less the Cash Account (being cash held directly in the Account)

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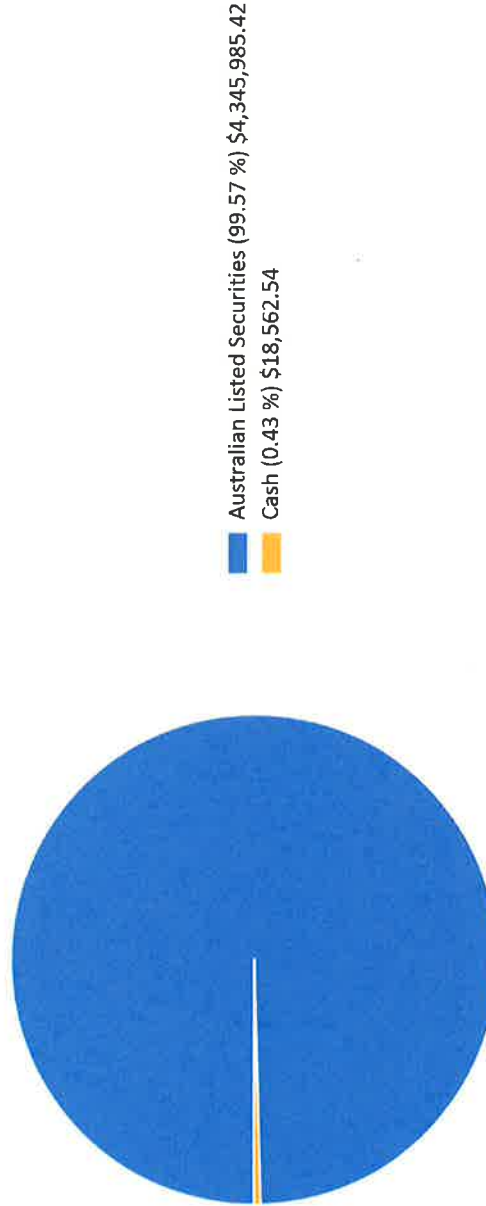
Report executed: 5/12/2017 9:01:38 AM

Valuation Detailed

As at 30/11/2017

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234 - Trust (Corporate Trustee))
Adviser Name: Alison Perrott at Ord Minnett Limited

Market Value by Asset Type



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Report executed: 5/12/2017 9:01:38 AM

Portfolio Valuation

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234)

Adviser Name: Alison Perrott

As at 30 November 2017

Code	Security Name	Holding	Unit Cost \$	Net Cost \$	Price \$	Market Value \$	Market Value %	Gain /Loss \$
AU3FN00237	AUSWIDE BANK LTD 2024	500,000	1.01	504,685.00	1.02	512,275.00	7.954	7,590.00
AU3FN00244	MEMBERS EQ.BANK 2024 FLR	1,700,000	1.00	1,699,829.00	1.02	1,727,098.00	26.817	27,269.00
AU3FN00327	AAI LTD 2042	2,000,000	1.06	2,120,940.00	1.08	2,151,380.00	33.404	30,440.00
AU3FN00336	BENDIGO AND ADELAIDE BANK 2026	1,000,000	1.03	1,031,930.00	1.04	1,041,250.00	16.167	9,320.00
AU3FN00379	AMP LTD 2027	500,000	1.00	502,260.00	1.01	502,805.00	7.807	545.00
AU3FN00394	CHALLENGER LIFE CO LTD	500,000	1.00	500,000.00	1.01	505,615.00	7.851	5,615.00
Grand Total:						6,440,423.00		80,779.00

Portfolio Valuation

Account Name: The Corporate Trustees of the Diocese of Grafton Investment Fund (24011234)

Adviser Name: Alison Perrott

As at 30 November 2017

Code	Security Name	Holding	Unit Cost \$	Net Cost \$	Price \$	Market Value \$	Market Value %	Gain /Loss \$
AU3FN00237	AUSWIDE BANK LTD 2024	500,000	1.01	504,685.00	1.02	512,275.00	7.954	7,590.00
AU3FN00244	MEMBERS EQ.BANK 2024 FLR	1,700,000	1.00	1,699,829.00	1.02	1,727,098.00	26.817	27,269.00
AU3FN00327	AAI LTD 2042	2,000,000	1.06	2,120,940.00	1.08	2,151,380.00	33.404	30,440.00
AU3FN00336	BENDIGO AND ADELAIDE BANK 2026	1,000,000	1.03	1,031,930.00	1.04	1,041,250.00	16.167	9,320.00
AU3FN00379	AMP LTD 2027	500,000	1.00	502,260.00	1.01	502,805.00	7.807	545.00
AU3FN00394	CHALLENGER LIFE CO LTD	500,000	1.00	500,000.00	1.01	505,615.00	7.851	5,615.00
Grand Total:						6,440,423.00		80,779.00



14 December 2017

Ord Minnett Portfolio Update Presentation to Corporate Trustees of the Diocese of Grafton Investment Fund

Alison Perrott - Senior Adviser, Investments & Portfolio Strategy
Martine Shaw – Account Manager

Agenda

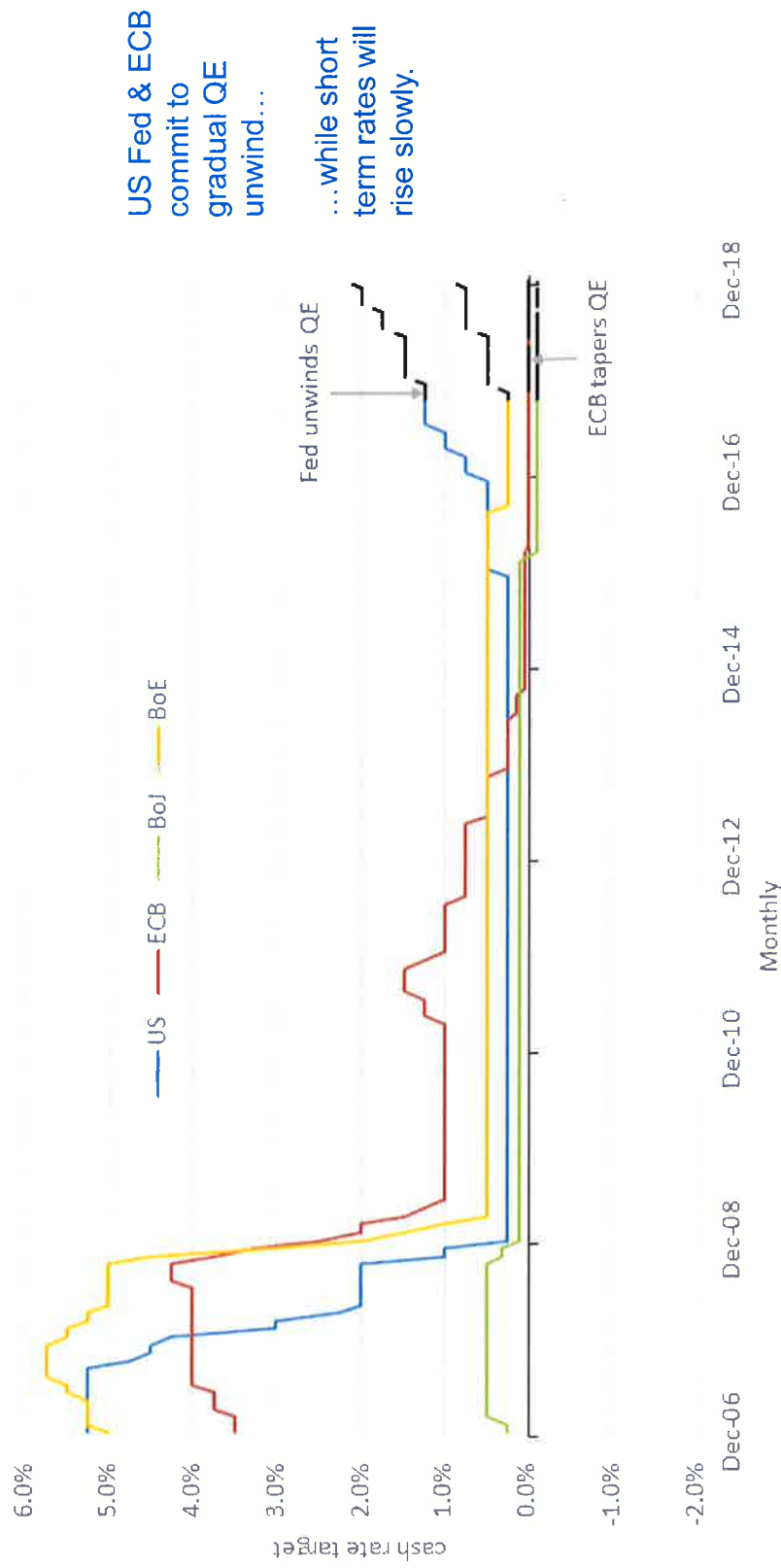
- **Market Overview**
- **Global Economy**
 - > Normal Interest Rates & Long Term Trend
- **Portfolio**
 - > Performance, Details & Matters For Discussion
- **Questions**

Market Overview

- The RBA left rates on hold in December at 1.5%, as expected, no near term moves expected.
- The nominal policy rate has not changed in 15 months, although the real cash rate (deflated by core CPI) has declined by 0.40% over the same time period. At -0.35%, it now sits 1.35% below the RBA's estimate of the neutral real rate.
- We have downgraded our recommendation from Overweight to Neutral in relation to Credit assets. Spreads have tightened such that value is no longer evident.
- US Fed action is critical for bond markets, a steepening yield curve will pressure bonds.
- Central banks, especially in the Euro area and Japan, are happy to let it ride as they see continued slack and low inflation. A so-far non-inflationary growth surge supports profits and therefore equity markets, but traditional value measures are being stretched.
- **Current Market Rates:** RBA Cash Rate 1.5%; Inflation Rate 1.8%; 90 Day Bank Bill 1.75%; 3 year Govt Bond 1.92%; 5 Year Govt Bond 2.16%; 10 Year Govt Bond 2.57%; 12 Month Term Deposits 2.5%.

Global Economy

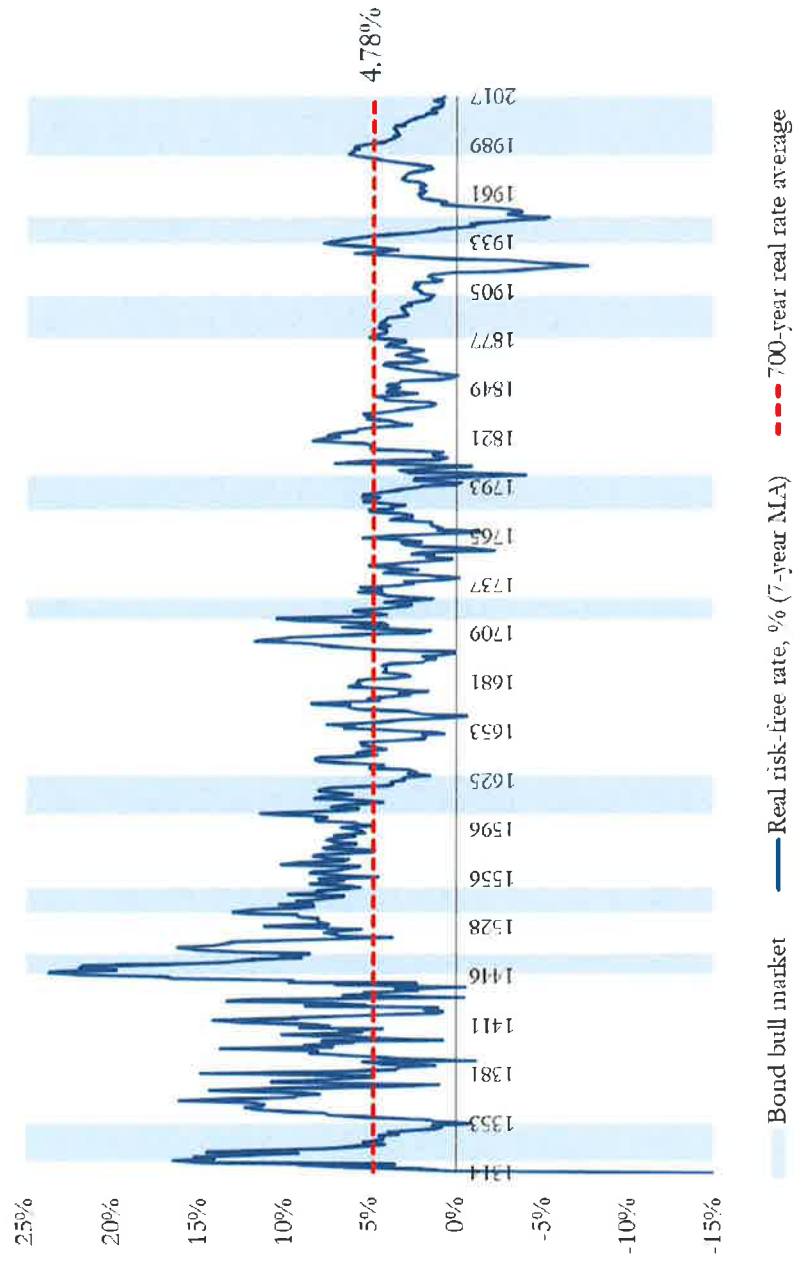
Return to “normal” interest rates will take time



Source: Datastream, Ord Minnett Research.

Global Economy

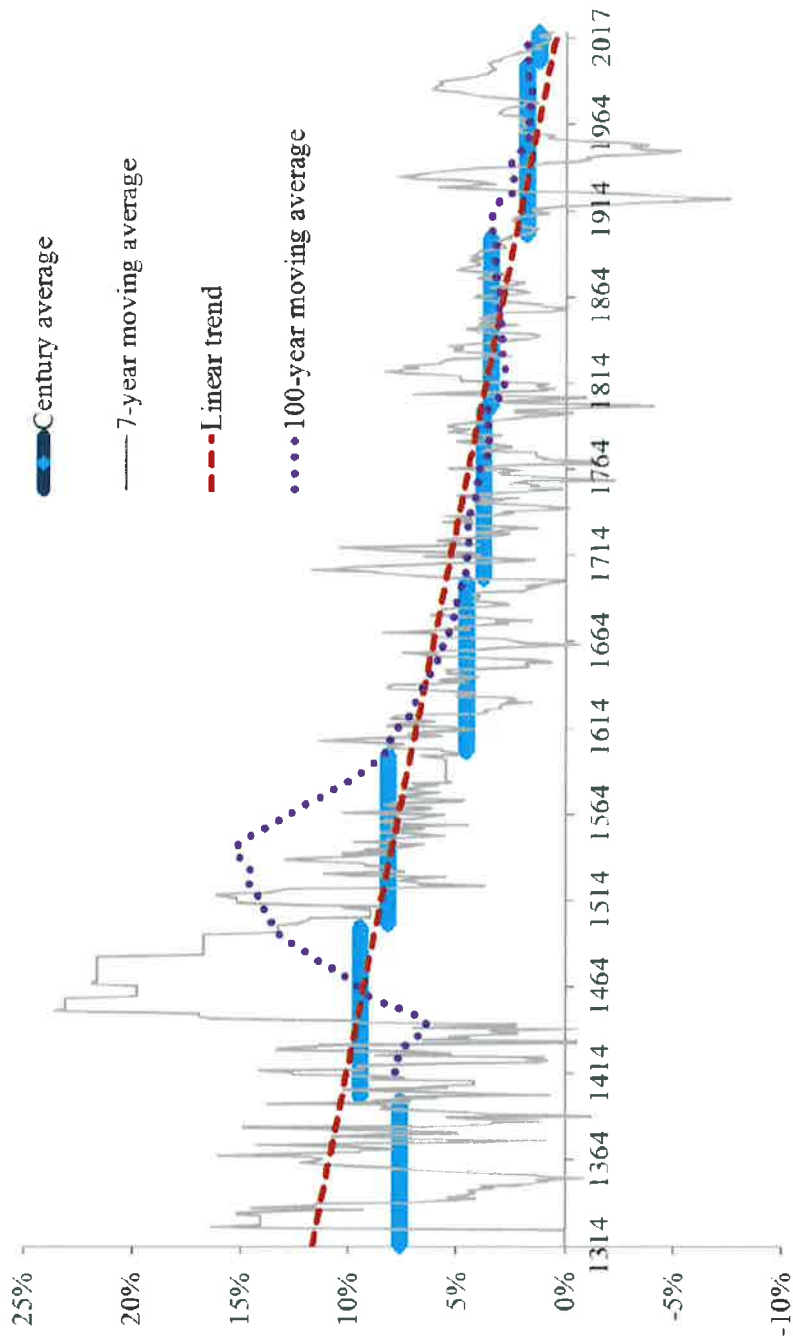
What do “normal” interest rates look like?



Source: Datastream, Ord Minnett Research.

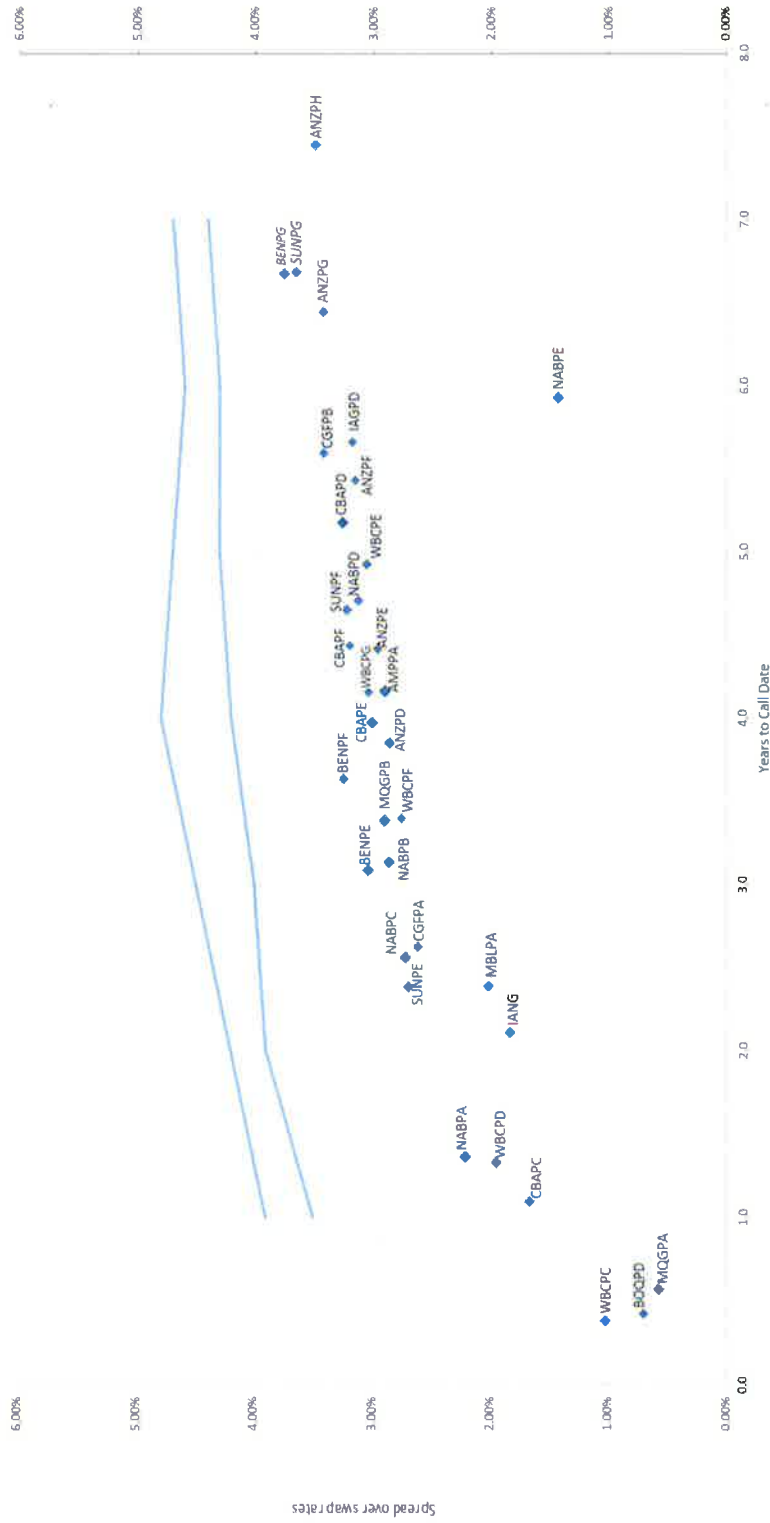
Global Economy

The long-term trend is lower



Source: Datastream, Ord Minnett Research.

Credit Environment “Expensive”



NOTE: The blue lines represent the bounds of the Ord Minnett Fair Value Model.

Portfolio Performance

Summary Reporting

Portfolio Summary & Performance						30-Nov-17
Account	Asset Type	Allocation %	Value \$	Performance Benchmark	Benchmark pa	Over/Under Perf (pa)
Short Term	Cash & Term Deposits	17.2%	2,250,000.00	RBA Cash Rate	1.50%	2.60% ✓ 1.10%
Listed	Listed Sub Notes & Bonds	33.4%	4,364,547.96	Bank Bill Index	1.97%	3.93% ✓ 1.96%
Unlisted	Unlisted Bonds**	49.4%	6,459,319.55	Bank Bill Index	1.80%	6.20% ✓ 4.40%
Total		100.0%	13,073,867.51	Composite	1.80%	4.37% ✓ 2.57%

* IRR since inception of UMA on 13/10/15 (listed), net of all fees. Gross Weighted Average Return used since inception on 22/6/16 (unlisted).

Fees are deducted for both the listed and unlisted portfolios from the UMA cash balance within the listed portfolio. Because of the fees, the return on the unlisted is overstated (gross) and the listed return is understated. Current Average Interest Rate used for Short Term assets.

** The performance of the Unlisted Bonds includes a considerable amount of unrealised capital appreciation, we estimate the unlisted gross income yield to be approx: 4.59%

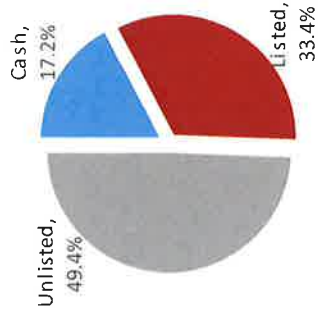


Portfolio Details

For Information

Portfolio Details

Account	Investment	Allocation %	Value \$	Asset Allocation
<i>Short Term</i>	Cash & Notice Accounts	0.0%	-	
	Term Deposits < 12 Mths	17.2%	2,250,000.00	
	SUB TOTAL (ORDS AC 1146256)	17.2%	2,250,000.00	
<i>Listed</i>	UMA Cash Account	0.1%	18,562.54	
	Listed Bonds & Subordinated Notes	33.2%	4,345,985.42	
	SUB TOTAL (UMA AC 24011234)	33.4%	4,364,547.96	
<i>Unlisted</i>	Pershing Cash	0.1%	18,896.55	
	Unlisted Bonds	49.3%	6,440,423.00	
	SUB TOTAL (PERSHING AC NG7-062128)	49.4%	6,459,319.55	
TOTAL PORTFOLIO		100%	13,073,867.51	



Portfolio Matters

For Discussion

Issuer & Credit Rating Exposure

S&P Issuer Rating	Issuer Exposure	Allocation %	Value \$	S&P Unlisted Bond Ratings
BBB-	Auswide Bank	3.9%	512,275.00	Auswide N/A
A	AMP	30.4%	3,971,556.65	AMP BBB+
BBB+	Australian Unity	9.1%	1,195,166.50	
BBB+	Bendigo & Adelaide Bank	8.0%	1,041,250.00	Bendigo/Adel BBB-
A	Challenger	3.9%	505,615.00	Challenger BBB
BBB	ME Bank	13.2%	1,727,098.00	ME Bank BB+
A+	Suncorp (including AAI)	23.6%	3,083,998.91	AAI BBB+
AA-	Westpac	7.6%	999,448.36	
A	Cash	0.3%	37,459.09	
TOTAL			13,073,867.51	"WATCH" "REVIEW"

Notes:

The maximum weighting to any Issuer shall be the lower of 5% of the assets of the Fund (TBC) or 25% of the portfolio by market value. [For review and discussion.](#)

- Suncorp (incl AAI) is currently <25% of the Portfolio but need to check 5% total asset limit (TBC). [Consider reducing AMP when the next AMP term deposit matures on 11 Dec.](#)

The credit quality of all securities must be investment grade or better and must also adhere to AFGD's ethical investment guidelines.

- The Issuer ratings are all investment grade (> BBB-) however the Auswide Bond is not rated and the ME Bank Bond is rated BB+. [For review and discussion.](#)

Questions

General Advice Disclaimer

Ord Minnett Limited including Ord Minnett Financial Planning Pty Limited

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BOARD MEETING DATE:

14/12/2017

No 9 Matters for Noting

Item: a

Title: Fund Managers Report

No of Pages. 7 incl Header



AFGD Management Report – to Board covering 28/09/17 to 8/12/17

Last update was provided as at 5/10/2017.

1. **Financial Performance**

Detailed analysis of performance benchmarks can be obtained in the monthly Financial Report

Objective:

Achieve the annual financial targets of the organisation in line with approved budgets and the prudential guidelines set down by the Diocesan Financial Advisory Task Force (DFATF)

Strategies:

Maintain a net interest margin in the range of 1.75% - 2.50%.

- Net interest margin as at 31/10/17 is **1.72%**

Mitigant:

- Reduced weighting in debt as schools received their remaining government funding top up reducing all line of credit usage impacting our return.
- This will correct in November & December 17.

Maintain Prudential Guidelines

- Capital Adequacy 31/10/2017 – 6.05% Benchmark 8% - 10%
- Liquidity – excluded Ord Minnett – 24.40% Benchmark 10% of Total Assets
This would be stronger if Ord Minnett included.

Increase deposit portfolio FUM (funds under Management) by 6% each year.

4.00% decrease at same point in time last year.

Mitigants:

- Schools are using cash against lines of credit and not holding funds in operating accounts.
- Long term retention rates of fixed investments remains stable.

Investment Policy that reflects a diversified portfolio.

A diversified Investment Policy is in place and currently producing returns the business is expecting. Summary Report is on the following page:

Operate the business within the expenditure budget parameters set Annually.

Total expenses YTD as at 31/08/17 is currently tracking \$44,454 under budget
Savings achieved in general operating costs and wages.

2. Marketing & Business Development

Objective:

Develop both internally within the Diocese and externally in other Dioceses opportunities to increase the portfolio in deposits and lending opportunities.

Business Development activities.

Merchant facilities for OP shops.

Complete:

- Coffs Harbour – installed June 17.
- Pt Macquarie – installed Sept 17.

Renewable Energy Loans – (parishes)

- Nil to date

“Pari Passu” agreement with Westpac

Bishop Druitt College (BDC)

- BDC Council approval to proceed has been obtained.
- Budgets for 2018 and projections for the years 2019 & 2020 have been approved by College Council
- AFGD funding approved under flying minute.
- Briefing paper and legal documents sent to Westpac 9/11/17 onwards.
- Westpac have appointed a new Senior Relationship Manager – Troy Mountain.
- I met with him on 23/11/17 and he has since had a meeting with Shane to make sure we are all on the same page.
- We are now leading up to Christmas and as much as we wanted this done by 31/12/17 before the new principal starts 8th January 18 it is unlikely to occur.
- 5/12/17 I attended the Junior Presentation day.
- AFGD made a \$500 donation toward the awards.

Lindisfarne Anglican Grammar School (LAGS)

- Line of Credit Facility for \$6M settled 19/7/17.
- Currently drawn to \$2,500,000.
- I met with the Business Manager Graham Jones 6/12/17 to have a planning discussion for funding requirements out to 31/12/18.
- He indicated that they currently hold sufficient cash reserves and working capital lines with no immediate needs in 2018.
- They have appointed an Architect to commence in 2018 to design the master plan and buildings for the new campus and upgrade of the existing campuses. I will provide a more comprehensive report in the new year.
- I also attended their Senior Speech Night on 6/12/17 and made presentations on behalf of AFGD as we contributed \$500.00.

St Columba Anglican School (SCAS)

- Met with Business Manager Garry Clifton and from Westpac Les Murray Senior Relationship Manager & Sharon Wilkins head of Education and Community on 26/10/17 and 27/11/17 to discuss the school including funding and transactional banking requirements.
- The half yearly review trigger is 30/9/17 has been completed by AFGD with the school looking for a restructure to existing facilities with us.
- I have put a proposal to them with three options, The option they chose is beneficial to AFGD as it gets us out of the remaining 3 year commitment on a fixed rate line of credit and builds in a line fee of \$1.00% on an \$8M facility offsetting our internal cost of capital to hold the limit with low utilisation and generates a consistent \$80K per annum in line fee income.
- I have provided the school with a revised offer taking into account the changes they had sought.
- I have provided Westpac with a briefing paper of the changes sought.
- Under the Pari Passu Deed we will require consent and approval from Westpac before proceeding with any changes.
- 6/12/17 – Gary & Cilla Boyd on behalf of AFGD attended the SCAS Senior Presentation Award night.
- AFGD made a \$500 donation toward the awards.

St Cuthbert's Retirement Living Complex (SCRLC)

- 7/12/17 – Met with Heather Lewis Manager SCRLC to discuss their current and ongoing requirements into 2018.
- They currently have a number of vacancies which have allowed them to continue upgrading the facilities however they are seeking an extension of the temporary overdraft for a further term out to the end of March 2018 to manage cash flow and upgrades. A unit sale with no unit holder payout will be received in February 18 clearing the short term borrowings in full.
- Further negotiations on the loan facility will be put to the Board via flying minute and upon response we can make any necessary variation to the loan agreement.
- Heather indicated SCRLC are exploring a number of options in regard to the business and are currently leaning toward sale as a going concern if and when appropriate.

Externally:

Develop opportunities in deposit offering products with other Diocese that do not operate a development fund.

Develop opportunities in lending with other Diocese that do not operate a development fund or in conjunction with another Diocese who do operate a development fund and may want to do a joint lending venture.

Anglican Diocese of Armidale

- Armidale at this stage are going down the road of a carve out in the Corporations Act allowing them to continue issuing debentures on a self-dealing basis.
- This is based on the legal advice they received from Minter Ellison.
- No further action from AFGD at this stage.

Other Anglican Diocese

- As we continue to move forward with The Anglican Investment Trust it will provide other Dioceses with a platform for retail non associated to invest within the Anglican Church or potentially invest in their Diocese.

3. **Customer & Stakeholder:**

Objective:

Continue to enhance our service offering as a point of differentiation by providing exceptional personalised service.

Strategies:

Customer:

Continue building our culture as a customer focused organisation.

- Refer to Marketing and Business Development for recent activities.

Stakeholder:

Build on improving the relationship AFGD have with its stakeholders in order to achieve mutually beneficial outcomes.

Internal:

Bishop Druitt College (BDC)

- Refer to commentary above at point 2.

Clarence Valley Anglican School (CVAS)

- At AFGD's last Board meeting we agreed to extend facilities out to 28/2/17 unchanged.
- The school is to provide updated budgets and census numbers to us to assist with monitoring during the 2018 year.
- I have not been able to meet with Ian Morris before the year end and he is now on 6 weeks annual leave.
- 6/12/17 – David Ford on behalf of AFGD attended the CVAS Senior Presentation Award Day.
- AFGD made a \$500 donation toward the awards.

Emmanuel Anglican College

- 5/12/17 Met with Business Manager Kelley Malaba & Finance Manager Peter Weingarth to discuss the schools immediate 2018 funding lines and the longer term master plans for the campus.
- To assist analysis and discussions they have provided
 - Management Accounts to 30/9/17
 - 2018 approved council operating budget.
 - 2018 to 2022 five year forecast including capital borrowing requirements.
- They were successful in obtaining a BGA grant for \$850K to assist construction of additional learning spaces in 2018.
- Funding from AFGD circa \$1.5M required to assist.
- Further in 2019 they intend to undertake major construction on a hall/multi-purpose venue. Cost to be determined in the vicinity of \$7M. Borrowings required likely to be \$3.5M.
- The school currently does not have an undercover venue where they can address all students.
- The school council views this as a priority if it is to continue attracting students to the campus.
- Peter is putting together a briefing pack on this for us to assist us with our planning. During 2018 and into 2019 we may need to look at entering into a Pari Passu agreement to assist fund this project.

- It will be dependent upon our current exposure levels and available capital to assist.
- I will be putting together a proposal for sign off on the 2018 facilities including the new learning spaces. Increase sought \$1.5M.
- I also attended their Senior Presentation Awards on 6/12/17 and made presentations on behalf of AFGD as we contributed \$500.00.

Diocesan Schools Network (DSN)

- I attended the Diocesan Schools Network held at SCAS on 30/9/17 & 1/10/17 and found the networking and learning experience beneficial.
- I was the guest presenter and spoke to them on the principle of the "Five C's" of credit and provided an overview of the initiatives AFGD is involved in with parishes and schools.

External:

Focus for 2017 YTD has been external due to some critical timelines.

APRA/ASIC

APRA – No change in their position. AFGD remains confident it can comply with their requirements.
ASIC - previously well documented.

Refer to whiteboard presentation in the Board room to explain current position.

AFSA - New digital platform has been launched.
 Feedback to date has been mainly positive.
 Annette & Linda have handled all customer enquiries and set ups in a courteous and professional manner.

I would expect post rollout we will receive a revised pricing model to renew our current open ended service agreement contract with AFSA and Data Action.

4. Human Resources

Objective:

Develop our people to ensure they become valued contributors to the mission of AFGD.
 Invest in our people by providing them with the necessary training to do their roles and equip them with qualifications recognised externally in the finance industry.

Strategies:

Ensure correct staffing structure is in place

- Review topic for consideration with the 2018 budgets.

5. **Governance Compliance and Risk Management.**

Objective:

Improve our not for profit governance through undertaking a full review and upgrade of our policies and procedures.

Strategies:

Review and redraft any proposed amendments to improve Governance and transparency.

- Current Priority is to finalise our position with ASIC.

Blaine Fitzgerald
Fund Manager AFGD
8/12/17



BOARD MEETING DATE:

14/12/2017

No 9 Matters for Noting

Item: b

Title: Financial Reports

No of Pages. 16 incl Header

AFGD Dashboard

AFGD Dashboard - as at 31-10-17

Margins & Cost of Funds (COF)				
	<u>31-10-17</u>	<u>30-09-17</u>	<u>Variance</u>	<u>Comment</u>
Loans	5.251%	5.352%	-0.10%	
Ord Minnett	4.300%	4.300%	0.00%	
Cash	2.323%	2.097%	0.23%	
Ave Return on assets	4.132%	4.423%	-0.29%	
Savings	1.061%	1.066%	0.00%	
Investment	2.630%	2.627%	0.00%	
Ave weighted COF	2.412%	2.426%	-0.01%	
Margin	1.720%	1.997%	-0.28%	Strategic Plan benchmark 1.75% to high of 2.50%

Capital Adequacy - target is 10%				
	<u>31-10-17</u>	<u>30-09-17</u>	<u>Variation</u>	<u>% below min target</u>
Total Equity	1,365.0	1,361.3	\$ 3.71	
Risk Weighted Assets	22,558.6	22,315.4	\$ 243.27	
Capital Adequacy	6.05%	6.10%	-0.05%	3.95%

Total Deposits & Lending (\$'000's)				Cash & Investments	
	<u>31-10-17</u>	<u>30-09-17</u>	<u>Variation</u>	<u>\$ '000's</u>	
Deposits	\$ 37,610.4	\$ 37,662.7	-\$ 52	AFSA	312.4
addback				Westpac	1,520.1
re-draw funds	\$ -	\$ -		ORD Minnett	10,672.9
	<u>\$ 37,610.4</u>	<u>\$ 37,662.7</u>		Melb DIF	7,500.0
				BOQ	-
Lending	\$ 32,218.5	\$ 32,395.3	-\$ 177	ME Bank	-
addback				AMP	2,250.0
re-draw funds	\$ -	\$ -			<u>\$ 22,255.4</u>
	<u>\$ 32,218.5</u>	<u>\$ 32,395.3</u>			<u>% holding</u>
				AFSA	1.40%
				Westpac	6.83%
				ORD Minnett	47.96%
				AMP	10.11%
				Melb DIF	33.70%
Cash/ Investment	\$ 22,255.4	\$ 18,781.9	\$ 3,474	BOQ	0.00%
LOC facilities	\$ 1,600.0	\$ 1,600.0	\$ -	ME Bank	0.00%
Total available	\$ 23,855.4	\$ 20,381.9	\$ 3,474		100.00%
Liquidity Ratio	63.43%	54.12%	9.31%		

Fixed Investment retention Rates at month end				
	<u>Portfolio Balance</u>	<u>Redemptions</u>	<u>%</u>	<u>Explanation</u>
(000's)	\$ 32,396.7	\$ 516.8	1.60%	Large redemption \$145K estate planning

Loan Portfolio Performance at month end					
	<u>Portfolio Balance</u>	<u>Drawn Loc's</u>	<u>Undrawn Facilities</u>	<u>Term Loans</u>	<u>Explanation</u>
(000's)	\$ 17,134.5	\$ 3,306.0	\$ 15,084.0	\$ 13,828.5	
				<u>Arrears</u>	
				Nil	No arrears/non-performing loans.
				<u>Av. Term to maturity (years)</u>	
				7.14	Indicates without new lending loan portfolio to be repaid in full in less than 8 years.

AFGD Dashboard

P & L Summary - Month in Isolation (\$000's)					
	Actual 31-10-17	Budget for 31-10-17	Variation		Explanation
All income	\$ 136.1	\$ 166.3	-\$ 30.2	Income	Facility usage significantly reduced on loan portfolio
Expenses	\$ 117.8	\$ 148.0	-\$ 30.2	Expenses	Savings achieved interest paid investors and general operating expenses
Net profit	\$ 18.3	\$ 18.3	\$ -		
Contrib Diocese	\$ 14.6	\$ 14.6	\$ -		
Balance after Dist	\$ 3.7	\$ 3.7	\$ -		

P & L Summary - YTD (\$000's)					
	Actual as at 31-10-17	Budget as at 31-10-17	Variation		Explanation
All income	\$ 1,382.5	\$ 1,663.7	-\$ 281.2	Income	Facility usage significantly reduced on loan portfolio has reduced income
Expenses	\$ 1,213.4	\$ 1,426.8	-\$ 213.4	Expenses -	Savings achieved interest paid investors and general operating expenses.
Net profit	\$ 169.1	\$ 236.9	-\$ 67.8		
Contrib Diocese	\$ 146.0	\$ 146.0	\$ -		
Balance after Dist	\$ 23.1	\$ 90.9	-\$ 67.8		

Ord Minnett Portfolio Summary (000's)			Comments
MV	Cost base	Movement	Portfolio MV is holding Revaluation occurs quarterly -
31-10-17			
\$ 10,565.95	\$ 10,459.30	\$ 106.65	
Income			
YTD Actual	Annualised	Gross Yield	Cash flow forecast indicates gross income to be \$449K. This annualised result will smooth as year progresses Anticipated Gross yield 4.37%
\$ 374.74	\$ 449.69	4.30%	
Cashflow	\$ 449.63	4.30%	
Fees			
YTD Actual	Annualised	%	Agreement is 40% - tracking to plan
\$ 33.55	\$ 40.26	0.38%	

Capital Adequacy: (Target > 10% of Risk Weighted Assets)

Assets		Weighting	Asset Value	RWA
Cash (Govt. Securities, A Rated Aust. Banks)		10%	\$ 11,582,498	\$ 1,158,250
Cash (Other Aust. Banks, ADI's)		20%	\$ -	\$ -
Anglican Loans -Unsecured		100%	\$ -	\$ -
Anglican Loans -Secured	\$ 17,134,510	50%	\$ 17,134,510	\$ 8,567,255
Undrawn Anglican Loans -Secured		50%	\$ 15,084,010	\$ 7,542,005
redraw funds available		50%	\$ -	\$ -
External Loans - Secured Commercial property		100%	\$ -	\$ -
Undrawn Ext. Loans - Secured Commercial property		100%	\$ -	\$ -
Equities		400%	\$ -	\$ -
Ord Minnett Subordinated Notes		50%	\$ 10,559,550	\$ 5,279,775
Other Investments		300%	\$ -	\$ -
Ord Cash		10%	\$ 113,398	\$ 11,340
Total Assets			\$ 54,473,966	\$ 22,558,625

N.B. As Asset Values include undrawn loans, figures won't reconcile with the Balance Sheet.

Risk Concentration:

Internal loans (< 30% of Total Assets)

	Limit	30%	Total Assets:	Limit Amount:
Limit	\$	54,473,966	\$	16,342,190
Loans > 30% of TA			\$	12,594,803

200% -\$ 3,747,387 \$ -

External loans (< 5% of Total Assets)

	Limit	5%	Total Assets:	Limit Amount:
Limit	\$	-	\$	-
Loans > 5% of TA			\$	-

400%: \$ - \$ -

Total Risk Weighted Assets \$ 22,558,625

8% \$ 1,804,690

+ 2% Buffer \$ 451,172

Required Capital 10% \$ 2,255,862

Equity:

2016 audited	Accumulated Funds	\$ 1,238,452
	Asset Reserves	\$ 103,406
	Adjustments	
Management results	YTD profit after distribution	\$ 23,110
	Total Equity	\$ 1,364,968
	"Surplus" Capital	-\$ 890,894
	Actual Capital Adequacy ratio	6.05%

Liquidity (> 10% of Total Assets):

Total Assets:		\$ 54,478,656
Minimum Liquidity requirement	10%	\$ 5,447,866
Actual position:		
Cash		\$ 11,695,896
Undrawn Bank OD Facility		\$ 1,600,000
Total Actual Liquidity		\$ 13,295,896
"Surplus" Liquidity		\$ 7,848,030
Actual Liquidity Ratio		24.4%

Month and YTD Budget Variance
October 2017

	Oct			YTD			YTD			Variance %
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	
4-0000										
Income										
Interest Recd - Investments	13,653	18,685	(3,032)	187,377	192,461	(5,084)	-3%	Reduced return on cash		
Interest Recd - Borrowers	81,649	109,349	(27,700)	849,464	1,072,327	(222,863)	-21%	Timing delays on new business has negatively impacted returns.		
Sundry Income - Other Asset classes and Sen	38,783	38,219	564	345,636	398,908	(53,272)	-13%	Realised loss on maturity of sub notes/bonds - not budgeted \$57K		
Total Income	136,085	166,253	(30,169)	1,382,476	1,663,696	(281,220)	-17%			
Total Cost Of Sales	77,543	97,459	19,916	795,770	956,117	160,347	17%	Reduced returns paid to investors has assisted offset income position.		
Gross Profit	58,542	68,795	(10,253)	586,706	707,579	(120,873)	-17%			
6-0000										
Expenses										
Total Employee Benefits	21,696	23,198	1,502	204,868	233,180	28,312	12%	Restructure of staff has generated savings		
Total Professional Fees	1,313	1,313	1	31,162	17,130	(14,032)	-82%	Legal Fees ASIC		
Total Banking Costs	14,535	20,100	5,565	141,932	154,000	12,068	8%	within budget parameters		
Total Insurance Costs	1,108	1,454	346	10,684	14,540	3,856	27%	adjust expected in November '17		
Total General Operations Costs	1,614	4,360	2,746	28,949	51,825	22,876	44%	General expenditure well controlled.		
Total Expenses	40,265	50,425	10,160	417,596	470,675	53,079	11%			
Total Net Profit	18,276	18,369	(93)	169,110	236,904	(67,794)	-29%			
Distribution to Diocese	14,600	14,600	-	146,000	146,000	-				
Net Profit(Loss) after distribution	3,676	3,769	(93)	23,110	90,904	(67,794)	-2%			

Rexson

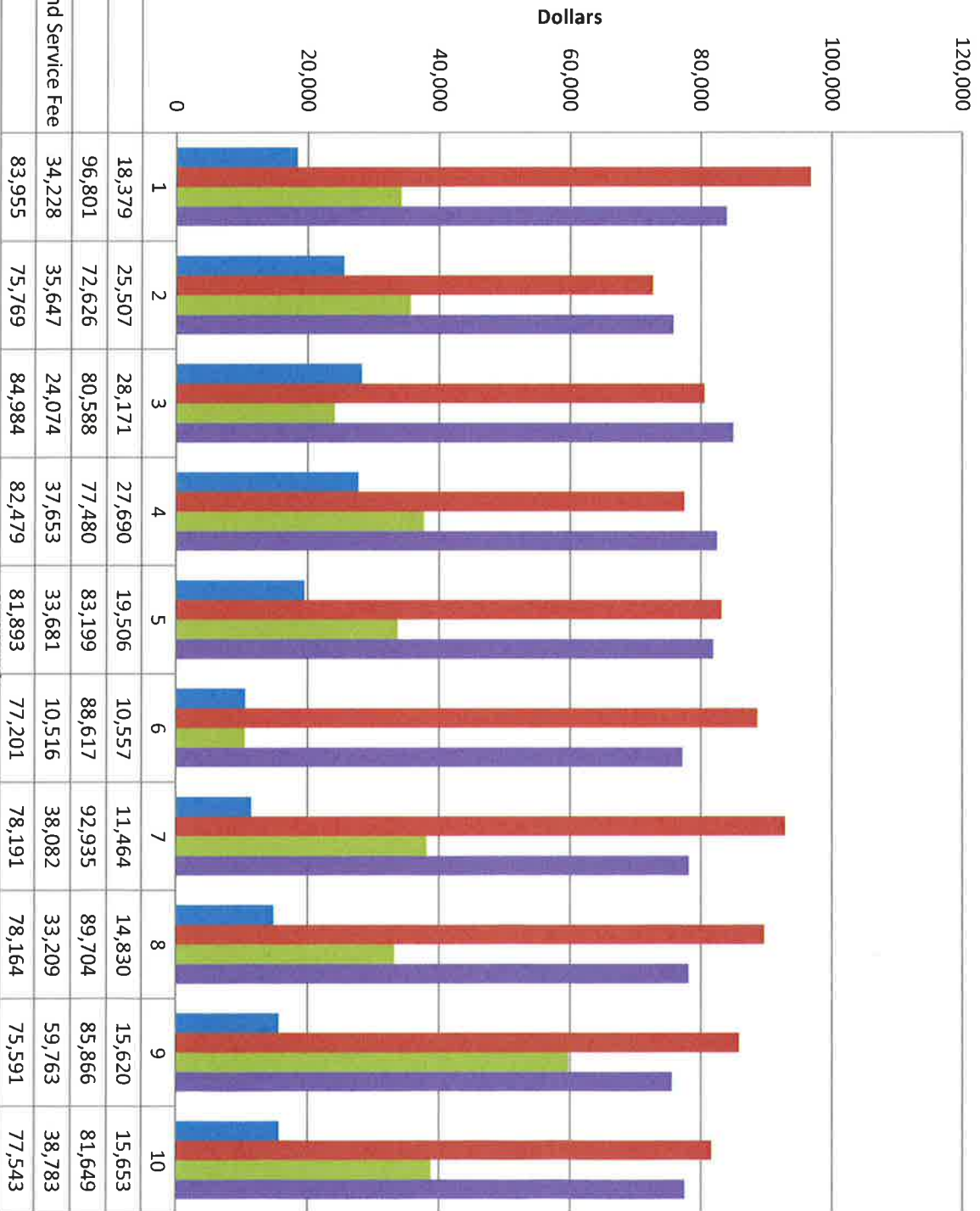
Anglican Funds Grafton Diocese
Level 1 - 50 Victoria Street
Grafton 2460
NSW

Balance Sheet [Multi-Period]

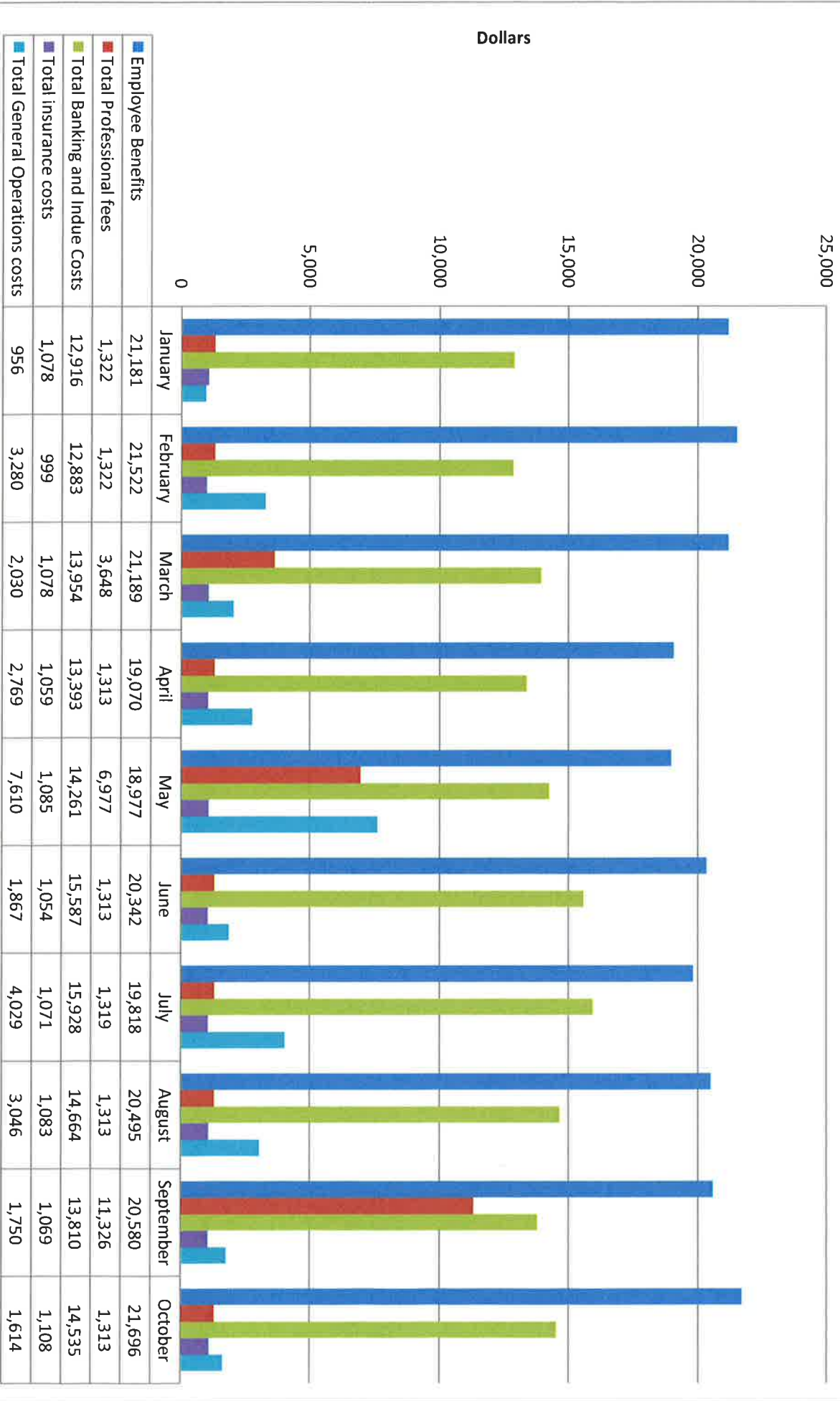
January 2017 To October 2017

Account No.	Account Name	January	February	March	April	May	June	July	August	September	October
Assets											
	Current Assets	986,475	991,055	1,789,743	970,554	1,145,047	973,950	999,236	1,439,970	1,005,111	1,016,933
		14,529,134	12,148,855	14,584,947	11,300,954	8,716,605	6,288,725	7,125,117	6,401,260	7,171,076	10,473,335
	Investors - Interest Bearing Securities	7,572,198	8,823,214	9,033,926	10,065,856	9,918,756	10,261,740	10,261,740	10,039,866	10,560,354	10,560,354
		76,994	100,143	74,656	72,427	79,313	25,862	36,291	42,377	54,414	45,539
	Fixed Assets Current	4,690	4,558	4,426	4,295	34,392	33,742	33,093	32,443	31,793	31,144
	Loan Assets	17,728,677	17,874,476	17,217,851	18,454,249	19,178,640	21,307,945	20,837,855	21,687,881	20,543,752	17,134,510
		0	0	0	0	0	0	0	0	0	0
	Total Assets	40,898,168	39,942,302	42,705,549	40,868,334	39,072,752	38,891,963	39,293,331	39,643,797	39,366,499	39,261,815
Liabilities											
	Current Liabilities	33,790	25,443	28,993	28,311	54,178	20,234	22,748	25,204	24,795	26,417
		130	256	375	500	633	0	143	295	443	595
		254,158	270,416	311,771	319,334	342,079	361,724	291,408	293,953	304,798	245,418
	Investor Funds Fin Liab Current	5,354,355	4,459,793	5,662,947	5,682,830	4,285,304	4,781,735	5,543,633	5,162,989	4,860,012	5,213,867
		32,051,491	31,962,340	33,486,735	31,616,225	31,175,649	30,481,583	30,183,980	30,915,331	30,888,344	30,482,177
	Sundry Liabilities	11,561	12,174	13,974	12,240	9,197	11,291	11,914	13,109	12,238	13,795
		1,905,859	1,921,649	1,923,922	1,923,922	1,926,555	1,929,971	1,926,555	1,912,376	1,914,577	1,914,577
	Total Liabilities	39,611,345	38,652,072	41,428,717	39,583,362	37,793,595	37,586,538	37,980,381	38,323,257	38,005,208	37,896,847
	Net Assets	1,286,824	1,290,230	1,276,832	1,284,972	1,279,157	1,305,425	1,312,949	1,320,540	1,361,292	1,364,968
	Total Equity	1,286,824	1,290,230	1,276,832	1,284,972	1,279,157	1,305,425	1,312,949	1,320,540	1,361,292	1,364,968

Income less Cost of Sales



Expenses



Anglican Funds Cratton Diocese
Level 1 - 30 Victoria Street
Cratton 2460
NSW

Profit & Loss Statement
January 2017 through December 2017

	January	February	March	April	May	June	July	August	September	October	YTD	November	December	Forecast	Budget	Variance
4-0000	Income															
Interest Recd - Investments	18,379	25,607	28,171	27,690	19,606	10,557	11,464	14,830	15,620	15,653	187,377	16,274	14,014	217,664	222,748	(5,084)
Interest Recd - Borrowers	96,801	72,626	80,588	77,480	83,199	88,617	92,935	89,704	85,666	81,649	849,464	105,822	109,349	1,064,635	1,287,500	(222,865)
Sundry Income - Other Asset Classes and Ser	34,228	35,647	24,074	37,653	33,681	10,516	38,082	33,209	59,763	38,783	345,636	36,986	51,906	434,528	487,796	(53,268)
Total Income	149,408	133,780	132,832	142,822	136,386	109,690	142,481	137,743	161,249	136,085	1,382,476	159,082	175,269	1,716,828	1,998,044	(281,216)
5-0000	Cost Of Sales															
Total Interest Paid to Investors	83,955	75,769	84,984	82,479	81,893	77,201	78,191	78,164	75,591	77,543	795,770	92,219	92,045	980,034	1,140,381	(160,347)
6-0000	Gross Profit															
	65,453	58,011	47,848	60,343	54,493	32,489	64,290	59,578	85,659	58,542	586,706	66,863	83,225	736,794	857,663	(120,869)
6-0000	Expenses															
Total Employee Benefits	21,181	21,522	21,189	19,070	18,977	20,342	19,818	20,495	20,580	21,696	204,868	23,198	23,598	251,665	279,979	(28,314)
Total Professional fees	1,322	1,322	3,648	1,313	6,977	1,313	1,319	1,313	11,326	1,313	31,162	1,313	2,313	34,788	20,756	(14,032)
Total Banking and Indue Costs	12,916	12,883	13,954	13,393	14,261	15,587	15,928	14,664	13,810	14,535	141,932	15,100	15,100	172,132	184,200	(12,094)
Total Insurance costs	1,078	999	1,078	1,059	1,085	1,054	1,071	1,083	1,069	1,108	10,684	534	534	11,751	15,606	(3,855)
Total General Operations costs	956	3,280	2,030	2,769	7,610	1,867	4,029	3,046	1,750	1,614	28,949	4,135	3,735	36,819	59,695	(22,876)
Total Expenses	37,453	40,005	41,899	37,603	48,909	40,162	42,165	40,600	48,535	40,285	417,596	44,280	45,280	507,156	560,236	(53,106)
9-0000	Total Net Profit															
	28,001	18,006	5,949	22,740	5,584	-7,673	22,124	18,978	37,124	18,276	169,110	22,583	37,945	229,638	297,427	(67,789)
9-0000	Distribution to Diocese															
Total Other Expenses	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	146,000	14,600	14,400	175,000	175,000	-
Net Profit/(Loss) after distribution	13,401	3,406	-8,651	8,140	-9,016	-22,273	7,524	4,378	22,524	3,676	23,110	7,983	23,545	54,638	122,427	(67,789)

Profit & Loss Statement
 January 2017 through December 2017

	January	February	March	April	May	June	July	August	September	October	YTD	November	December	Forecast	Budget	Variance								
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget											
4-0000	Income																							
4-1010 4-1010	Interest Received - Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	16,274	14,014	30,288	0	222,748	(192,460)				
4-1011 4-1011	Interest Recd - NAB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
4-1012 4-1012	Interest Recd - AFSA	353	320	356	345	357	339	350	350	346	4,956	0	0	0	0	0	0	0	4,956	0				
4-1013 4-1013	Interest Recd - Melb CF7963	6,918	11,010	12,075	10,308	8,532	1,082	2,597	5,063	7,467	69,786	0	0	0	0	0	0	0	69,786	0				
4-1014 4-1014	Interest recd - WBC	1,754	1,807	2,044	1,866	2,964	2,995	2,017	1,885	2,106	21,944	0	0	0	0	0	0	0	21,944	0				
4-1015 4-1015	Interest Recd - AMP	2,493	3,222	3,567	6,240	7,654	6,142	6,011	7,400	5,734	55,623	0	0	0	0	0	0	0	55,623	0				
4-1016 4-1016	Interest Recd - ME Bank	109	3,049	3,376	3,267	0	0	0	0	0	9,801	0	0	0	0	0	0	0	9,801	0				
4-1017 4-1017	Interest Recd - BOQ	6,752	6,099	6,752	5,653	0	0	0	0	0	25,286	0	0	0	0	0	0	0	25,286	0				
4-1020 4-1020	Interest Recd - Investments	18,379	25,507	28,171	27,690	19,506	10,557	11,464	14,830	15,653	187,377	16,274	14,014	217,664	16,274	14,014	386,276	0	222,748	(5,084)				
4-1021 4-1021	Overdrft/LOC INT INC	23,998	7,226	8,573	8,120	11,932	19,936	24,415	23,942	18,500	171,105	105,822	109,349	386,276	105,822	109,349	0	0	1,287,500	(901,224)				
4-1022 4-1022	Interest Only Loans INT INC	24,082	22,780	25,221	24,407	25,220	23,783	22,364	20,012	19,667	226,613	0	0	226,613	0	0	0	0	0	0				
4-1022 4-1022	Princ & Int Loans INT INC	48,720	42,621	46,794	44,953	46,046	44,898	46,108	45,276	42,847	451,746	0	0	451,746	0	0	0	0	0	0				
4-1053 4-1053	Interest Recd - Borrowers	96,801	72,626	80,588	77,480	83,199	88,617	92,935	89,704	81,649	849,464	0	0	849,464	0	0	0	0	105,822	109,349	1,084,635	1,287,500	(222,865)	
4-1053 4-1053	Franking Credits	0	0	0	0	0	0	0	0	0	509	0	0	509	0	0	0	0	0	0	509	0	0	0
4-1055 4-1055	Ord Min List Interest Income	0	0	78,257	23,528	22,301	23,353	17,390	17,390	16,567	216,036	26,549	27,782	270,387	26,549	27,782	0	0	320,482	(50,145)				
4-1056 4-1056	Ord Min ULIST Interest Income	28,953	35,640	-45,965	14,125	14,070	14,345	20,678	20,678	22,216	146,340	10,438	10,438	167,215	10,438	10,438	0	0	112,566	54,649				
4-1057 4-1057	Proceeds of Sale of Bonds	0	0	-15,375	0	-2,698	-34,306	0	-4,886	0	-57,265	0	0	-57,265	0	0	0	0	0	0	(57,265)	(57,265)		
4-2100 4-2100	Line Fee Income	0	0	7,125	0	0	7,125	0	0	0	34,647	0	0	48,334	0	0	0	0	48,334	54,748	(6,414)			
4-3000 4-3000	Sundry Income	5,275	7	32	0	8	5,275	14	26	7	5,389	0	0	5,389	0	0	0	0	0	0	5,389	0		
	Sundry Income - Other Asset classes and Service Fee	34,228	35,647	24,074	37,653	33,681	10,516	38,082	33,209	38,783	345,636	36,986	51,906	434,528	36,986	51,906	0	0	487,796	(53,268)				
	Total Income	149,408	133,780	132,832	142,822	136,386	109,690	142,481	137,743	136,085	1,362,476	159,082	175,289	1,716,828	159,082	175,289	0	0	1,998,044	(281,216)				
5-0000 5-0000	Cost Of Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
5-2100 5-2100	Interest Paid to Investors	83,955	75,769	84,984	82,479	81,893	77,201	78,191	78,164	77,543	795,770	92,219	92,045	980,034	92,219	92,045	0	0	980,034	1,140,381	160,347			
	Total Cost Of Sales	83,955	75,769	84,984	82,479	81,893	77,201	78,191	78,164	77,543	795,770	92,219	92,045	980,034	92,219	92,045	0	0	980,034	1,140,381	160,347			
	Gross Profit	65,453	58,011	47,848	60,343	54,493	32,489	64,290	59,578	58,542	566,706	66,863	83,225	736,794	66,863	83,225	0	0	857,663	(120,869)				
6-0000 6-0000	Expenses																							
6-1000 6-1100	Provision for Annual Leave	1,246	1,016	1,246	-1,339	-1,339	93	1,246	554	324	3,437	0	0	3,437	0	0	0	0	1,167	1,167	3,437	1,4004	(11,670)	
6-1200 6-1200	Provision Long Service Leave	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,167	1,167	2,334	1,4004	(11,670)	
6-1300 6-1300	Salaries and Wages	17,022	17,563	17,022	17,475	17,475	17,224	16,484	18,138	18,936	174,635	18,780	18,780	212,135	18,780	18,780	0	0	225,000	12,865				
6-1500 6-1500	Superannuation	1,617	1,617	1,617	1,617	1,617	1,617	1,586	1,632	1,784	16,393	1,781	1,781	19,995	1,781	1,781	0	0	21,375	1,420				
6-1600 6-1600	Staff Training	0	0	0	0	0	0	0	0	0	400	0	0	400	0	0	0	0	400	1,600	1,200			
6-1700 6-1700	Fund Manager Vehicle	1,295	1,326	1,303	1,317	1,224	1,408	522	1,013	653	10,404	1,500	1,500	13,404	1,500	1,500	0	0	18,000	4,596				
6-4300 6-4300	Total Employee Benefits	21,181	21,522	21,189	19,070	18,977	20,342	19,818	20,495	21,696	204,988	23,198	23,598	251,665	23,198	23,598	0	0	279,979	28,314				
6-4360 6-4360	Audit Fees	1,313	1,313	1,313	1,313	5,664	1,313	1,313	1,313	1,313	13,125	1,313	1,313	15,775	1,313	1,313	0	0	15,775	5				
6-4410 6-4410	Legal Fees	0	0	2,335	0	0	0	7	0	0	8,037	0	0	9,037	0	0	0	0	9,037	(4,037)				
6-4410 6-4410	Consultancy Fees	0	0	0	0	0	0	0	0	0	10,000	0	0	10,000	0	0	0	0	10,000	(10,000)				
6-4400 6-4400	Total Professional fees	1,322	1,322	3,648	1,313	6,977	1,313	1,319	1,313	1,313	11,326	1,313	1,313	31,162	1,313	1,313	0	0	34,788	20,756				
6-4402 6-4402	WBC Bank Charges	457	446	490	543	491	579	482	524	618	5,214	650	650	6,514	650	650	0	0	7,800	1,285				
6-4412 6-4412	Indie Fees	26	115	107	48	76	180	103	110	48	915	0	0	915	0	0	0	0	7,800	(915)				
6-4440 6-4440	Donations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,000	5,000			
6-4440 6-4440	WBC Line of Credit Charges	828	748	948	801	828	921	828	828	921	8,481	960	960	10,381	960	960	0	0	11,400	1,020				
6-4442 6-4442	Ord Minnet Brokerage/Advice	2,586	2,667	3,117	3,000	3,757	3,259	3,507	3,600	3,392	32,502	4,000	4,000	40,502	4,000	4,000	0	0	46,000	5,498				
6-4445 6-4445	AFSA Line of Credit Charges	0	0	0	0	0	0	18	0	0	26	0	0	26	0	0	0	0	26	0				
6-4450 6-4450	AFSA Service Agreement Fees	9,009	8,908	9,222	9,000	9,110	10,647	10,991	9,602	8,822	94,784	9,500	9,500	113,794	9,500	9,500	0	0	114,000	206				
	Total Banking Costs	12,916	12,883	13,954	13,333	14,261	15,587	15,928	14,664	13,810	145,352	15,100	15,100	172,132	15,100	15,100	0	0	184,200	12,094				
6-4510 6-4510	Insurance - Workers Comp	254	254	254	261	260	257	246	259	271	2,600	534	534	3,668	534	534	0	0	6,406	2,738				

6-4530 6-4530	Insurance - General	824	745	824	798	824	798	824	798	824	8084	0	0	8,084	9,200	1,116
6-4200 6-4200	Total Insurance costs	1,078	999	1,078	1,099	1,095	1,054	1,071	1,083	1,089	1,108	1,108	10,684	534	534	3,895
6-4425 6-4425	Advertising	0	337	0	210	210	570	650	650	650	650	0	1,537	200	200	465
6-4600 6-4600	Depreciation Expense	0	132	132	132	439	650	650	650	650	650	0	4,083	200	200	2,400
6-4810 6-4810	Meeting Expenses	0	0	169	125	145	61	0	133	119	33	0	786	140	140	(2,083)
6-4700 6-4700	Marketing	0	0	0	0	0	0	0	0	0	0	0	0	400	400	630
6-4800 6-4800	Postage	0	151	122	146	142	155	141	141	188	156	0	1,342	175	175	4,000
6-4850 6-4850	Printing & Stationery	130	512	906	489	769	14	1,184	0	0	42	4,046	1,000	1,000	4,175	2,480
6-4900 6-4900	Recruitment Expenses	0	0	0	0	0	0	0	125	0	0	0	125	0	0	5,954
6-5000 6-5000	Rent/Victoria Street	433	433	433	433	433	433	433	433	433	433	433	4,333	600	600	(125)
6-5100 6-5100	PC Repairs & Maintenance	0	81	0	0	0	0	0	0	0	0	0	81	400	400	1,667
6-5200 6-5200	Telephone	207	213	211	199	130	141	371	209	208	200	2,088	220	220	481	1,119
6-5300 6-5300	Travel & Accommodation - Board	0	832	0	783	243	680	0	1,043	0	0	3,582	800	0	2,528	112
6-5310 6-5310	Travel & Accommodation - AFGD	0	589	57	252	0	203	0	101	151	100	1,352	400	400	2,152	3,618
6-4910 6-4910	AFGD Staff Expenses Other	186	0	0	0	5,308	0	0	0	0	0	101	0	0	101	2,648
	Office Floort	0	0	0	0	0	0	0	0	0	0	0	5,495	0	0	(101)
	Total General Operations costs	956	3,280	2,030	2,789	7,610	1,867	4,029	3,046	1,750	1,614	28,949	4,135	3,735	59,695	22,876
	Total Expenses	37,453	40,005	41,899	37,603	48,909	40,182	42,185	40,600	48,535	40,285	417,596	44,280	45,280	560,236	53,106
	Total Net Profit	28,001	18,006	5,949	22,740	5,584	-7,673	22,124	18,978	37,124	18,276	189,110	22,583	37,945	229,638	(67,789)
9-0000 9-0000	Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9-2200 9-2200	Contribution to Diocese	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	146,000	14,600	14,400	175,000	0
	Total Other Expenses	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	146,000	14,600	14,400	175,000	0
	Net Profit/(Loss) after distribution	13,401	3,406	-8,651	8,140	-9,016	-22,273	7,524	4,378	22,524	3,676	23,110	7,983	23,545	54,638	(67,789)

Anglican Funds Grafton Diocese
 Level 1 - 50 Victoria Street
 Grafton 2460
 NSW

Month and YTD Budget Variance
 October 2017

	Oct Actual	Oct Budget	Oct Variance	YTD Actual	YTD Budget	YTD Variance
4-0000						
Income						
4-1010 Interest Received - Investment	-	18,685	(18,685)	-	192,461	(192,461)
4-1011 Interest Recd - NAB	-	-	-	-	-	-
4-1012 Interest Recd - AFSA	346	-	346	4,956	-	4,956
4-1013 Interest Recd - Melb CF7963	7,467	-	7,467	69,786	-	69,786
4-1014 Interest recd - WBC	2,106	-	2,106	21,944	-	21,944
4-1015 Interest Recd - AMP	5,734	-	5,734	55,623	-	55,623
4-1016 Interest Recd - ME Bank	-	-	-	9,801	-	9,801
4-1017 Interest Recd - BOQ	-	-	-	25,266	-	25,266
Interest Recd - Investments	15,653	18,685	(3,032)	187,377	192,461	(5,084)
4-1020 Overdraft/LOC INT INC	18,500	109,349	(90,849)	171,105	1,072,327	(901,222)
4-1021 Interest Only Loans INT INC	19,667	-	19,667	226,613	-	226,613
4-1022 Princ & Int Loans INT INC	43,482	-	43,482	451,746	-	451,746
Interest Recd - Borrowers	81,649	109,349	(27,700)	849,464	1,072,327	(222,863)
4-1053 Franking Credits	-	-	-	509	-	509
4-1055 Ord Min List Interest Income	16,567	27,782	(11,215)	216,036	266,151	(50,115)
4-1056 Ord Minnett Interest Income	22,216	10,438	11,778	146,340	91,696	54,644
4-1057 Proceeds of Sale of Bonds	-	-	-	(57,265)	-	(57,265)
4-2100 Line Fee Income	-	-	-	34,647	41,061	(6,414)
4-3000 Sundry Income	-	-	-	5,369	-	5,369
Sundry Income - Other Asset classes and Ser	38,783	38,219	564	345,636	398,908	(53,272)
Total Income	136,085	166,253	(30,169)	1,382,476	1,663,696	(281,220)
5-0000 Cost Of Sales	-	-	-	-	-	-
5-2100 Interest Paid to Investors	77,543	97,459	(19,916)	795,770	956,117	(160,347)
Total Cost Of Sales	77,543	97,459	19,916	795,770	956,117	160,347
Gross Profit	58,542	68,795	(10,253)	586,706	707,579	(120,873)
6-0000 Expenses						
6-1100 Provision for Annual Leave	324	-	(324)	3,437	-	(3,437)
6-1200 Provision Long Service Leave	-	1,167	1,167	-	11,670	11,670
6-1300 Salaries and Wages	18,936	18,750	(186)	174,635	187,500	12,865
6-1500 Superannuation	1,784	1,781	(2)	16,393	17,910	1,417

6-1600	6-1600	Staff Training	-	-	-	-	-	1,200	1,200
6-1700	6-1700	Fund Manager Vehicle	653	1,500	-	10,404	15,000	4,596	4,596
		Total Employee Benefits	21,696	23,198	1,502	204,868	233,180	28,312	28,312
6-4300	6-4300	Audit Fees	1,313	1,313	1	13,125	13,130	5	5
6-4360	6-4360	Legal Fees	-	-	-	8,037	4,000	(4,037)	(4,037)
6-4410	6-4410	Consultancy Fees	-	-	-	10,000	-	(10,000)	(10,000)
		Total Professional fees	1,313	1,313	1	31,162	17,130	(14,032)	(14,032)
6-4400	6-4400	WBC Bank Charges	584	650	66	5,214	6,500	1,286	1,286
6-4402	6-4402	Indue Fees	103	-	(103)	915	-	(915)	(915)
6-4412	6-4412	Donations	-	5,000	5,000	-	5,000	5,000	5,000
6-4440	6-4440	WBC Line of Credit Charges	828	950	122	8,481	9,500	1,020	1,020
6-4442	6-4442	Ord Minnett Brokerage/Advice	3,607	4,000	393	32,502	38,000	5,498	5,498
6-4445	6-4445	ASFA Line of Credit Charges	-	-	-	26	-	(26)	(26)
6-4450	6-4450	AFSA Service Agreement Fees	9,412	9,500	88	94,794	95,000	206	206
		Total Banking Costs	14,535	20,100	5,565	141,932	154,000	12,068	12,068
6-4510	6-4510	Insurance - Workers Comp	283	534	250	2,600	5,340	2,740	2,740
6-4530	6-4530	Insurance - General	824	920	96	8,084	9,200	1,116	1,116
		Total insurance costs	1,108	1,454	346	10,684	14,540	3,856	3,856
6-4200	6-4200	Advertising	-	200	200	1,537	2,000	463	463
6-4425	6-4425	Depreciation Expense	650	200	(450)	4,083	2,000	(2,083)	(2,083)
6-4600	6-4600	Meeting Expenses	33	140	107	786	1,400	614	614
6-4610	6-4610	Marketing	-	400	400	-	4,000	4,000	4,000
6-4700	6-4700	Postage	156	400	244	1,342	3,825	2,483	2,483
6-4800	6-4800	Printing & Stationery	42	1,000	958	4,046	10,000	5,954	5,954
6-4850	6-4850	Recruitment Expenses	-	-	-	125	-	(125)	(125)
6-4900	6-4900	Rent/Victoria Street	433	600	167	4,333	6,000	1,667	1,667
6-5000	6-5000	PC Repairs & Maintenance	-	-	20	81	1,200	1,119	1,119
6-5100	6-5100	Telephone	200	220	20	2,088	2,200	112	112
6-5200	6-5200	Travel & Accommodation - Board	-	800	800	3,582	7,200	3,618	3,618
6-5300	6-5300	Travel & Accommodation - AFGD	100	400	300	1,352	4,000	2,648	2,648
6-5310	6-5310	AFGD Staff Expenses Other	-	-	-	101	-	(101)	(101)
6-4910	6-4910	Office Fitout	-	-	-	5,495	8,000	2,505	2,505
		Total General Operations costs	1,614	4,360	2,746	28,949	51,825	22,876	22,876
		Total Expenses	40,265	50,425	10,160	417,596	470,675	53,079	53,079
		Operating Profit	18,276	18,369	(93)	169,110	236,904	(67,794)	(67,794)
9-0000	9-0000	Other Expenses	-	-	-	-	-	-	-
9-2200	9-2200	Contribution to Diocese	14,600	14,600	-	146,000	146,000	-	-
		Total Other Expenses	14,600	14,600	-	146,000	146,000	-	-
		Net Profit/(Loss) after distribution	3,676	3,769	(93)	23,110	90,904	(67,794)	(67,794)

Anglican Funds Grafton Diocese

Level 1 - 50 Victoria Street
Grafton 2460
NSW

Balance Sheet [Multi-Period]

January 2017 To October 2017

Account No.	Account Name	January	February	March	April	May	June	July	August	September	October
Assets											
Current Assets											
1-1105	WBC 032537 247819 Operating Ac	27,061	8,775	19,767	8,356	1,928	41,311	32,849	463,969	25,850	3,497
1-3130	WBC Term Invested Funds	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
1-3146	Ord Minnett-List Cash Account	51,381	74,248	868,976	48,907	218,780	32,099	40,990	31,600	40,766	50,215
1-3147	Ord Minnett-Global Cash Trust	8,033	8,033	1,000	13,292	24,339	540	25,396	44,401	38,496	63,222
	Current Assets	986,475	991,055	1,789,743	970,554	1,145,047	973,950	999,236	1,439,970	1,005,111	1,016,933
1-1110	WBC 032537 120455 Client Chq	159,144	220,054	131,462	136,520	95,759	167,730	873,584	151,347	156,720	191,228
1-1130	AFSA Float SAV0000202	1,074,884	362,538	309,211	214,008	342,330	631,980	563,616	97,314	953,756	69,793
1-1136	AFGD Bus Operating Suspense/CI	0	0	0	0	0	0	0	0	0	-1
1-1137	Daily Txns Unproc'd in Phoenix	-51,472	-125,553	-43,007	-152,292	8,392	11,724	-20,317	-114,483	-6,849	-205,666
1-1160	WBC 032537 163017 Cash Managem	107,099	202,018	197,126	2,612,217	2,029,267	2,236,094	216,687	25,186	325,218	425,403
1-1165	Melb DIF 30 day term	7,000,000	5,250,000	7,750,000	3,500,000	2,750,000	1,250,000	2,000,000	2,750,000	2,250,000	7,500,000
1-3111	AMP Term Investment	1,500,000	1,500,000	1,500,000	3,250,000	3,250,000	1,750,000	3,250,000	3,250,000	3,250,000	2,250,000
1-3112	ME Bank Term Investment	1,500,000	1,500,000	1,500,000	1,500,000	0	0	0	0	0	0
1-3113	BOQ Term Investment	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0
1-3120	AFSA Security Dep SAV0000203	239,479	239,799	240,155	240,501	240,857	241,196	241,546	241,896	242,230	242,576
		14,529,134	12,148,855	14,584,947	11,300,954	8,716,605	6,288,725	7,125,117	6,401,260	7,171,076	10,473,335
1-3145	Ord Minnett-Listed Investments	7,572,198	8,823,214	6,477,266	6,477,266	6,330,166	4,900,285	4,900,285	4,678,412	4,648,829	4,648,829
1-3148	Ord Minn-Global Investments	0	0	2,556,660	3,588,590	3,588,590	5,361,455	5,361,455	5,361,455	5,911,525	5,911,525
	Investors - Interest Bearing Securities	7,572,198	8,823,214	9,033,926	10,065,856	9,918,756	10,261,740	10,261,740	10,039,866	10,560,354	10,560,354
1-1170	Accrued Int Receivable Investm	61,960	91,128	67,921	55,532	63,828	22,591	33,110	47,483	51,200	42,373
1-1171	Ord Min List Accrued Int Rec	0	0	0	10,168	6,561	0	4,913	-4,224	0	3,288
1-1172	Ord Min U/List Accrued Int Rec	0	0	0	1,833	4,856	0	-4,178	-2,504	0	-2,510
1-1400	Prepaid Insurance	7,259	6,515	5,691	4,893	4,068	3,271	2,446	1,622	824	0
1-1700	Other Prepayments	2,500	2,500	1,044	0	0	0	0	0	0	0
1-2000	Trade Debtors	5,275	0	0	0	0	0	0	0	2,389	2,389
		76,994	100,143	74,656	72,427	79,313	25,862	36,291	42,377	54,414	45,539
1-2510	Vehicles - at Cost	0	0	0	0	30,536	30,536	30,536	30,536	30,536	30,536
1-2520	Vehicles - Accum dep	0	0	0	0	-307	-825	-1,343	-1,861	-2,379	-2,896
1-2710	Furniture & Fixtures Orig Cost	724	724	724	724	724	724	724	724	724	724
1-2720	Furniture & Fixtures Accum Dep	-724	-724	-724	-724	-724	-724	-724	-724	-724	-724
1-2810	Computer Hardware	28,219	28,219	28,219	28,219	28,219	28,219	28,219	28,219	28,219	28,219
1-2820	Acc Depn Computer Hardware	-23,529	-23,661	-23,793	-23,925	-24,056	-24,188	-24,320	-24,452	-24,584	-24,715
1-2910	Computer Software	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
1-2920	Acc Depn - Compr Software	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500
	Fixed Assets Current	4,690	4,558	4,426	4,295	34,392	33,742	33,093	32,443	31,793	31,144
Loan Assets											
1-3155	Line of Credit - O/D	1,714,310	1,942,865	1,388,205	2,656,994	3,563,591	6,008,611	6,240,880	7,322,649	6,538,497	3,305,990
1-3160	Loan Advances	5,200,860	5,200,322	5,202,763	5,201,949	5,202,763	4,669,264	4,092,309	4,092,309	4,016,112	4,016,702
1-3170	Loan Advances - P & I	10,813,507	10,731,289	10,626,883	10,595,305	10,412,286	10,630,862	10,504,666	10,272,923	9,989,143	9,811,818
1-3193	3247300 Int Only loan INT REC	0	0	0	0	0	-792	0	0	0	0
	Loan Assets	17,728,677	17,874,476	17,217,851	18,454,249	19,178,640	21,307,945	20,837,855	21,687,881	20,543,752	17,134,510
1-3199	Financial Assets Current - Adj	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496
1-4110	Financial Assets Non Current	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496
		0	0	0	0	0	0	0	0	0	0
	Total Assets	40,898,168	39,942,302	42,705,549	40,868,334	39,072,752	38,891,963	39,293,331	39,643,797	39,366,499	39,261,815
Liabilities											
Current Liabilities											
2-1004	Audit Costs	12,063	13,375	14,688	16,000	6,563	7,875	9,188	10,500	11,813	13,125
2-1200	Accounts payable	9,392	133	11,188	38	34,985	0	54	1,104	0	185
2-1915	Accrued Expenses	12,335	11,935	3,117	12,273	12,630	12,359	13,507	13,600	12,982	13,107
	Current Liabilities	33,790	25,443	28,993	28,311	54,178	20,234	22,748	25,204	24,795	26,417
2-1101	2243130 Access Acc INT PAY	51	96	130	175	221	0	54	110	168	225
2-1102	2243131 Inst Acc INT PAY	43	85	134	183	235	0	59	124	183	247
2-1103	2243132 Student Acc INT PAY	0	1	1	2	2	0	0	1	1	1
2-1104	2243133 Parish Prov INT PAY	35	75	109	141	175	0	30	61	91	122
		130	256	375	500	633	0	143	295	443	595
2-1221	2243310 Term 90 Days INT PAY	13,789	21,941	28,657	22,666	24,546	20,245	22,631	37,767	48,946	21,535
2-1222	2243320 Term 180 days INT PAY	30,446	44,472	59,464	71,200	84,698	101,984	30,487	36,209	24,382	31,170
2-1223	2243330 Term 365 days INT PAY	187,744	198,466	215,957	214,086	219,611	221,991	216,312	214,113	223,558	180,982
2-1224	2243340 Negotiable INT PAY	17	31	3	20	37	4	20	37	0	0
2-1225	235 Fixed Inv - 18 Month INT P	22,163	5,507	7,689	11,363	13,187	17,500	21,958	5,828	7,912	11,732

		254,158	270,416	311,771	319,334	342,079	361,724	291,408	293,953	304,798	245,418
2-1710	2103300 Access Accounts	313,859	289,824	259,304	278,723	275,107	304,740	313,091	327,550	333,697	322,846
2-1715	2103310 Institution Access	123,304	129,678	138,561	136,370	143,222	158,971	174,204	164,157	168,306	174,799
2-1720	2103320 Student Access	4,531	4,531	4,531	4,531	4,531	4,549	4,007	4,007	4,007	4,007
2-1725	2103330 Parish Provider Access	5,322	3,164	5,539	4,009	6,582	4,766	3,937	4,329	5,016	5,309
2-1730	2103350 Interest Free Deposits	7,740	5,996	6,830	7,046	6,034	6,626	7,011	7,807	7,058	6,953
2-1735	2103370 Chq Acc Parishes	867,059	798,170	827,468	879,667	924,059	904,257	879,610	907,728	859,698	859,039
2-1740	2103380 Chq Acc Ministry	1,162,251	988,148	1,079,947	1,063,308	1,119,951	1,140,635	1,412,598	1,316,737	1,262,801	1,458,059
2-1745	2103400 Anglican Affiliates	1,735,462	1,120,744	2,228,529	2,199,049	764,562	1,165,764	1,560,013	1,202,718	1,053,440	1,219,362
2-1750	139 Parishes CMA	893,881	869,378	847,418	834,955	769,895	810,186	915,153	949,150	882,237	875,393
2-1751	Next Gen Bonus Saver	42,574	43,776	44,313	45,865	49,218	46,682	45,831	47,965	57,630	61,267
2-1756	2103420 Clergy Access Account	198,373	206,384	220,506	229,307	222,143	234,561	228,175	230,842	226,123	226,832
	Investor Funds Fin Llab Current	5,354,355	4,459,793	5,662,947	5,682,830	4,285,304	4,781,735	5,543,633	5,162,989	4,860,012	5,213,867
2-1755	2183310 Term Inv 90 days	7,466,255	7,372,787	8,395,074	7,005,373	6,685,339	6,150,367	11,336,068	12,080,359	11,679,565	7,417,309
2-1760	2183320 Term Inv 180 days	9,414,580	9,446,351	10,531,980	10,217,679	10,073,763	10,099,739	4,740,439	4,714,358	5,105,760	9,294,051
2-1765	2183330 Term Inv 365 days	15,164,218	15,136,764	14,552,182	14,385,673	14,409,047	14,223,927	14,099,923	14,113,064	14,103,029	13,770,818
2-1770	2183341 Neg Inv Mat bal	6,439	6,439	7,500	7,500	7,500	7,551	7,551	7,551	0	0
		32,051,491	31,962,340	33,486,735	31,616,225	31,175,649	30,481,583	30,183,980	30,915,331	30,888,344	30,482,177
	Sundry Liabilities										
2-1910	Accrued Annual Leave	6,152	7,168	8,414	7,075	5,736	5,829	7,075	7,629	8,019	8,343
2-1911	Accrued Long Service Leave	5,942	5,942	5,942	5,942	5,942	5,942	5,942	5,942	5,942	5,942
2-3030	GST from purchases	-534	-936	-382	-777	-2,480	-480	-1,103	-467	-1,723	-496
2-3070	Voluntary Withholdings Payable	0	0	0	0	0	0	0	5	0	5
	Sundry Liabilities	11,561	12,174	13,974	12,240	9,197	11,291	11,914	13,109	12,238	13,795
2-2310	2183350 Fixed 18 Mths	1,905,635	1,921,425	1,923,698	1,923,698	1,926,331	1,926,331	1,926,331	1,912,153	1,914,353	1,914,353
2-9999	Westpac Unknown transactions	224	224	224	224	224	3,640	224	224	224	224
		1,905,859	1,921,649	1,923,922	1,923,922	1,926,555	1,929,971	1,926,555	1,912,376	1,914,577	1,914,577
	Total Liabilities	39,611,345	38,652,072	41,428,717	39,583,362	37,793,595	37,586,538	37,980,381	38,323,257	38,005,208	37,896,847
	Net Assets	1,286,824	1,290,230	1,276,832	1,284,972	1,279,157	1,305,425	1,312,949	1,320,540	1,361,292	1,364,968
	Equity										
3-7000	Revaluation Financial Assets	34,970	34,970	30,224	30,224	33,424	81,965	81,965	85,178	103,405	103,405
3-8000	Retained Earnings	1,238,452	1,238,452	1,238,452	1,238,452	1,238,452	1,238,452	1,238,452	1,238,452	1,238,452	1,238,452
3-9000	Current Earnings	13,401	16,807	8,156	16,296	7,280	-14,993	-7,468	-3,090	19,434	23,110
	Total Equity	1,286,824	1,290,230	1,276,832	1,284,972	1,279,157	1,305,425	1,312,949	1,320,540	1,361,292	1,364,968