



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

Agenda
Wednesday 24th January 2018
9.00 am

1. Opening Prayer

2. Attendees:
Apologies:

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

4. Confirmation of

a) **Minutes - 14th December 2017 –**

3 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) **EAC funding application \$1,500,000** (including header) **24 pages**

b) **APRA, ASIC & AFS Licence update** including the Melbourne Securities Corporation proposal.
(including header) **10 pages**

Made up of:

Briefing paper presented by Fund Manager Blaine Fitzgerald **2 pages**

Supporting budgets and assumptions provided via separate excel documents **4 pages**

MSC's response to questions raised by Mr Chris Nelson regarding the MA and CARA **3 Pages**

c) **Ord Minnett Advice and Portfolio Management going forward** (including header) **25 pages**

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 07/12/17 to 19/01/18 - report not provided due to annual leave**

b) **Financial Reports - as at 31/12/17** (including header) **14 pages**

Next Meeting – 22nd February 2018

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** - Terry Hunt
2. **Attendees:** Mr David Ford Chair, Mr Chris Nelson, Mr Blaine Fitzgerald
Mr Phil Crandon, Mr Terry Hunt, Mr John Adlington, Mr Ted Clarke, Mr Gary Boyd
Dialed in: James Flavin
Apologies: Bishop Sarah Macneil, Ms Lisa Mulvaney
3. **Call for additional Agenda items and close of Agenda –**
2018 Operating Budget
Melbourne Securities Corporation Update
St Columba Anglican School – Variation of facilities
4. **Confirmation of**
 - a) **Minutes - 5th October 2017 –**
Motion
That the minutes of 5 October 2017 be accepted as true and correct
Moved: Mr Chris Nelson
Seconded: Mr Terry Hunt
Carried
 - b) **Flying Minute – 16/11/17 Camfar Properties P/I**
Motion
Confirmed and Approved
Moved: Mr Gary Boyd
Seconded: Mr Phil Crandon
Carried
 - c) **Flying Minute – 16/11/17 Bishop Druitt College**
Motion
Confirmed and Approved
Moved: Mr Chris Nelson
Seconded: Mr Ted Clarke
Abstained: Mr David Ford
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. Nil
Out: i. Nil

7. Matters for Decision/Discussion:

a) Ord Minnett – Performance update presented by Alison Perrott

Portfolio overview presented in person by Alison Perrott, has been noted and accepted

Moved: Mr David Ford

Seconded: Mr Gary Boyd

Carried

b) APRA, ASIC & AFS Licence update including the Melbourne Securities Corporation proposal.

Fund Manager – Blaine Fitzgerald provided a whiteboard overview of where AFGD was up to in relation to the registration of the Anglican Investment Trust.

He was requested to complete in readiness for the next Board meeting a time with key milestone dates to assist with the tracking of the scheme.

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

c) 2018 Budget and assumptions for consideration.

Includes HR and structure considerations

Motion

That the Board examine the AFGD Schedule of Delegations to ensure that the schedule is appropriate to the revised reporting structure within AFGD" at the board meeting set for January 24th

Following the resignation of Mr Blaine Fitzgerald, the AFGD Board:

1. Thanks Mr Blaine Fitzgerald for his skilled and dedicated service to AFGD and the Diocese over the past 5 years and reluctantly accepts his resignation;
2. Seeks to recruit a person to take on the duties of AFGD Manager and asks Mr David Ford and Mr Chris Nelson to co-opt another person and form a committee to finalise a job description and lead the recruitment exercise;
3. Asks Mr David Ford to liaise with Mr Blaine Fitzgerald to organise consulting services to help AFGD through the transition and beyond; and
4. Recommends to the Bishop-in-Council that an organisational change occurs such that the AFGD team is included in the Diocesan Registry structure under the Registrar/General Manager.

Moved: Mr John Adlington

Seconded: Mr Gary Boyd

Carried

Motion

Annette Dent be provided with a 2.25% increase in annual salary commencing 1/1/18.

Notwithstanding this outcome the Board will continue to work closely with Annette regarding a further review of her role through 2018.

Moved: Mr Chris Nelson

Seconded: Mr Ted Clarke

Carried

Consistent with key result area 1. Financial Performance & key result area 4. Human Resources

d) Board member recruitment update

Chris Nelson was able to confirm that all existing Board members can be retained out to Synod 2020.

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 - Noted and accepted

Moved: Mr David Ford

Seconded: Mr Gary Boyd

b) **Financial Reports** - as at 31/10/17 Noted and accepted

Moved: Mr Terry Hunt

Seconded: Mr John Adlington

Next Meeting – 9:00am Wednesday 24th January 2018



BOARD MEETING DATE:

24/01/2018

No 7 Matters for Discussion

Item: a

Title: EAC funding application

No of Pages. 24 incl Header

Purpose of advices

- Finalisation of funding requirements for new learning spaces due to increased student numbers, consistent with the master plan for the college.

Break up of Funding sought:

Construction costs	\$3,600,000
Break up of funding	
BGA grant	\$ 850,000
EAC contribution from retained earnings	\$1,250,000
AFGD Loan	\$1,500,000

AFGD Proposed Structure:

Loan Amount:	\$1,500,000.00	
Term:	16 years in total. Interest only for a maximum of 12 months from initial loan drawdown or until construction completion then principal and interest reducing over a 15 year term.	
Rate:	Indicative rates:	
	Variable rate until fully drawn	4.39%
	1 year Fixed rate	5.41%
	5 year Fixed	5.56%

History/Background

The school has been operating now for approximately 16 years and has grown over time to its current level with some challenges along the way particularly around the GFC when student numbers morale and financial performance all suffered.

Since October 2012 AFGD have been in been working closely with the school. The current relationship appears to be solid and positive.

The school continues to prosper with a positive culture under the leadership of Rob Tobias.

Financially the school is well supported by the skills of its Business Manager Kelley Malaba and administrative support staff.

Update on recent events.

Construction for learning spaces to be finalised for construction to commence end of March 2018.

In 2019 the school to complete its master plan will need to construct its Multi-purpose hall. Costs in the vicinity of \$6 to \$8 million are being considered and funding sought will likely to be in the vicinity of \$3.5M.

Full feasibility to be completed and provided to all stakeholders in late in 2018 to consider their respective positions.

Financial data update:

- All financial data required to date has been received by AFGD.
 - 31/12/2016 audited results held
 - 5 yr rolling forecast from 2018 to 2022 held.
 - Management results including Profit and Loss statement and Balance sheet to 30/9/17.

Emmanuel Anglican College (EAC)

Date: 18/01/2018

Page No: 2

Credit Memorandum

Financial Performance Summary:

(\$000's)	2014 Audited	2015 Audited	2016 Audited		30th Sept 2017 Management	31-12-17 extrapolated	Budget
Student Numbers*	480	545	559		597	597	573
Staff FTE*	36	38	38		41	41	41
Non Teaching	12	14	14		18	18	18
Current Assets	\$ 1,099	\$ 1,459	\$ 2,207		\$ 427	\$ 427	
Cash	\$ 999	\$ 1,355	\$ 1,812		\$ 65	\$ 65	
Trade	\$ 89	\$ 102	\$ 395		\$ 362	\$ 362	
other	\$ 11	\$ 2	\$ -		\$ -	\$ -	
Non-Current Assets	\$ 11,874	\$ 12,164	\$ 15,698		\$ 16,434	\$ 16,434	
Property P&E	\$ 11,874	\$ 12,164	\$ 15,698		\$ 16,434	\$ 16,434	
Total Assets	\$ 12,973	\$ 13,623	\$ 17,905		\$ 16,861	\$ 16,861	
Current Liabilities	\$ 1,124	\$ 1,108	\$ 1,144		\$ 1,089	\$ 1,089	
Trade	\$ 339	\$ 303	\$ 412		\$ 478	\$ 478	
Borrowings	\$ 305	\$ 254	\$ 214		\$ 201	\$ 201	
Other	\$ 480	\$ 551	\$ 518		\$ 410	\$ 410	
Non- Current Liabilities	\$ 5,515	\$ 5,336	\$ 7,640		\$ 4,736	\$ 4,736	
Borrowings	\$ 5,164	\$ 4,908	\$ 7,188		\$ 3,934	\$ 3,934	
other	\$ 351	\$ 428	\$ 452		\$ 802	\$ 802	
Non Interest Loan Diocese							
Net Asset/Total equity	\$ 6,334	\$ 7,179	\$ 9,121		\$ 11,036	\$ 11,036	
Net Assets Ex Loans	\$ 11,803	\$ 12,341	\$ 16,523		\$ 15,171	\$ 15,171	
Income							
Fees	\$ 2,419	\$ 2,831	\$ 2,772		\$ 3,005	\$ 4,007	
Gov Grants	\$ 5,008	\$ 5,839	\$ 6,100		\$ 5,344	\$ 7,125	
Govt Subsidy - Interest on borrowings						\$ -	
Capital Grants	\$ -	\$ 50	\$ 850		\$ -	\$ -	
Commercial Operations (ELC)	\$ 735	\$ 840	\$ 935		\$ 915	\$ 1,220	
Interest Income	\$ 42	\$ 39	\$ 29		\$ 3	\$ 4	
Other Revenue	\$ 161	\$ 223	\$ 431		\$ 378	\$ 504	
Diocesan Support - Donations							
Total Revenue	\$ 8,365	\$ 9,822	\$ 11,117		\$ 9,645	\$ 12,860	
					\$ -	\$ -	
					\$ -	\$ -	
Expenses							
Staff Costs Teaching	\$ 5,056	\$ 5,202	\$ 5,795		\$ 4,677	\$ 6,236	
Staff Costs Non Teaching						\$ -	
Other staff costs super etc	\$ 465	\$ 624	\$ 692		\$ 573	\$ 764	
Other operating costs	\$ 1,631	\$ 2,170	\$ 1,953		\$ 1,701	\$ 2,268	
Depreciation	\$ 495	\$ 533	\$ 577		\$ 577	\$ 769	
Interest & leasing charges	\$ 440	\$ 409	\$ 449		\$ 202	\$ 269	
Total Expenses	\$ 8,087	\$ 8,938	\$ 9,466		\$ 7,730	\$ 10,307	
Surplus	\$ 278	\$ 884	\$ 1,651		\$ 1,915	\$ 2,553	
Operating Surplus	\$ 278	\$ 834	\$ 801		\$ 1,915	\$ 2,553	
EBIT	\$ 718	\$ 1,243	\$ 1,250		\$ 2,117	\$ 2,823	
EBITD	\$ 1,213	\$ 1,776	\$ 1,827		\$ 2,694	\$ 3,592	
Ratio Analysis				Benchmarks			Benchmarks
Return on Investment	2.4%	6.8%	4.8%	> 5%		16.8%	> 5%
Interest Cover (EBITDA/Interest)	2.8	4.3	4.1	>2.0x		13.3	>2.0x
Debt EBITDA	4.3	2.8	3.9	< 6.5x		1.1	< 6.5x
Net Operating Margin	16.0%	20.0%	19.6%	> 10%		30.9%	> 10%
Debt per student	\$ 11.4	\$ 9.5	\$ 13.2	<\$10K		\$ 6.9	<\$10K
Fee income per student	\$ 5.0	\$ 5.2	\$ 5.0	\$8K		\$ 6.7	\$8K
Teachers Salary per student	\$ 10.5	\$ 9.5	\$ 11.6			\$ 11.7	
Students/Staff	10.0	10.5	10.8	>11		10.1	>11
Salaries/Net Income %	66%	59%	58%	< 75%		54%	< 75%
Salaries/Total Expenses %	68%	65%	69%	< 75%		68%	< 75%

Financial Performance Summary:**2017 management results:**

- The school continues to operate in a prudent and professional manner.
- The restructure undertaken with AFGD at the commencement of 2017 has resulted in an interest cost saving of \$180K when compared to prior year.
- They have also undertaken capital works totalling \$1million from cash flow during the 2017 calendar year.
- Key ratios and independent schools underwriting standards have been met based on historical performance taking into account actual drawn debt as reported in their balance sheet annually.
- I have completed a new exercise to test these ratios based on fully drawing up all approved facilities circa \$8.8M.
- The findings are summarised below and whilst the sector underwriting standards for independent schools is maintained, A Somerset benchmark comparing debt per student has blown out.
- This needs to be taken into consideration as the school is in a growth stage and to keep up with demand and also their competitors need to reinvest in the college.
- Whilst it's not critical at this point in time, it will be an important ratio when seeking finance to fund the multi-purpose hall.

Emmanuel Anglican College (EAC)

Date: 18/01/2018

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Credit Memorandum

(S000's)	2014 Audited	2015 Audited	2016 Audited		30th Sept 2017 Management	31-12-17 extrapolated	Budget
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Property P&E	\$ 11,874	\$ 12,164	\$ 15,698		\$ 16,434	\$ 16,434	
Total Assets	\$ 12,973	\$ 13,623	\$ 17,905		\$ 16,861	\$ 16,861	
Current Liabilities	\$ 1,169	\$ 1,204	\$ 1,280		\$ 1,238	\$ 1,238	
Trade	\$ 339	\$ 303	\$ 412		\$ 478	\$ 478	
Borrowings	\$ 350	\$ 350	\$ 350		\$ 350	\$ 350	
Other	\$ 480	\$ 551	\$ 518		\$ 410	\$ 410	
Non- Current Liabilities	\$ 8,801	\$ 8,878	\$ 8,902		\$ 9,252	\$ 9,252	
Borrowings	\$ 8,450	\$ 8,450	\$ 8,450		\$ 8,450	\$ 8,450	
other	\$ 351	\$ 428	\$ 452		\$ 802	\$ 802	
Non Interest Loan Diocese							
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Salaries/Net Income %	66%	59%	58%	< 75%		54%	< 75%
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Capacity to service/repay

		2014	2015	2016		31-12-17 extrapolated	
Capacity to pay		Audited	Audited	Audited			
Operating surplus		\$ 278	\$ 834	\$ 801		\$ 2,553	\$ -
Plus addbacks							
Depreciation		\$ 495	\$ 533	\$ 577		\$ 769	\$ -
Interest		\$ 440	\$ 409	\$ 449		\$ 269	\$ -
Other - Loss on sale NCA - demountable write off gifted to CVAS			\$ 137				
		\$ 1,213	\$ 1,913	\$ 1,827		\$ 3,592	\$ -
Less Commitments							
					line fee		Rate
OD - pay out residual non sub and provides working capital - 60% usage	\$ 3,100,000	71	71	71		71	3.79%
		23	23	23	0.75%	23	
Stage 2 Building Loan 436040019 - P	\$ 230,781	44	44	44		44	5.41%
Interest		16	16	16		16	
Stage 3 Building Loan 436040020 - P	\$ 161,514	24	24	24		24	5.41%
Interest		11	11	11		11	
Stage 4 Building Loan 436040021 - P	\$ 1,371,433	75	75	75		75	5.41%
Interest		84	84	84		84	
Learning Spaces new 2016 - 436040129 P	\$ 2,398,452	114	114	114		114	5.56%
Interest		143	143	143		143	
Learning Spaces new 2018 - P	\$ 1,500,000	72	72	72		72	4.39%
Interest		64	64	64		64	
						annual capital repayments	329
						annual interest commitment	412
		8,762,180	741	741	741	741	
Net Surplus/Deficit		\$ 472	\$ 1,172	\$ 1,086		\$ 2,851	
Total Finance Commitments		8,800,000	979	979	979	979	
sensitised Average rate of 7.50% 15yrs							
Net Surplus/Deficit		\$ 234	\$ 934	\$ 848		\$ 2,613	

Comments:

- Capacity to service on actual rates is evident on audited results to 31/12/2016 and extrapolated 31/12.17 results.
- Capacity to service based on a sensitised rate of 7.50% is also evident.

Security Assessment sheet - Current position				
Description	Status	FMV	Extension Ratio	XTV
First Registered Mortgage over the property situated at Ballina Lot 10 In Deposited Plan 1001995 Folio 10/1001995 given by - Emmanuel Anglican College Council	Held	17,905,131	50%	8,952,566
Registered fixed and floating charge (ie: equitable mortgage) over the school's assets	Held			
Based on 30/06/2016 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 8,952,566				
Total Limits AFGD - \$8,762,180		as at December 2017		
102% cover security indicator B to apply.				

- With the increase in funding proposed and not taking into account the new valuation the school remains in a fully secured position.

Risk Grade:

- Risk Grade adopted for the group 5B 119% cover.

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

Date: 18/01/2018

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Credit Memorandum

Insurance Confirmation:

Emmanuel Anglican College		2017					
Location Name	Street Name	Suburb	Postcode	Comments	Buildings Value	Contents Value	Total Property Value
Emmanuel Anglican College	Horizon	Ballina	2478	Stage 1	\$ 3,500,000	\$ 449,500	\$ 3,949,500
	Horizon	Ballina	2478	Stage 2	\$ 3,100,000	\$ 335,000	\$ 3,435,000
	Horizon	Ballina	2478	Stage 3	\$ 1,235,463	\$ 130,000	\$ 1,365,463
	Horizon	Ballina	2478	Stage 4	\$ 4,000,000	\$ 505,000	\$ 4,505,000
	Horizon	Ballina	2478	Library	\$ 2,130,000	\$ 318,000	\$ 2,448,000
	Horizon	Ballina	2478	The Ezzy Centre	\$ 1,630,000	\$ 500,000	\$ 2,130,000
	Horizon	Ballina	2478	Shade Areas & Sheds	\$ 200,000	\$ 100,000	\$ 300,000
	Horizon	Ballina	2478	Transportable Building (D Bk	\$ 320,000	\$ 60,000	\$ 380,000
	Horizon	Ballina	2478	The Emmanuel Building	\$ 1,600,000	\$ 100,000	\$ 1,700,000
	Horizon	Ballina	2478	Discovery Centre	\$ 2,800,000	\$ 200,000	\$ 3,000,000
				Business interruption			
					20,515,463	2,697,500	23,212,963

- Sufficient cover appears to be in place.
- The 2017 schedule completed by the school for ANIP includes the new buildings completed in 2016.
- The 2018 schedule of cover is being currently being invoiced by the Diocese.

Covenants/ongoing monitoring requirements:

- The Borrower will be required to furnish the AFGD with half yearly report on its financial position. ie 31/3, & 30/09 by the 15th of the following month. A copy of the EAC management's financial/operational monthly report to school council will normally suffice.
- Annual review for continuation of facilities will be due by 31 May yearly and the following will be required to enable this to be completed
 - Annual Audited financial statements as at 31/12 (next being 31/12/2017)
 - rolling 5 year budget and cash flow forecast for all facilities covering buildings, staffing levels, student numbers and working capital requirements (already held)
 - any other information as the AFGD deems appropriate
- All new bank loans or credit facilities to third parties to be approved by AFGD. Consent not to be unreasonably withheld.
- No other financial institution or lender to be added to mortgage or security documents without prior consent from AFGD. Consent not to be unreasonably withheld.

Recommendation

- Approval of funding as documented in this submission.



Blaine Fitzgerald
Fund Manager – Anglican Funds Grafton Diocese

Emmanuel Anglican College
Budget Forecast
2018 to 2022

GL Account		2018	2019	2020	2021	2022
Enrolments		634.5	672	697	701	715
Tuition Fees						
01-0110-01-00	Tuition - Year 1	- 137,184 -	- 141,312 -	- 145,536 -	- 149,904 -	- 154,416
01-0110-02-00	Tuition - Year 2	- 153,216 -	- 157,824 -	- 162,576 -	- 167,472 -	- 172,512
01-0110-03-00	Tuition - Year 3	- 214,656 -	- 204,096 -	- 210,240 -	- 216,528 -	- 223,008
01-0110-04-00	Tuition - Year 4	- 210,528 -	- 221,104 -	- 210,240 -	- 216,528 -	- 223,008
01-0110-05-00	Tuition - Year 5	- 198,144 -	- 216,852 -	- 227,760 -	- 216,528 -	- 223,008
01-0110-06-00	Tuition - Year 6	- 194,016 -	- 204,096 -	- 223,380 -	- 234,572 -	- 223,008
01-0110-07-00	Tuition - Year 7	- 373,320 -	- 320,460 -	- 330,060 -	- 339,960 -	- 350,160
01-0110-08-00	Tuition - Year 8	- 326,655 -	- 384,552 -	- 330,060 -	- 339,960 -	- 350,160
01-0110-09-00	Tuition - Year 9	- 278,714 -	- 393,183 -	- 462,816 -	- 397,260 -	- 409,200
01-0110-10-00	Tuition - Year 10	- 321,127 -	- 287,086 -	- 404,964 -	- 476,712 -	- 409,200
01-0110-11-00	Tuition - Year 11	- 213,528 -	- 376,035 -	- 306,936 -	- 474,201 -	- 558,216
01-0110-12-00	Tuition - Year 12	- 165,312 -	- 219,945 -	- 387,324 -	- 316,134 -	- 488,439
01-0110-13-00	Tuition - Year K	- 121,008 -	- 124,656 -	- 128,400 -	- 132,240 -	- 136,224
Total Tuition Fees		- 2,907,408 -	- 3,251,201 -	- 3,530,292 -	- 3,677,999 -	- 3,920,559
Concessions						
01-0131-00-00	Annual Payment in Advance 3%	17,444	19,507	21,182	22,068	23,523
01-0132-00-00	Bursaries	188,982	211,328	229,469	239,070	254,836
01-0133-00-00	Clergy Discounts	6,037	6,218	6,405	6,597	6,795
01-0134-00-00	Hardship Concessions	7,000	7,200	7,500	7,700	8,000
01-0135-00-00	Scholarships	87,326	92,566	98,120	104,007	110,247
	Scholarships - RKMS	23,240	24,634	26,112	27,679	29,340
01-0136-00-00	Sibling Discount	164,237	169,164	174,239	179,466	184,850
01-0137-00-00	Staff Discounts	119,397	122,979	126,668	130,468	134,382
01-0140-00-00	Bad & Doubtful Debts	29,074	32,512	35,303	36,780	39,206
Total Concessions		642,737	686,108	724,998	753,835	791,179
Levies & Charges						
01-0200-14-00	Tuition - FFPOS	- 87,500 -	- 103,000 -	- 106,092 -	- 109,276 -	- 112,556
01-0210-00-00	Building Fund Contribution	- 158,000 -	- 162,740 -	- 167,622 -	- 172,651 -	- 177,831
01-0215-00-00	Careers Testing	- 9,010 -	- 8,050 -	- 11,025 -	- 12,960 -	- 10,800
01-0220-00-00	External Course Fees	- 12,000 -	- 12,000 -	- 14,000 -	- 14,000 -	- 14,000
01-0225-00-00	Tuition - Late Fee Withdrawal	-	-	-	-	-
01-0228-00-00	Late Fees Collected	-	-	-	-	-
01-0230-00-00	Subject Levies	- 20,960 -	- 21,589 -	- 22,237 -	- 22,904 -	- 23,591
01-0235-21-00	Sundry Levies	- 249,245 -	- 263,860 -	- 273,735 -	- 285,770 -	- 291,510
Total Levies & Charges		- 536,715 -	- 571,239 -	- 594,711 -	- 617,561 -	- 630,288
Camp Funds						
01-0240-00-00	Camp Funds	- 70,000 -	- 75,000 -	- 80,000 -	- 80,000 -	- 85,000
Total Camp Funds		- 70,000 -	- 75,000 -	- 80,000 -	- 80,000 -	- 85,000
Commercial Operations Income						
01-0410-00-00	Stationery Sales	- 44,759 -	- 46,102 -	- 47,485 -	- 48,910 -	- 50,377
01-0420-40-00	Canteen Sales	- 82,225 -	- 87,360 -	- 90,610 -	- 91,130 -	- 92,950
01-0430-00-00	Bus Charges	- 49,360 -	- 50,841 -	- 52,366 -	- 53,937 -	- 55,555
01-0440-83-00	Music Tuition	- 126,620 -	- 130,419 -	- 134,332 -	- 138,362 -	- 142,513
01-0451-45-00	Pre-Kindy & Pre-school	- 849,141 -	- 874,615 -	- 900,853 -	- 927,879 -	- 955,715
01-0453-45-00	After College Hours Care	- 68,171 -	- 70,216 -	- 72,322 -	- 74,492 -	- 76,727
01-0455-45-00	Vacation Care	- 46,176 -	- 47,561 -	- 48,988 -	- 50,458 -	- 51,972
01-0458-45-00	ISS Funding	- 10,000 -	- 10,300 -	- 10,609 -	- 10,927 -	- 11,255

Other Employment Expenses

01-1028-00-00	Labour Hire	16,000	16,480	16,974	17,483	18,007
01-1030-00-00	Fringe Benefits Tax	20,970	23,067	25,374	27,911	30,702
01-1032-00-00	Long Service Leave	173,227	181,307	192,090	200,642	209,408
01-1035-00-00	Superannuation	685,811	717,207	758,887	792,109	826,162
01-1040-00-00	Worker's Compensation	51,382	53,734	56,857	59,346	61,897
01-1050-00-00	Professional Dev & Training	75,000	78,000	81,120	84,365	87,739
01-1052-00-00	Staff Amenities	4,585	4,723	4,865	5,011	5,161
01-1053-00-00	Recruitment Expenses	16,000	16,480	16,974	17,483	18,007
01-1055-00-00	Travel & Accommodation	85,000	87,550	90,177	92,882	95,668
01-1058-00-00	Other Payroll Expenses	-	-	-	-	-
Total Other Employment Expenses		1,127,975	1,178,548	1,243,317	1,297,231	1,352,751

Teaching Resources

01-1510-21-00	Resources - Junior Primary	850	876	902	929	957
01-1510-23-00	Resources - Stage 4 Welfare	500	515	530	546	562
01-1510-23-00	Resources - Upper Primary	1,100	1,133	1,167	1,202	1,238
01-1510-35-00	Resources - Stage 5 Welfare	500	515	530	546	562
01-1510-36-00	Resources - Stage 6 Welfare	500	515	530	546	562
01-1510-52-00	Resources - Computing & ICT	2,050	2,112	2,175	2,240	2,307
01-1510-53-00	Resources - Drama	645	664	684	705	726
01-1510-54-00	Resources - DT/Wood	4,050	4,172	4,297	4,426	4,559
01-1510-56-00	Resources - ELC	5,000	5,150	5,305	5,464	5,628
01-1510-57-00	Resources - ELC - Vac Care	825	850	876	902	929
01-1510-58-00	Resources - ELC - ACHC	1,600	1,648	1,697	1,748	1,800
01-1510-59-00	Resources - English	1,250	1,288	1,327	1,367	1,408
01-1510-61-00	Resources - Events	3,000	3,090	3,183	3,278	3,376
01-1510-62-00	Resources - Food/Textiles	4,425	4,558	4,695	4,836	4,981
01-1510-64-00	Resources - Hospitality	4,800	4,944	5,092	5,245	5,402
01-1510-65-00	Resources - HSIE	1,404	1,446	1,489	1,534	1,580
01-1510-67-00	Resources - Japanese	2,184	2,250	2,318	2,388	2,460
01-1510-69-00	Resources - Leader Curriculum (Eng)	850	876	902	929	957
01-1510-70-00	Resources - Leader Curriculum (HSIE)	850	876	902	929	957
01-1510-71-00	Resources - Leader Curriculum (TAS)	850	876	902	929	957
01-1510-72-00	Resources - Leader Curric (Maths)	850	876	902	929	957
01-1510-73-00	Resources - Leader Curric (Primary)	8,000	8,240	8,487	8,742	9,004
01-1510-76-00	Resources - Leader of Welfare	-	-	-	-	-
01-1510-77-00	Resources - Director of Admin	-	-	-	-	-
	Resources - Director T&L	1,500	1,545	1,591	1,639	1,688
01-1510-80-00	Resources - Learning Support	2,500	2,575	2,652	2,732	2,814
01-1510-81-00	Resources - Library	2,000	2,060	2,122	2,186	2,252
01-1510-82-00	Resources - Maths	1,465	1,508	1,553	1,600	1,648
01-1510-83-00	Resources - Music	5,500	5,665	5,835	6,010	6,190
01-1510-85-00	Resources - New Curric/Deputy	2,000	2,060	2,122	2,186	2,252
01-1510-87-00	Resources - PDHPE/PASS	1,300	1,339	1,379	1,420	1,463
	Resources - Photo & Dig Media	805	829	854	880	906
01-1510-90-00	Resources - Rave Classroom	2,100	2,163	2,228	2,295	2,364
01-1510-91-00	Resources - Rave Chaplain	500	515	530	546	562
01-1510-93-00	Resources - Science	5,800	5,974	6,153	6,338	6,528
01-1510-94-00	Resources - Sports Coord	1,500	1,545	1,591	1,639	1,688
01-1510-96-00	Resources - Visual Arts	4,775	4,918	5,066	5,218	5,375
	Resources - STEM	7,200	7,416	7,638	7,867	8,103
	Resources - Counsellor	1,000	1,030	1,061	1,093	1,126
01-1520-00-00	Tests & Examinations	27,124	28,751	30,476	32,305	34,243
01-1530-00-00	External Course Fees (Curriculum)	12,000	12,000	14,000	14,000	14,000
Total Teaching Resources		125,152	129,363	135,743	140,314	145,071

Camp Costs

01-2570-00-00	Operating Leases	-	-	-	-	-
01-2575-00-00	Postage & Freight	10,400	10,712	11,033	11,364	11,705
01-2580-00-00	Printing	47,000	48,410	49,862	51,358	52,899
01-2585-00-00	Prizes & Awards	7,000	7,210	7,426	7,649	7,878
01-2590-00-00	Subscriptions & Memberships	41,349	43,830	46,460	49,248	52,203
01-2595-00-00	Telephone	19,050	19,622	20,211	20,817	21,442
Total Administrative Costs		466,212	485,169	504,992	525,727	547,420

Other Commercial Expenses

01-2600-00-00	EAC Bus Hire	83,035	85,526	88,092	90,735	93,457
01-2650-83-00	Instrument Hire	34,815	35,859	36,935	38,043	39,184
01-2655-83-00	Music Tutors	91,260	93,998	96,818	99,723	102,715
01-2660-83-00	Resources - Extra Curr Music	5,635	5,804	5,978	6,157	6,342
01-2665-83-00	Other Music Expenses	2,600	2,678	2,758	2,841	2,926
01-2710-00-00	Sundry Expenses	13,500	13,905	14,322	14,752	15,195
01-2710-14-00	Homestay Costs (Non-groups)	88,450	54,800	54,800	54,800	54,800
01-2715-14-00	Homestay Costs (Tour Groups)	40,000	40,000	40,000	40,000	40,000
01-2750-14-00	Tour Group Costs (Inbound)	20,000	20,000	20,000	20,000	20,000
01-2760-14-00	Tour Group Costs (Outbound)	60,000	-	66,000	-	67,500
01-2770-14-00	Overseas Students - Other Expenses	6,000	6,180	6,365	6,556	6,753
Total Other Commercial Expenses		445,295	358,750	432,068	373,607	448,872

Interest

01-2820-00-00	Interest - Stage 2 Loan	10,327	7,969	5,625	3,252	893
01-2821-00-00	Interest - Stage 3 Loan	7,329	6,030	4,745	3,433	2,134
01-2822-00-00	Interest - Stage 4 Loan	69,097	65,025	61,123	56,882	52,810
01-2823-00-00	Interest - LOC	55,600	111,200	111,200	111,200	111,200
01-2824-00-00	Interest - Admin/Disc Centre	129,895	123,282	116,633	108,922	99,629
	Interest - Classrooms	52,172	81,737	77,977	74,004	69,803
	Interest - Multi Purpose Hall		112,000	245,211	233,933	222,011
Total Interest		324,420	313,506	299,326	283,689	558,480

Depreciation

01-2950-00-00	Building Depreciation	405,129	372,839	460,339	460,339	487,959
01-2960-00-00	Depreciation	428,000	453,680	480,901	509,755	540,340
Total Depreciation		833,129	826,519	941,240	970,094	1,028,299

TOTAL EXPENSES	11,401,516	12,134,784	12,810,676	13,205,828	13,783,804
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NET SURPLUS	1,326,929	573,385	822,333	818,262	1,028,391
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Net Profit (Excluding Capital grants) as % of Gross Profit	10.4%	4.5%	6.0%	5.8%	6.9%
Surplus	1,326,929	573,385	822,333	818,262	1,028,391
Capital Grants	-	-	-	-	-
Subtotal	476,929	573,385	822,333	818,262	1,028,391
% of Gross Profit (exc Capital Grants)	3.7%	4.5%	6.0%	5.8%	6.9%

Cash Surplus from Operations (Excluding Capital grants)

Net Surplus (excluding Capital Grants)	476,929	573,385	822,333	818,262	1,028,391
Add back Depreciation	833,129	826,519	941,240	970,094	1,028,299
	1,310,058	1,399,904	1,763,573	1,788,356	2,056,690
Less Principal Repayments	258,802	331,326	539,469	562,433	644,928
	1,051,256	1,068,577	1,224,104	1,225,923	1,411,762
% of Gross Profit	8.3%	8.4%	9.0%	8.7%	9.5%

Cash Committed to Capital Projects

Cash Reserves as at beginning of the y	1,500,000	1,051,256	369,834	793,938	1,219,861
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Emmanuel Anglican College
Budget Forecast
2018 to 2022

GL Account		2018	2019	2020	2021	2022
	Enrolments	634.5	672	697	701	715
Tuition Fees						
01-0110-01-00	Tuition - Year 1	- 137,184 -	- 141,312 -	- 145,536 -	- 149,904 -	- 154,416
01-0110-02-00	Tuition - Year 2	- 153,216 -	- 157,824 -	- 162,576 -	- 167,472 -	- 172,512
01-0110-03-00	Tuition - Year 3	- 214,656 -	- 204,096 -	- 210,240 -	- 216,528 -	- 223,008
01-0110-04-00	Tuition - Year 4	- 210,528 -	- 221,104 -	- 210,240 -	- 216,528 -	- 223,008
01-0110-05-00	Tuition - Year 5	- 198,144 -	- 216,852 -	- 227,760 -	- 216,528 -	- 223,008
01-0110-06-00	Tuition - Year 6	- 194,016 -	- 204,096 -	- 223,380 -	- 234,572 -	- 223,008
01-0110-07-00	Tuition - Year 7	- 373,320 -	- 320,460 -	- 330,060 -	- 339,960 -	- 350,160
01-0110-08-00	Tuition - Year 8	- 326,655 -	- 384,552 -	- 330,060 -	- 339,960 -	- 350,160
01-0110-09-00	Tuition - Year 9	- 278,714 -	- 393,183 -	- 462,816 -	- 397,260 -	- 409,200
01-0110-10-00	Tuition - Year 10	- 321,127 -	- 287,086 -	- 404,964 -	- 476,712 -	- 409,200
01-0110-11-00	Tuition - Year 11	- 213,528 -	- 376,035 -	- 306,936 -	- 474,201 -	- 558,216
01-0110-12-00	Tuition - Year 12	- 165,312 -	- 219,945 -	- 387,324 -	- 316,134 -	- 488,439
01-0110-13-00	Tuition - Year K	- 121,008 -	- 124,656 -	- 128,400 -	- 132,240 -	- 136,224
Total Tuition Fees		- 2,907,408 -	- 3,251,201 -	- 3,530,292 -	- 3,677,999 -	- 3,920,559
Concessions						
01-0131-00-00	Annual Payment in Advance 3%	17,444	19,507	21,182	22,068	23,523
01-0132-00-00	Bursaries	188,982	211,328	229,469	239,070	254,836
01-0133-00-00	Clergy Discounts	6,037	6,218	6,405	6,597	6,795
01-0134-00-00	Hardship Concessions	7,000	7,200	7,500	7,700	8,000
01-0135-00-00	Scholarships	87,326	92,566	98,120	104,007	110,247
	Scholarships - RKMS	23,240	24,634	26,112	27,679	29,340
01-0136-00-00	Sibling Discount	164,237	169,164	174,239	179,466	184,850
01-0137-00-00	Staff Discounts	119,397	122,979	126,668	130,468	134,382
01-0140-00-00	Bad & Doubtful Debts	29,074	32,512	35,303	36,780	39,206
Total Concessions		642,737	686,108	724,998	753,835	791,179
Levies & Charges						
01-0200-14-00	Tuition - FFPOS	- 87,500 -	- 103,000 -	- 106,092 -	- 109,276 -	- 112,556
01-0210-00-00	Building Fund Contribution	- 158,000 -	- 162,740 -	- 167,622 -	- 172,651 -	- 177,831
01-0215-00-00	Careers Testing	- 9,010 -	- 8,050 -	- 11,025 -	- 12,960 -	- 10,800
01-0220-00-00	External Course Fees	- 12,000 -	- 12,000 -	- 14,000 -	- 14,000 -	- 14,000
01-0225-00-00	Tuition - Late Fee Withdrawal	-	-	-	-	-
01-0228-00-00	Late Fees Collected	-	-	-	-	-
01-0230-00-00	Subject Levies	- 20,960 -	- 21,589 -	- 22,237 -	- 22,904 -	- 23,591
01-0235-21-00	Sundry Levies	- 249,245 -	- 263,860 -	- 273,735 -	- 285,770 -	- 291,510
Total Levies & Charges		- 536,715 -	- 571,239 -	- 594,711 -	- 617,561 -	- 630,288
Camp Funds						
01-0240-00-00	Camp Funds	- 70,000 -	- 75,000 -	- 80,000 -	- 80,000 -	- 85,000
Total Camp Funds		- 70,000 -	- 75,000 -	- 80,000 -	- 80,000 -	- 85,000
Commercial Operations Income						
01-0410-00-00	Stationery Sales	- 44,759 -	- 46,102 -	- 47,485 -	- 48,910 -	- 50,377
01-0420-40-00	Canteen Sales	- 82,225 -	- 87,360 -	- 90,610 -	- 91,130 -	- 92,950
01-0430-00-00	Bus Charges	- 49,360 -	- 50,841 -	- 52,366 -	- 53,937 -	- 55,555
01-0440-83-00	Music Tuition	- 126,620 -	- 130,419 -	- 134,332 -	- 138,362 -	- 142,513
01-0451-45-00	Pre-Kindy & Pre-school	- 849,141 -	- 874,615 -	- 900,853 -	- 927,879 -	- 955,715
01-0453-45-00	After College Hours Care	- 68,171 -	- 70,216 -	- 72,322 -	- 74,492 -	- 76,727
01-0455-45-00	Vacation Care	- 46,176 -	- 47,561 -	- 48,988 -	- 50,458 -	- 51,972
01-0458-45-00	ISS Funding	- 10,000 -	- 10,300 -	- 10,609 -	- 10,927 -	- 11,255

Total Commercial Operations Income	-	1,276,452	-	1,317,414	-	1,357,565	-	1,396,095	-	1,437,064
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Interest Income

01-0510-00-00	Interest Received	-	500	-	500	-	500	-	500	-	500
Total Interest Income		-	500	-	500	-	500	-	500	-	500

Donations & Fundraising

01-0530-00-00	Donations	-	72,000	-	30,000	-	30,000	-	30,000	-	30,000
01-0531-00-00	Donations - DGR Funds	-	50,000	-	10,000	-	10,000	-	10,000	-	10,000
01-0535-00-00	Fundraising	-	-	-	-	-	-	-	-	-	-
01-0540-00-00	Scholarship Receipts	-	4,200	-	4,200	-	4,200	-	4,200	-	4,200
Total Donations & Fundraising		-	126,200	-	44,200	-	44,200	-	44,200	-	44,200

Miscellaneous Income

01-0560-00-00	Commission	-	13,000	-	13,520	-	14,061	-	14,623	-	15,208
01-0610-00-00	Enrolment Fees	-	29,750	-	24,500	-	16,750	-	18,000	-	12,000
01-0620-14-00	Tour Groups (Outbound)	-	80,000	-	-	-	88,000	-	-	-	90,000
01-0625-14-00	Tour Groups (Inbound)	-	100,000	-	100,000	-	100,000	-	100,000	-	100,000
01-0630-14-00	Overseas Student Semester Program	-	-	-	-	-	-	-	-	-	-
01-0640-14-00	Homestay Receipts (Non-Groups)	-	96,325	-	63,800	-	63,800	-	63,800	-	63,800
	Overseas Students - Other Income	-	6,000	-	6,180	-	6,365	-	6,556	-	6,753
01-0650-00-00	Sundry Income	-	8,000	-	8,240	-	8,487	-	8,742	-	9,004
01-0660-00-00	Bad Debts Recovered	-	-	-	-	-	-	-	-	-	-
01-0670-00-00	Room Hire	-	2,380	-	2,451	-	2,525	-	2,601	-	2,679
Total Miscellaneous Income		-	335,455	-	218,691	-	299,988	-	214,322	-	299,444

Government Grants

01-0710-00-00	Grants - Commonwealth	-	5,446,238	-	5,938,473	-	6,345,593	-	6,573,902	-	6,907,337
01-0720-00-00	Grants - State Government	-	1,863,753	-	2,032,229	-	2,171,534	-	2,249,590	-	2,363,619
01-0730-00-00	Grants - Assoc Indep Schools	-	20,000	-	20,000	-	20,000	-	20,000	-	20,000
01-0750-00-00	Interest Rate Subsidy	-	40,128	-	32,142	-	24,228	-	16,170	-	10,592
01-0780-00-00	Grants - Other	-	4,000	-	4,000	-	4,000	-	4,000	-	4,000
01-0790-00-00	Grants - Capital	-	850,000	-	-	-	-	-	-	-	-
Total Government Grants		-	8,224,119	-	8,026,844	-	8,565,355	-	8,863,662	-	9,305,548

TOTAL INCOME	-	12,834,112	-	12,818,981	-	13,747,613	-	14,140,504	-	14,931,424
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EXPENSES

Cost of Sales

01-1001-40-00	Canteen Purchases	60,907	64,711	67,119	67,504	68,852
01-1002-00-00	Stationery Purchases	44,759	46,102	47,485	48,910	50,377
Total Cost of Sales		105,666	110,813	114,604	116,414	119,229

GROSS PROFIT	-	12,728,446	-	12,708,168	-	13,633,009	-	14,024,090	-	14,812,195
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Salaries

01-1010-00-00	Salaries - Teachers #	5,077,662	5,324,604	5,577,719	5,837,162	6,103,091
01-1011-00-00	Salaries - Administration & IT #	716,908	764,831	813,952	864,301	915,909
01-1012-00-00	Salaries - Auxillary Staff #	50,717	51,985	53,285	54,617	55,982
01-1013-45-00	Salaries - ELC Staff #	446,176	457,330	468,763	480,482	492,494
01-1014-45-00	Salaries - ELC ISS Hours #	10,000	10,250	10,506	10,769	11,038
01-1015-00-00	Salaries - Maintenance #	312,252	320,058	383,059	392,635	402,451
01-1016-00-00	Salaries - Learning Support Staff #	315,345	323,229	376,310	385,718	395,361
14-00	Salaries - International Programs	64,399	66,009	67,659	69,350	71,084
01-1020-00-00	Salaries - Relief Staff #	225,607	231,248	237,029	242,955	249,029
01-1025-00-00	Chaplaincy Costs	170,800	175,070	179,447	183,933	188,531
Total Salaries		7,389,866	7,724,614	8,167,729	8,521,922	8,884,970

Other Employment Expenses

01-1028-00-00	Labour Hire	16,000	16,480	16,974	17,483	18,007
01-1030-00-00	Fringe Benefits Tax	20,970	23,067	25,374	27,911	30,702
01-1032-00-00	Long Service Leave	173,227	181,307	192,090	200,642	209,408
01-1035-00-00	Superannuation	685,811	717,207	758,887	792,109	826,162
01-1040-00-00	Worker's Compensation	51,382	53,734	56,857	59,346	61,897
01-1050-00-00	Professional Dev & Training	75,000	78,000	81,120	84,365	87,739
01-1052-00-00	Staff Amenities	4,585	4,723	4,865	5,011	5,161
01-1053-00-00	Recruitment Expenses	16,000	16,480	16,974	17,483	18,007
01-1055-00-00	Travel & Accommodation	85,000	87,550	90,177	92,882	95,668
01-1058-00-00	Other Payroll Expenses	-	-	-	-	-
Total Other Employment Expenses		1,127,975	1,178,548	1,243,317	1,297,231	1,352,751

Teaching Resources

01-1510-21-00	Resources - Junior Primary	850	876	902	929	957
01-1510-23-00	Resources - Stage 4 Welfare	500	515	530	546	562
01-1510-23-00	Resources - Upper Primary	1,100	1,133	1,167	1,202	1,238
01-1510-35-00	Resources - Stage 5 Welfare	500	515	530	546	562
01-1510-36-00	Resources - Stage 6 Welfare	500	515	530	546	562
01-1510-52-00	Resources - Computing & ICT	2,050	2,112	2,175	2,240	2,307
01-1510-53-00	Resources - Drama	645	664	684	705	726
01-1510-54-00	Resources - DT/Wood	4,050	4,172	4,297	4,426	4,559
01-1510-56-00	Resources - ELC	5,000	5,150	5,305	5,464	5,628
01-1510-57-00	Resources - ELC - Vac Care	825	850	876	902	929
01-1510-58-00	Resources - ELC - ACHC	1,600	1,648	1,697	1,748	1,800
01-1510-59-00	Resources - English	1,250	1,288	1,327	1,367	1,408
01-1510-61-00	Resources - Events	3,000	3,090	3,183	3,278	3,376
01-1510-62-00	Resources - Food/Textiles	4,425	4,558	4,695	4,836	4,981
01-1510-64-00	Resources - Hospitality	4,800	4,944	5,092	5,245	5,402
01-1510-65-00	Resources - HSIE	1,404	1,446	1,489	1,534	1,580
01-1510-67-00	Resources - Japanese	2,184	2,250	2,318	2,388	2,460
01-1510-69-00	Resources - Leader Curriculum (Eng)	850	876	902	929	957
01-1510-70-00	Resources - Leader Curriculum (HSIE)	850	876	902	929	957
01-1510-71-00	Resources - Leader Curriculum (TAS)	850	876	902	929	957
01-1510-72-00	Resources - Leader Curric (Maths)	850	876	902	929	957
01-1510-73-00	Resources - Leader Curric (Primary)	8,000	8,240	8,487	8,742	9,004
01-1510-76-00	Resources - Leader of Welfare	-	-	-	-	-
01-1510-77-00	Resources - Director of Admin	-	-	-	-	-
	Resources - Director T&L	1,500	1,545	1,591	1,639	1,688
01-1510-80-00	Resources - Learning Support	2,500	2,575	2,652	2,732	2,814
01-1510-81-00	Resources - Library	2,000	2,060	2,122	2,186	2,252
01-1510-82-00	Resources - Maths	1,465	1,508	1,553	1,600	1,648
01-1510-83-00	Resources - Music	5,500	5,665	5,835	6,010	6,190
01-1510-85-00	Resources - New Curric/Deputy	2,000	2,060	2,122	2,186	2,252
01-1510-87-00	Resources - PDHPE/PASS	1,300	1,339	1,379	1,420	1,463
	Resources - Photo & Dig Media	805	829	854	880	906
01-1510-90-00	Resources - Rave Classroom	2,100	2,163	2,228	2,295	2,364
01-1510-91-00	Resources - Rave Chaplain	500	515	530	546	562
01-1510-93-00	Resources - Science	5,800	5,974	6,153	6,338	6,528
01-1510-94-00	Resources - Sports Coord	1,500	1,545	1,591	1,639	1,688
01-1510-96-00	Resources - Visual Arts	4,775	4,918	5,066	5,218	5,375
	Resources - STEM	7,200	7,416	7,638	7,867	8,103
	Resources - Counsellor	1,000	1,030	1,061	1,093	1,126
01-1520-00-00	Tests & Examinations	27,124	28,751	30,476	32,305	34,243
01-1530-00-00	External Course Fees (Curriculum)	12,000	12,000	14,000	14,000	14,000
Total Teaching Resources		125,152	129,363	135,743	140,314	145,071

Camp Costs

01-1590-00-00	Camp Costs	70,000	75,000	80,000	80,000	85,000
Total Camp Costs		<u>70,000</u>	<u>75,000</u>	<u>80,000</u>	<u>80,000</u>	<u>85,000</u>

Sundries & Excursions

01-1600-21-00	Excursions - Stage 1	11,520	11,808	12,240	12,528	12,960
01-1600-22-00	Excursions - Stage 2	8,240	8,200	8,160	8,352	8,640
01-1600-23-00	Excursions - Stage 3	7,600	8,118	8,755	8,700	8,640
01-1600-34-00	Excursions - Stage 4	10,800	10,824	10,200	10,440	10,800
01-1600-35-00	Excursions - Stage 5	7,920	8,938	11,475	11,484	10,800
01-1600-36-00	Excursions - Stage 6	4,400	6,888	8,075	9,135	12,150
01-1650-21-00	Sport Costs - Stage 1	37,440	38,592	39,744	40,896	42,192
01-1650-22-00	Sport Costs - Stage 2	26,780	26,800	26,496	27,264	28,128
01-1650-23-00	Sport Costs - Stage 3	24,700	224,532	28,428	28,400	28,128
01-1650-37-00	Sport Costs - Stage 4 & 5	60,840	64,588	70,380	71,568	70,320
01-1650-87-00	Sport Costs - PASS	4,500	4,635	4,774	4,917	5,065
01-1680-21-00	Other Sundries - Stage 1	3,600	3,744	3,888	3,888	4,032
01-1680-22-00	Other Sundries - Stage 2	2,575	2,600	2,592	2,592	2,688
01-1680-23-00	Other Sundries - Stage 3	2,375	2,574	2,781	2,700	1,632
01-1680-34-00	Other Sundries - Stage 4	3,375	2,112	1,920	2,040	3,360
01-1680-35-00	Other Sundries - Stage 5	2,475	2,834	3,645	3,564	3,360
01-1680-36-00	Other Sundries - Stage 6	12,925	20,328	23,655	26,985	35,640
01-1681-00-00	Other Sundries - Chapel Buses	8,250	8,498	8,753	9,016	9,286
01-1685-00-00	Other Sundries - Diocese Fee	25,403	27,552	29,623	30,844	32,175
01-1690-00-00	Other Sundries - NCIS	35,000	37,100	39,326	41,686	44,187
	Other Sundries - Rep Support	12,500	12,875	13,261	13,659	14,069
	Other Sundries - Sport Coaching	30,000	30,900	31,827	32,782	33,765
Total Sundries & Excursions		<u>343,218</u>	<u>565,040</u>	<u>389,998</u>	<u>403,440</u>	<u>422,017</u>

Building & Grounds Operations

01-2010-00-00	Cleaning Materials	18,000	18,540	19,096	19,669	20,259
01-2020-00-00	Electricity	108,250	111,498	114,843	118,288	121,837
01-2030-00-00	Gas	2,000	2,060	2,122	2,186	2,252
01-2060-00-00	Rates & Water	20,000	20,600	21,218	21,855	22,511
01-2070-00-00	Security Services	10,000	10,300	10,609	10,927	11,255
01-2090-00-00	Waste Disposal	15,000	15,450	15,914	16,391	16,883
Total Building & Grounds Operations		<u>173,250</u>	<u>178,448</u>	<u>183,802</u>	<u>189,316</u>	<u>194,997</u>

Repairs & Maintenance

01-2110-00-00	Maintenance - Buildings	32,500	33,475	34,479	35,513	36,578
01-2120-00-00	Maintenance - Equipment	30,000	30,900	31,827	32,782	33,765
01-2130-00-00	Maintenance - Grounds	15,000	15,450	15,914	16,391	16,883
01-2140-00-00	Maintenance - Motor Vehicles	2,500	2,575	2,652	2,732	2,814
01-2150-00-00	Maintenance - Network	8,000	8,240	8,487	8,742	9,004
	Low Cost Assets	15,000	15,450	15,914	16,391	16,883
Total Repairs & Maintenance		<u>103,000</u>	<u>106,090</u>	<u>109,273</u>	<u>112,551</u>	<u>115,927</u>

Administrative Costs

01-2510-00-00	Advertising	10,000	10,300	10,609	10,927	11,255
01-2515-00-00	Audit Fees	17,500	18,025	18,566	19,123	19,697
01-2520-00-00	Bank Fees	20,200	20,806	21,430	22,073	22,735
01-2525-00-00	Catering & Gifts	18,400	18,952	19,521	20,107	20,710
01-2530-00-00	Consultants	15,000	15,450	15,914	16,391	16,883
01-2535-00-00	Donations	-	-	-	-	-
01-2540-00-00	Fuel	6,000	6,180	6,365	6,556	6,753
01-2545-00-00	Insurance	66,000	67,980	70,019	72,120	74,284
01-2550-00-00	Internet	40,000	41,200	42,436	43,709	45,020
01-2555-00-00	Legal & Accounting	2,000	2,060	2,122	2,186	2,252
01-2560-00-00	Licence Fees	124,313	131,772	139,678	148,059	156,943
01-2565-00-00	Office & Stationery Supplies	22,000	22,660	23,340	24,040	24,761

01-2570-00-00	Operating Leases	-	-	-	-	-
01-2575-00-00	Postage & Freight	10,400	10,712	11,033	11,364	11,705
01-2580-00-00	Printing	47,000	48,410	49,862	51,358	52,899
01-2585-00-00	Prizes & Awards	7,000	7,210	7,426	7,649	7,878
01-2590-00-00	Subscriptions & Memberships	41,349	43,830	46,460	49,248	52,203
01-2595-00-00	Telephone	19,050	19,622	20,211	20,817	21,442
Total Administrative Costs		466,212	485,169	504,992	525,727	547,420

Other Commercial Expenses

01-2600-00-00	EAC Bus Hire	83,035	85,526	88,092	90,735	93,457
01-2650-83-00	Instrument Hire	34,815	35,859	36,935	38,043	39,184
01-2655-83-00	Music Tutors	91,260	93,998	96,818	99,723	102,715
01-2660-83-00	Resources - Extra Curr Music	5,635	5,804	5,978	6,157	6,342
01-2665-83-00	Other Music Expenses	2,600	2,678	2,758	2,841	2,926
01-2710-00-00	Sundry Expenses	13,500	13,905	14,322	14,752	15,195
01-2710-14-00	Homestay Costs (Non-groups)	88,450	54,800	54,800	54,800	54,800
01-2715-14-00	Homestay Costs (Tour Groups)	40,000	40,000	40,000	40,000	40,000
01-2750-14-00	Tour Group Costs (Inbound)	20,000	20,000	20,000	20,000	20,000
01-2760-14-00	Tour Group Costs (Outbound)	60,000	-	66,000	-	67,500
01-2770-14-00	Overseas Students - Other Expenses	6,000	6,180	6,365	6,556	6,753
Total Other Commercial Expenses		445,295	358,750	432,068	373,607	448,872

Interest

01-2820-00-00	Interest - Stage 2 Loan	10,327	7,969	5,625	3,252	893
01-2821-00-00	Interest - Stage 3 Loan	7,329	6,030	4,745	3,433	2,134
01-2822-00-00	Interest - Stage 4 Loan	69,097	65,025	61,123	56,882	52,810
01-2823-00-00	Interest - LOC	55,600	111,200	111,200	111,200	111,200
01-2824-00-00	Interest - Admin/Disc Centre	129,895	123,282	116,633	108,922	99,629
	Interest - Classrooms	52,172	81,737	77,977	74,004	69,803
	Interest - Multi Purpose Hall		112,000	245,211	233,933	222,011
Total Interest		324,420	313,506	299,326	283,689	558,480

Depreciation

01-2950-00-00	Building Depreciation	405,129	372,839	460,339	460,339	487,959
01-2960-00-00	Depreciation	428,000	453,680	480,901	509,755	540,340
Total Depreciation		833,129	826,519	941,240	970,094	1,028,299

TOTAL EXPENSES	11,401,516	12,134,784	12,810,676	13,205,828	13,783,804
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NET SURPLUS	1,326,929	573,385	822,333	818,262	1,028,391
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Net Profit (Excluding Capital grants) as % of Gross Profit	10.4%	4.5%	6.0%	5.8%	6.9%
Surplus	1,326,929	573,385	822,333	818,262	1,028,391
Capital Grants	- 850,000	-	-	-	-
Subtotal	476,929	573,385	822,333	818,262	1,028,391
% of Gross Profit (exc Capital Grants)	3.7%	4.5%	6.0%	5.8%	6.9%

Cash Surplus from Operations (Excluding Capital grants)

Net Surplus (excluding Capital Grants)	476,929	573,385	822,333	818,262	1,028,391
Add back Depreciation	833,129	826,519	941,240	970,094	1,028,299
	1,310,058	1,399,904	1,763,573	1,788,356	2,056,690
Less Principal Repayments	258,802	331,326	539,469	562,433	644,928
	1,051,256	1,068,577	1,224,104	1,225,923	1,411,762
% of Gross Profit	8.3%	8.4%	9.0%	8.7%	9.5%

Cash Committed to Capital Projects

Cash Reserves as at beginning of the y	1,500,000	1,051,256	369,834	793,938	1,219,861
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Cash from operations	1,051,256	1,068,577	1,224,104	1,225,923	1,411,762
Total Cash Reserves	<u>2,551,256</u>	<u>2,119,834</u>	<u>1,593,938</u>	<u>2,019,861</u>	<u>2,631,623</u>
Less:					
Cash Committed to BGA project	750,000				
Carpark, Walkways, covered areas	500,000				
Mutli Purpose Hall		1,500,000			
Other Capital Expenditure	<u>250,000</u>	<u>250,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
Cash Reserves at end of the year	<u>1,051,256</u>	<u>369,834</u>	<u>793,938</u>	<u>1,219,861</u>	<u>1,831,623</u>



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		2017	2016/9
ASSETS			
Unknown Assets			
Cash			
01-5002-00-00	AFGD Operating Account	(280,159.47)	105,705.14
01-5005-00-00	AFGD ELC & OOSH Account	10,745.17	18,248.78
01-5010-00-00	AFGD Canteen Account	25,802.39	10,883.93
01-5015-00-00	AFGD OS Student Pre Payts	22,490.95	210.85
01-5020-00-00	AFGD At Call Account	16,482.18	1,430,982.76
01-5050-00-00	Westpac Cash Management Acc	224,777.65	406,150.39
01-5051-00-00	Westpac OOSH Account	12,964.27	8,036.06
01-5052-00-00	Westpac Debit Card Account	2,577.01	1,367.85
01-5053-00-00	Westpac Building Fund Acc	5,266.88	7,066.61
01-5054-00-00	Westpac Library Fund Acc	669.48	10,881.46
01-5055-00-00	Westpac Scholarship Fund Acc	23,185.85	16,312.06
01-5110-00-00	Petty Cash	200.00	200.00
01-5120-00-00	Cash Float Reception	50.00	50.00
Total Cash		65,052.36	2,016,095.89
Debtors and Prepayments			
01-5300-00-00	College Debtors	326,577.02	419,924.44
01-5302-00-00	Commerical Debtors	45,229.00	10,448.75
01-5303-00-00	Sundry Debtors	104.50	0.00
01-5305-00-00	ELC Debtors	22,848.33	31,343.70
01-5349-00-00	Less Provision for Bad Debts	(33,000.00)	(30,000.00)
Total Debtors and Prepayments		361,758.85	431,716.89
Other Current Assets			
01-5225-00-00	Contra Suspense	(3,008.92)	(1,946.69)
01-5230-00-00	Staff Social Committee	(353.95)	(196.55)
01-5350-00-00	Deposits To Suppliers	2,590.37	4,744.34
01-5450-00-00	Grants Receivable	11,074.83	27,566.02
Total Other Current Assets		10,302.33	30,167.12
Land			
01-6010-00-00	Land at West Ballina	2,150,000.00	2,150,000.00
01-6015-00-00	Land Fill	726,483.32	726,483.32
Total Land		2,876,483.32	2,876,483.32
Buildings			
01-6110-00-00	Buildings at Cost	14,893,902.00	0.00
01-6119-00-00	Less Accumulated Depreciation	(3,087,120.57)	0.00
01-6120-00-00	Demountable APB07 at Cost	0.00	196,438.00
01-6129-00-00	Less Accumulated Depreciation	0.00	(42,970.86)
01-6130-00-00	Demountable Music Room	0.00	34,815.00
01-6139-00-00	Less Accumulated Depreciation	0.00	(6,745.39)
01-6140-00-00	Stage One Buildings at Cost	0.00	1,930,305.78
01-6149-00-00	Less Accumulated Depreciation	0.00	(787,603.72)
01-6150-00-00	Stage Two Buildings at Cost	0.00	1,254,407.27
01-6159-00-00	Less Accumulated Depreciation	0.00	(482,057.16)
01-6160-00-00	Stage Three Buildings at Cost	0.00	592,083.81
01-6169-00-00	Less Accumulated Depreciation	0.00	(216,546.52)
01-6170-00-00	Stage Four Buildings at Cost	0.00	2,414,338.20
01-6179-00-00	Less Accumulated Depreciation	0.00	(709,177.73)
01-6180-00-00	BER Library at Cost	0.00	1,873,064.05
01-6189-00-00	Less Accumulated Depreciation	0.00	(296,962.87)
01-6190-00-00	Trade Trading Centre at Cost	0.00	1,871,020.08
01-6199-00-00	Less Accumulated Depreciation	0.00	(149,265.12)
01-6200-00-00	Discovery Centre & Staff Areas at Cost	0.00	4,412,385.12



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01-6209-00-00 Less Accumulated Depreciation	0.00	(9,576.38)
01-6210-00-00 Demountable - D Block at Cost	0.00	301,392.69
01-6219-00-00 Less Accumulated Depreciation	0.00	(12,711.12)
Total Buildings	11,806,781.43	12,166,633.13
Plant & Equipment		
01-6310-00-00 Property Improvements ~	1,591,428.79	710,549.30
01-6319-00-00 Less Accumulated Depreciation ~	(507,669.99)	(429,039.00)
01-6320-00-00 Library Acquisitions ~	77,451.06	70,320.29
01-6329-00-00 Less Accumulated Depreciation ~	(57,495.80)	(49,655.08)
01-6330-00-00 Textbooks ~	111,532.64	94,450.63
01-6339-00-00 Less Accumulated Depreciation ~	(88,280.78)	(67,889.25)
01-6340-00-00 Computer Network ~	637,795.76	507,667.66
01-6349-00-00 Less Accumulated Depreciation ~	(497,796.71)	(413,973.04)
01-6350-00-00 Furniture & Equipment ~	979,747.43	799,055.21
01-6359-00-00 Less Accumulated Depreciation ~	(618,830.85)	(496,353.03)
01-6360-00-00 Motor Vehicles at Cost ~	29,630.91	29,630.91
01-6369-00-00 Less Accumulated Depreciation ~	(16,235.61)	(10,309.42)
Total Plant & Equipment	1,641,276.85	744,455.18
Other Non-Current Assets		
01-6220-00-00 Primary Building Stage 2	80,167.50	0.00
01-6221-00-00 Multi Purpose Hall	18,750.00	0.00
Total Other Non-Current Assets	98,917.50	0.00
Total Unknown Assets	16,860,572.64	18,265,551.53
TOTAL ASSETS	16,860,572.64	18,265,551.53
LIABILITIES		
Unknown Liabilities		
Creditors		
01-8100-00-00 Westpac ADG Credit Card (RT)	0.00	4,785.22
01-8102-00-00 Westpac Credit Card	20,126.56	0.00
01-8610-00-00 Trade Creditors	362,135.74	219,799.03
01-8615-00-00 Sundry Creditors	2,120.00	170.00
01-8618-00-00 Paid Parental Leave Clearing #	1,390.00	(1,314.00)
01-8620-07-00 Fees in Advance - Year 7	24,278.00	3,800.00
01-8620-13-00 Fees in Advance - Kindy	36,000.00	30,274.00
01-8630-00-00 Fees in Advance - Other	0.00	(233.00)
01-8630-14-00 Fees in Advance - International	30,075.00	0.00
01-8640-00-00 Fees in Advance - ELC	2,000.00	4,600.00
Total Creditors	478,125.30	261,881.25
Payroll Liabilities		
01-8515-00-00 Superannuation Payable	52,428.44	47,996.75
01-8520-00-00 Salary Sacrifice Clearing	0.00	(887.27)
Total Payroll Liabilities	52,428.44	47,109.48
GST Liabilities		
01-8210-00-00 GST Collected	206,785.99	0.00
01-8220-00-00 GST Paid	(85,887.93)	0.00
01-8280-00-00 GST/BAS Clearing Account	0.29	138,513.53
01-8510-00-00 PAYG Withholding Payable #	65,855.00	1,050.00
Total GST Liabilities	186,753.35	139,563.53
Provisions - Current		
01-8820-00-00 Accrued Annual Leave	155,394.28	167,930.47
Total Provisions - Current	155,394.28	167,930.47



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	2017	2016/5
Other Current Liabilities		
01-8101-00-00 Westpac ADG Credit Card (KM)	0.00	6,460.37
01-8300-00-00 FBT Payable	6,296.99	1,988.19
01-8710-00-00 SRC & Fundraising Activities	8,325.01	6,275.40
01-8715-00-00 CIS Clearing	1,295.00	370.00
Total Other Current Liabilities	15,917.00	15,093.96
Borrowings		
01-8910-00-00 AFGD Stage 2 Building Loan	231,806.02	275,636.14
01-8911-00-00 AFGD Stage 3 Building Loan	162,230.66	186,370.02
01-8912-00-00 AFGD Stage 4 Building Loan	1,301,970.77	1,377,773.80
01-8913-00-00 AFGD Residual Funding Loan	0.00	3,106,745.10
01-8914-00-00 AFGD Admin/Classrooms Loan	2,437,541.77	2,511,475.00
Total Borrowings	4,133,549.22	7,458,000.06
Provisions - Non-Current		
01-8950-00-00 Provision for LSL #	802,017.89	763,253.86
Total Provisions - Non-Current	802,017.89	763,253.86
Total Unknown Liabilities	5,824,185.48	8,852,832.61
TOTAL LIABILITIES	5,824,185.48	8,852,832.61
NET ASSETS	11,036,387.16	9,412,718.92
ACCUMULATED FUNDS AND RESERVES		
01-9000-00-00 Surplus (Deficit) for Year	0.00	2,233,292.23
01-9050-00-00 Accumulated Funds	9,120,745.90	7,179,426.69
0 Current Year Surplus/(Deficit)	1,915,641.26	0.00
TOTAL ACCUMULATED FUNDS AND RESERVES	11,036,387.16	9,412,718.92



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		Annual		Month to Date		Year to Date		
		Budget	Actual	Budget	Variance	Actual	Budget	Variance
INCOME								
Tuition Fees Income								
01-0110-01-00	Tuition - Year 1	130,425.00	(763.12)	0.00	(763.12)	131,743.13	130,425.00	1,318.13
01-0110-02-00	Tuition - Year 2	161,148.00	0.00	0.00	0.00	164,401.95	161,148.00	3,253.95
01-0110-03-00	Tuition - Year 3	200,400.00	0.00	0.00	0.00	201,402.00	200,400.00	1,002.00
01-0110-04-00	Tuition - Year 4	172,344.00	(901.80)	0.00	(901.80)	190,480.20	172,344.00	18,136.20
01-0110-05-00	Tuition - Year 5	164,328.00	0.00	0.00	0.00	187,374.00	164,328.00	23,046.00
01-0110-06-00	Tuition - Year 6	216,432.00	0.00	0.00	0.00	224,448.00	216,432.00	8,016.00
01-0110-07-00	Tuition - Year 7	286,938.00	(1,258.50)	0.00	(1,258.50)	316,386.90	286,938.00	29,448.90
01-0110-08-00	Tuition - Year 8	196,326.00	(1,636.05)	0.00	(1,636.05)	227,410.95	196,326.00	31,084.95
01-0110-09-00	Tuition - Year 9	305,916.00	1,029.53	0.00	1,029.53	314,887.59	305,916.00	8,971.59
01-0110-10-00	Tuition - Year 10	170,607.00	(147.07)	0.00	(147.07)	185,167.43	170,607.00	14,560.43
01-0110-11-00	Tuition - Year 11	200,610.00	0.00	0.00	0.00	159,819.30	200,610.00	(40,790.70)
01-0110-12-00	Tuition - Year 12	193,923.00	0.00	0.00	0.00	180,549.00	193,923.00	(13,374.00)
01-0110-13-00	Tuition - Year K	117,456.00	673.20	0.00	673.20	116,892.00	117,456.00	(564.00)
		2,516,853.00	(3,003.81)	0.00	(3,003.81)	2,600,962.45	2,516,853.00	84,109.45
Tuition Fees - FFPOS								
01-0200-14-00	Tuition - FFPOS	50,000.00	(4,375.00)	0.00	(4,375.00)	57,123.00	50,000.00	7,123.00
		50,000.00	(4,375.00)	0.00	(4,375.00)	57,123.00	50,000.00	7,123.00
Levies & Charges								
01-0210-00-00	Building Fund Contribution	141,600.00	(240.00)	0.00	(240.00)	148,730.00	141,600.00	7,130.00
01-0215-00-00	Careers Testing	4,930.00	0.00	0.00	0.00	5,610.00	4,930.00	680.00
01-0220-00-00	External Course Fees	8,000.00	3,200.00	0.00	3,200.00	17,410.00	8,000.00	9,410.00
01-0230-00-00	Subject Levies	16,555.00	(21.98)	0.00	(21.98)	13,028.03	16,555.00	(3,526.97)
01-0235-21-00	Sundry Levies	211,270.00	(240.50)	0.00	(240.50)	219,308.25	211,270.00	8,038.25
		382,355.00	2,697.52	0.00	2,697.52	404,086.28	382,355.00	21,731.28
Camp Funds								
01-0240-00-00	Camp Funds	70,000.00	14,255.00	0.00	14,255.00	84,097.50	60,000.00	24,097.50
		70,000.00	14,255.00	0.00	14,255.00	84,097.50	60,000.00	24,097.50
Government Grants								
01-0710-00-00	Grants - Commonwealth	4,879,288.00	0.00	0.00	0.00	3,529,556.52	3,474,257.43	55,299.09
01-0720-00-00	Grants - State Government	1,629,968.00	852,934.19	814,984.00	37,950.19	1,735,088.94	1,629,968.00	105,120.94
01-0730-00-00	Grants - Assoc Indep Schools	20,000.00	0.00	5,000.00	(5,000.00)	8,283.69	15,000.00	(6,716.31)
01-0750-00-00	Interest Rate Subsidy	48,114.00	11,074.83	11,634.20	(559.37)	35,214.71	36,772.65	(1,557.94)
01-0780-00-00	Grants - Other	4,000.00	(684.09)	0.00	(684.09)	35,440.91	3,000.00	32,440.91
		6,581,370.00	863,324.93	831,618.20	31,706.73	5,343,584.77	5,158,998.08	184,586.69
Commercial Operations Income								
01-0410-00-00	Stationery Sales	29,794.00	149.72	0.00	149.72	32,967.32	29,794.00	3,173.32
01-0420-40-00	Canteen Sales	74,490.00	7,477.15	5,586.75	1,890.40	57,660.72	57,729.75	(69.03)
01-0430-00-00	Bus Charges	37,815.00	108.00	0.00	108.00	36,194.00	28,361.25	7,832.75
01-0440-83-00	Music Tuition	100,340.00	200.00	0.00	200.00	73,490.00	75,255.00	(1,765.00)
	ELC Income	887,570.00	83,113.50	81,236.00	1,877.50	715,073.81	665,702.00	49,371.81
		1,130,009.00	91,048.37	86,822.75	4,225.62	915,385.85	856,842.00	58,543.85
Interest Income								
01-0510-00-00	Interest Received	500.00	197.23	41.66	155.57	3,473.75	375.02	3,098.73
		500.00	197.23	41.66	155.57	3,473.75	375.02	3,098.73
Donations and Fundraising								
01-0530-00-00	Donations	10,000.00	1,015.52	0.00	1,015.52	10,471.19	5,000.00	5,471.19
01-0531-00-00	Donations - DGR Funds	10,000.00	32.00	0.00	32.00	10,404.00	10,000.00	404.00
01-0540-00-00	Scholarship Receipts	4,200.00	350.00	350.00	0.00	3,150.00	3,150.00	0.00
		24,200.00	1,397.52	350.00	1,047.52	24,025.19	18,150.00	5,875.19
Miscellaneous Income								
01-0560-00-00	Commission	11,000.00	492.25	500.00	(7.75)	11,899.99	9,500.00	2,399.99
01-0610-00-00	Enrolment Fees	24,500.00	3,250.00	250.00	3,000.00	31,908.00	23,000.00	8,908.00
01-0625-14-00	Tour Groups (Inbound)	100,000.00	0.00	0.00	0.00	90,841.82	100,000.00	(9,158.18)
01-0630-14-00	Overseas Student Semester Program	0.00	0.00	0.00	0.00	3,500.00	0.00	3,500.00
01-0640-14-00	Homestay Receipts (Non-Groups)	20,000.00	(3,500.00)	0.00	(3,500.00)	41,365.00	20,000.00	21,365.00



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		Annual	Month to Date			Year to Date		
		Budget	Actual	Budget	Variance	Actual	Budget	Variance
01-0645-14-00	Overseas Students - Other Income	2,000.00	0.00	0.00	0.00	6,145.46	2,000.00	4,145.46
01-0650-00-00	Sundry Income	6,000.00	818.18	600.00	218.18	15,748.18	4,800.00	10,948.18
01-0660-00-00	Bad Debts Recovered	0.00	5,207.00	0.00	5,207.00	7,486.50	0.00	7,486.50
01-0665-00-00	Profit on Sale of Assets	0.00	0.00	0.00	0.00	272.73	0.00	272.73
01-0670-00-00	Room Hire	2,310.00	1,280.00	0.00	1,280.00	3,540.00	2,310.00	1,230.00
		165,810.00	7,547.43	1,350.00	6,197.43	212,707.68	161,610.00	51,097.68
TOTAL INCOME		10,921,097.00	973,089.19	920,182.61	52,906.58	9,645,446.47	9,205,183.10	440,263.37
EXPENSES								
Cost of Sales								
01-1001-40-00	Canteen Purchases	55,177.78	3,286.15	4,138.33	852.18	40,721.81	42,762.78	2,040.97
01-1002-00-00	Stationery Purchases	29,794.00	468.75	0.00	(468.75)	31,649.00	29,794.00	(1,855.00)
		84,971.78	3,754.90	4,138.33	383.43	72,370.81	72,556.78	185.97
Salaries Tuition								
01-1010-00-00	Salaries - Teachers #	4,474,201.00	349,369.83	339,938.54	(9,431.29)	3,254,685.97	3,229,416.11	(25,269.86)
01-1020-00-00	Salaries - Relief Staff #	220,746.44	23,574.06	10,000.00	(13,574.06)	146,777.28	159,746.44	12,969.16
		4,694,947.44	372,943.89	349,938.54	(23,005.35)	3,401,463.25	3,389,162.55	(12,300.70)
Salaries Support								
01-1011-00-00	Salaries - Administration & IT #	542,514.00	50,303.98	41,731.85	(8,572.13)	414,530.89	396,452.53	(18,078.36)
01-1015-00-00	Salaries - Maintenance #	255,929.00	19,520.79	19,686.85	166.06	180,412.07	187,025.03	6,612.96
01-1016-00-00	Salaries - Support Staff #	368,568.00	23,648.04	28,351.38	4,703.34	243,863.63	269,338.16	25,474.53
01-1028-00-00	Labour Hire	16,000.00	4,094.32	1,333.34	(2,760.98)	46,003.86	11,999.98	(34,003.88)
		1,183,011.00	97,567.13	91,103.42	(6,463.71)	884,810.45	864,815.70	(19,994.75)
Salaries Commercial Operations								
01-1012-00-00	Salaries - Auxillary Staff #	48,942.00	3,444.05	3,764.77	320.72	32,108.51	35,765.31	3,656.80
01-1013-45-00	Salaries - ELC Staff #	443,395.00	36,052.12	34,107.31	(1,944.81)	298,656.53	324,019.42	25,362.89
01-1014-45-00	Salaries - ELC ISS Hours #	10,000.00	2,044.59	769.23	(1,275.36)	12,302.93	7,307.69	(4,995.24)
		502,337.00	41,540.76	38,641.31	(2,899.45)	343,067.97	367,092.42	24,024.45
Chaplaincy Costs								
01-1025-00-00	Chaplaincy Costs	120,000.00	3,486.08	10,000.00	6,513.92	47,198.02	90,000.00	42,801.98
		120,000.00	3,486.08	10,000.00	6,513.92	47,198.02	90,000.00	42,801.98
Other Employment Expenses								
01-1030-00-00	Fringe Benefits Tax	23,639.00	1,480.00	1,969.92	489.92	12,913.35	17,729.24	4,815.89
01-1032-00-00	Long Service Leave	153,589.00	12,799.08	12,799.09	0.01	115,191.72	115,191.73	0.01
01-1035-00-00	Superannuation	604,608.07	47,924.90	45,443.25	(2,481.65)	434,417.77	437,861.70	3,443.93
01-1040-00-00	Worker's Compensation	45,297.87	0.00	11,324.47	11,324.47	10,591.83	33,973.40	23,381.57
		827,133.94	62,203.98	71,536.73	9,332.75	573,114.67	604,756.07	31,641.40
Other Staff Related Expenses								
01-1050-00-00	Professional Dev & Training	50,000.00	5,347.21	3,675.00	(1,672.21)	44,396.17	41,650.00	(2,746.17)
01-1052-00-00	Staff Amenities	4,585.00	113.58	382.09	268.51	2,062.67	3,438.73	1,376.06
01-1053-00-00	Recruitment Expenses	8,000.00	6,764.19	0.00	(6,764.19)	20,653.91	6,000.00	(14,653.91)
01-1055-00-00	Travel & Accommodation	50,000.00	11,647.71	3,675.00	(7,972.71)	61,723.80	41,650.00	(20,073.80)
		112,585.00	23,872.69	7,732.09	(16,140.60)	128,836.55	92,738.73	(36,097.82)
Teaching Resources								
01-1520-00-00	Tests & Examinations	20,678.62	8,631.82	5,500.00	(3,131.82)	21,582.82	20,678.62	(904.20)
01-1530-00-00	External Course Fees (Curriculum)	8,000.00	4,325.00	0.00	(4,325.00)	18,160.00	8,000.00	(10,160.00)
	Teaching Resources	76,095.00	6,878.90	0.00	(6,878.90)	53,045.34	57,071.25	4,025.91
		104,773.62	19,835.72	5,500.00	(14,335.72)	92,788.16	85,749.87	(7,038.29)
Camp Costs								
01-1590-00-00	Camp Costs	70,000.00	9,914.22	10,000.00	85.78	63,428.45	60,000.00	(3,428.45)



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		Annual		Month to Date		Year to Date		
		Budget	Actual	Budget	Variance	Actual	Budget	Variance
		70,000.00	9,914.22	10,000.00	85.78	63,428.45	60,000.00	(3,428.45)
Sundries and Excursions								
01-1681-00-00	Other Sundries - Chapel Buses	9,900.00	590.91	1,100.00	509.09	4,359.10	6,600.00	2,240.90
01-1685-00-00	Other Sundries - Diocese Fee	22,920.00	0.00	0.00	0.00	0.00	17,190.00	17,190.00
01-1690-00-00	Other Sundries - NCIS	25,000.00	850.00	2,272.73	1,422.73	16,203.17	18,181.81	1,978.64
	Excursions	45,680.00	736.36	4,152.73	3,416.37	31,121.62	33,221.76	2,100.14
	Other Sundries	20,955.00	485.77	1,905.02	1,419.25	8,846.31	15,239.94	6,393.63
	Sport Costs	129,540.00	7,229.04	12,745.70	5,516.66	65,599.57	76,968.10	11,368.53
		253,995.00	9,892.08	22,176.18	12,284.10	126,129.77	167,401.61	41,271.84
Buildings & Grounds Operations								
01-2010-00-00	Cleaning Materials	16,000.00	1,304.14	1,333.34	29.20	10,396.97	11,999.98	1,603.01
01-2020-00-00	Electricity	96,000.00	7,024.78	8,000.00	975.22	67,780.43	72,000.00	4,219.57
01-2030-00-00	Gas	1,000.00	172.62	0.00	(172.62)	535.62	750.00	214.38
01-2060-00-00	Rates & Water	20,000.00	0.00	0.00	0.00	14,679.60	15,000.00	320.40
01-2070-00-00	Security Services	9,500.00	266.43	791.67	525.24	4,806.83	7,124.99	2,318.16
01-2090-00-00	Waste Disposal	15,000.00	1,021.29	1,250.00	228.71	10,857.72	11,250.00	392.28
		157,500.00	9,789.26	11,375.01	1,585.75	109,057.17	118,124.97	9,067.80
Repairs & Maintenance								
01-2110-00-00	Maintenance - Buildings	30,000.00	607.36	2,100.00	1,492.64	31,868.71	23,300.00	(8,568.71)
01-2120-00-00	Maintenance - Equipment	27,500.00	4,614.81	2,291.67	(2,323.14)	24,038.10	20,624.99	(3,413.11)
01-2130-00-00	Maintenance - Grounds	12,000.00	520.51	1,000.00	479.49	8,190.24	9,000.00	809.76
01-2140-00-00	Maintenance - Motor Vehicles	2,000.00	636.36	166.67	(469.69)	636.36	1,499.99	863.63
01-2150-00-00	Maintenance - Network	12,500.00	422.55	1,041.67	619.12	3,620.57	9,374.99	5,754.42
		84,000.00	6,801.59	6,600.01	(201.58)	68,353.98	63,799.97	(4,554.01)
Administrative Costs								
01-2510-00-00	Advertising	20,000.00	0.00	1,666.67	1,666.67	14,791.05	14,999.99	208.94
01-2515-00-00	Audit Fees	10,500.00	0.00	0.00	0.00	0.00	0.00	0.00
01-2520-00-00	Bank Fees	15,545.00	1,748.47	1,295.42	(453.05)	14,710.80	11,658.74	(3,052.06)
01-2525-00-00	Catering & Gifts	16,200.00	481.47	1,200.00	718.53	13,456.72	10,800.00	(2,656.72)
01-2530-00-00	Consultants	37,800.00	6,361.20	3,150.00	(3,211.20)	16,232.36	28,350.00	12,117.64
01-2535-00-00	Donations	500.00	0.00	0.00	0.00	0.00	0.00	0.00
01-2540-00-00	Fuel	6,000.00	245.72	500.00	254.28	2,583.59	4,500.00	1,916.41
01-2545-00-00	Insurance	64,000.00	0.00	0.00	0.00	62,681.78	64,000.00	1,318.22
01-2550-00-00	Internet	45,000.00	3,560.90	3,750.00	189.10	25,752.94	33,750.00	7,997.06
01-2555-00-00	Legal & Accounting	2,000.00	0.00	0.00	0.00	18,053.59	2,000.00	(16,053.59)
01-2560-00-00	Licence Fees	88,480.00	6,605.09	6,500.00	(105.09)	74,181.23	72,000.00	(2,181.23)
01-2565-00-00	Office & Stationery Supplies	21,600.00	2,347.76	1,800.00	(547.76)	13,707.31	16,200.00	2,492.69
01-2570-00-00	Operating Leases	39,600.00	475.02	3,300.00	2,824.98	4,275.18	29,700.00	25,424.82
01-2575-00-00	Postage & Freight	10,000.00	726.85	640.00	(86.85)	7,433.61	6,920.00	(513.61)
01-2580-00-00	Printing	39,130.00	2,064.85	3,260.84	1,195.99	27,440.82	29,347.48	1,906.66
01-2585-00-00	Prizes & Awards	6,500.00	313.39	1,500.00	1,186.61	1,121.66	3,900.00	2,778.34
01-2590-00-00	Subscriptions & Memberships	40,950.00	0.00	870.00	870.00	27,069.06	32,720.00	5,650.94
01-2595-00-00	Telephone	13,390.00	961.41	1,115.84	154.43	13,658.54	10,042.48	(3,616.06)
		477,195.00	25,892.13	30,548.77	4,656.64	337,150.24	370,888.69	33,738.45
Other Commercial Expenses								
01-2600-00-00	EAC Bus Hire	81,175.00	6,800.00	8,466.55	1,666.55	62,475.00	63,694.39	1,219.39
01-2650-83-00	Instrument Hire	28,397.00	0.00	0.00	0.00	25,376.35	27,090.00	1,713.65
01-2655-83-00	Music Tutors	72,200.00	5,345.45	7,530.46	2,185.01	51,631.81	55,940.56	4,308.75
01-2660-83-00	Resources - Extra Curr Music	5,000.00	169.28	0.00	(169.28)	4,658.74	3,750.00	(908.74)
01-2665-83-00	Other Music Expenses	2,600.00	395.45	260.00	(135.45)	1,790.98	2,080.00	289.02
01-2710-14-00	Homestay Costs (Non-groups)	20,000.00	0.00	0.00	0.00	25,084.10	15,000.00	(10,084.10)
01-2715-14-00	Homestay Costs (Tour Groups)	40,000.00	0.00	0.00	0.00	26,684.10	27,000.00	315.90
01-2750-14-00	Tour Group Costs (Inbound)	20,000.00	114.40	0.00	(114.40)	14,390.84	15,000.00	609.16
01-2770-14-00	Overseas Students - Other Expenses	2,000.00	0.00	0.00	0.00	6,049.19	2,000.00	(4,049.19)



**Emmanuel Anglican College
Income Statement as at 30/09/2017**

16/10/2017 03:15 PM
Page 4 of 4

	Annual	Month to Date			Year to Date		
		Budget	Actual	Budget	Variance	Actual	Budget
	271,372.00	12,824.58	16,257.01	3,432.43	218,141.11	241,934.05	(6,692.94)
Other Expenses							
01-2710-00-00 Sundry Expenses	13,500.00	1,845.17	1,125.00	(720.17)	8,612.00	10,125.00	1,513.00
	13,500.00	1,845.17	1,125.00	(720.17)	8,612.00	10,125.00	1,513.00
Interest Expense							
01-2820-00-00 Interest - Stage 2 Loan	13,107.00	1,024.80	1,073.12	48.32	9,334.65	9,887.64	552.99
01-2821-00-00 Interest - Stage 3 Loan	8,915.00	717.00	751.10	34.10	6,526.32	6,759.95	233.63
01-2822-00-00 Interest - Stage 4 Loan	75,603.00	5,799.46	6,371.12	571.66	55,134.89	57,340.08	2,205.19
01-2823-00-00 Interest - Line of Credit	100,000.00	7,096.80	8,000.00	903.20	29,102.03	72,000.00	42,897.97
01-2824-00-00 Interest - Admin/Classrooms Loan	122,392.00	11,064.60	10,100.32	(964.28)	102,197.01	92,333.45	(9,863.56)
	320,017.00	25,702.66	26,295.66	593.00	202,294.90	238,321.12	36,026.22
Depreciation Expense							
01-2950-00-00 Building Depreciation	372,839.00	31,028.97	31,069.92	40.95	279,260.73	279,629.24	368.51
01-2960-00-00 Depreciation	340,773.00	34,570.60	28,397.75	(6,172.85)	252,007.47	255,579.75	3,572.28
	713,612.00	65,600.57	59,467.67	(6,132.90)	531,268.20	535,209.99	3,941.79
Fee Remissions							
01-0131-00-00 Annual Payment in Advance 3%	11,326.00	0.00	0.00	0.00	16,711.59	11,326.00	(5,385.59)
01-0132-00-00 Bursaries	176,180.00	31,130.75	5,000.00	(26,130.75)	158,061.50	163,180.00	5,118.50
01-0133-00-00 Clergy Discounts	8,802.00	0.00	0.00	0.00	5,458.50	8,802.00	3,343.50
01-0134-00-00 Hardship Concessions	6,000.00	3,266.81	0.00	(3,266.81)	5,459.99	6,000.00	540.01
01-0135-00-00 Scholarships	64,506.00	(604.08)	0.00	604.08	106,948.46	64,506.00	(42,442.46)
01-0136-00-00 Sibling Discount	132,709.00	(199.96)	0.00	199.96	137,479.21	132,709.00	(4,770.21)
01-0137-00-00 Staff Discounts	79,364.00	(387.77)	0.00	387.77	91,600.26	79,364.00	(12,236.26)
01-0140-00-00 Bad & Doubtful Debts	31,461.00	0.00	0.00	0.00	0.00	0.00	0.00
	810,348.00	68,298.78	6,000.00	(62,298.78)	621,719.51	685,937.00	64,217.49
TOTAL EXPENSES	10,501,298.78	826,672.16	767,435.73	(59,236.43)	7,729,805.21	7,808,184.42	78,379.21
TOTAL NET SURPLUS/(DEFICIT)	419,796.22	143,417.03	152,748.88	(9,329.85)	1,915,641.26	1,366,908.58	548,732.68



BOARD MEETING DATE:

24/01/2018

No 7 Matters for Discussion

Item: b

Title: APRA, ASIC & AFS Licence Update

No of Pages. 10 incl Header

**MSC briefing for AFGD Board and
the Corporate Trustees of the Diocese of Grafton.**

Before availing of annual leave MSC with the assistance of their solicitors sent through to us for signing two key documents:

- Management Agreement Anglican Investment Trust
- Corporate Authorised Representative Agreement.

These documents require a motion from the Board of AFGD to the Corporate Trustees of the Diocese of Grafton to enable execution.

Chris raised a number of points in both of these documents that require clarification before we can move forward.

16/1/18, I had a phone meeting with Matt Fletcher and Ben Hollier of MSC and tabled these questions via email which they responded to verbally and have agreed to respond formally so that it is on record.

16/1/18, I requested a meeting with MSC and Sandhurst Trustees in an attempt to understand how the staff of AFGD physically moves funds in and out via the trust.

I would also like to raise some points that concern me about this proposed contractual relationship going forward:

- There have been significant upfront costs and although justified do not align with the original conversations that occurred in Coffs Harbour with Matt Fletcher of MSC.
- Progressing in a predetermined path in a timely and efficient manner with limited re-work has not occurred.
- The provision of templates, flowcharts and assistance as we transition into the new scheme have not materialised.
- The need for a custodian including costs although discussed in general terms did not materialise until late in the discussions. (This is partly my fault as I was not clear on the role the custodian played, however during our meeting 31/10/17 at Mills Oakley in Melbourne, Mark Bland solicitor Mills Oakley made comment that a custodian may not be required.)
- 18/12/17 ASIC formerly approved the Anglican Investment Trust. This has left MSC exposed as they do not currently have a formal Management Agreement in place and hence their urgency to get all documents formalised.
- Support to be our spokesperson at ASIC with regard to seeking and extension if required did not occur. On 22/12/17 after a conversation with MSC I was advised by them to write to ASIC advising of our position. A response from ASIC is under consideration as to date we have not received it.
- Our opt out clause after 6 months if it became unviable and client retention is low appears to have a two year ongoing management fee attached. This is not we were led to believe.

Other:

The independent analysis that supported our assumptions to enter into an arrangement with a third party provider ie MSC to create a Managed Investment Scheme and retain our retail non-associated clients was completed on the basis that our business model and service delivery including FTE remained the same.

With my resignation I have revisited the budgets to gauge the impact of releasing retail non-associates and compared it with a revised Management structure for AFGD.

Revised Budgets have been provided for Board consideration.

They provide two clear alternatives

- 1/- Continue developing our Managed Investment Scheme for Retail Non-Associated clients with MSC
- 2/- Redeem and hand back our Retail Non-Associated clients funds.

Budget 2018 what if –

Retain Retail & Interim Fund Manager

- Budget adjusted for wages
 - Interim Manager .60 FTE for 11 months
 - Annette as per salary review
 - Linda as per agreement 16 hrs per week
- School portfolio Management Fee – based on FUM each month at .10%
- MSC all known annual and ongoing costs.
- All other income and expense lines remain consistent with 2018 budget approved and adopted by the Board 14/12/2017.
- Results in a net surplus of \$120,155 post distribution \$175,000 as compared to approved budget surplus retaining a full time Fund Manger of \$95,936.

Release Retail and release Interim Manager by 30/6/18.

- Budget adjusted for wages
 - Interim Manager .50 FTE for 5 months then .25 FTE for 6 months
 - Annette as per salary review
 - Linda as per agreement 16 hrs per week
- School portfolio Management Fee – based on FUM each month at .10% (reduced due to reduced FUM)
- MSC \$30K if they invoke minimum annual cost for termination of agreement. (May be difficult for them to enforce legally as the agreement has not been signed)
- All other income and expense lines remain consistent with 2018 budget approved and adopted by the Board 14/12/2017.
 - Minor adjustment for audit costs as financial audit for Anglican Investment Trust will not be required if it does not trade.
 - Minor adjustment for AFSA – as a result of reduced activity fees.
- Results in a net surplus of \$94,548 post distribution \$175,000.

Note: reduction in FUM – Investors has been allocated in the portfolio analysis as follows;

The method is consistent with the method utilised when our original cost benefit analysis was undertaken.

Cash	\$ 2,000,000
Interest Bearing Securities	\$ 4,000,000
Loans	\$ 4,000,000
Total	\$10,000,000



Blaine Fitzgerald
Fund Manager - AFGD

Management Agreement Anglican Investment Trust

Exit: We would be entering into a 3 year agreement with a 6 month notice period for exit.
At 10.6 (b) (iii) we would be up for "all remuneration and expenses for a period of at least 2 years"

Is it possible to have this fee reduced to the relevant notice period. ie 6 months?

This is standard MSC term but in good faith agree to reduce to 12 months.

However we note the minimum ongoing trustee fee as drafted is incorrect and not consistent to agreed proposal terms.

Lauree please amend.

It is also unclear whether the condition is referring to the first 2 years of fees or 2 years of fees regardless of when the notice of exit was given, Can this be clarified?

Only first 2 years from registration, but we will reduce to 12 months as per above.

Fees: Looking at Schedule 4 on Page 41 the "Service Fee" in item 3.
The Service Fee is a \$300 per hour charge by the Trustee for any matters connected with 8.7 (i.e. Members' meetings, implementation of resolutions, litigation or arbitration, enforcement of this Agreement) which should mean that it will be a modest cost in normal times. However at 8.2 on pp21-22 there is a wide range of Trustee expenses for which the Trustee may be reimbursed in addition to the fee. The fees under 8.2 look as though they could be significant.

Is there any possibility that we could have a ceiling to these fees?

Alternatively are you able to provide us with an estimate of these costs based on a similar sized fund?

In 5 years of operation, MSC have never charged this fee in respect of any client and we don't intend to change but we reserve the right an ability to recover costs when appropriate.

Authorised Person: Section 15 commencing on page 32 talks of an Authorised Person.

If you look at the Definitions on page 5 you will see that it is "any two directors" so in our case it will be 2 Corporate Trustees. This definition is appropriate for section 26 Amendment but will be cumbersome when it comes to investment instructions 3.8(c) and Schedule 2 Part A and Schedule 6. It could be that the terminology Authorised Person and Authorised Officer has become muddled. This should be cleared up. While that is being cleared up 15.2 should be amended to "The Trustee and the Manager shall advise of any variation of their respective Authorised Persons by notice to the other."

Matt can you provide some guidance here.

The Corporate Trustees under definition are appointed as Manager. Is it possible for the Manager ie CTS to appoint an authorised person or officer to enable the efficient day to day management of the fund.

The definition is correct and allows for directors or authorised officers. We have an incumbency certificate we can provide that enables the board to authorise whoever they feel appropriate and that can be changed with their approval anytime.

Commencement Date: In Schedule 1 the Commencement Date is "The date that this Agreement is executed by the parties".

The commencement date needs to be the date of registration because we cannot have a registered scheme without a manager appointed for any period. This actual date should be inserted.

Lauree please amend.

I think that a specific date should be nominated instead of the date of execution.

Why? 1. It will give a date to plan for.

2. The date of execution could be uncertain as the Agreement will circulate out to Corporate Trustees and back to the Registry.

Matt this is ones person comment – any thoughts?

The commencement date needs to be the date of registration because we cannot have a registered scheme without a manager appointed for any period.

Lauree please amend.

Schedule 5: I think that in this section, because Blaine is leaving us, his name should be replaced with "AFGD Manager" in both places in this schedule.

Agreed OK.

Signing page:

2017 requires updating to 2018.

Agreed OK.

The Corporate Trustees of the Diocese of Grafton does not have an ACN but actually has an ABN which is 88 144 942 068.

Corporate Authorised Representative Agreement

Agreed OK

Workers Compensation: Clause 6.8 requires us to pay premiums for our staff under the Accident Compensation Act 1985 (Vic) and therefore we would be in breach unless we paid premiums in both NSW and Vic. This clause should be varied maybe by inclusion of "or premiums for Workers Compensation in the state of employment".

Lauree please advise. We consider the scheme established in the state of Victoria.

Restraint of Trade: I think that it would be helpful if 7(i) was amended to make it clear that it would cease to apply on the termination of the Agreement.

The same would apply to 8(k) in Annexure 2.

This is not intended as a restraint of trade but if someone wants to operate under multiple licensees they need the written consent of each licensee and normally an indemnity is entered into by each licensee.

Schedule: Not sure why Item 1 is required because then we will have a 'Date of Agreement' (Item 1), an Execution Date (page 31) and a Commencement Date (Item 6). Ideally Date of Agreement should be the same as the Execution Date.

The last point is correct.

Correct the ACN listed in item 3 with the correct ABN

Lauree there is no ACN only ABN.

Replace 'Mr. Blaine Fitzgerald' with 'AFGD Manager' in Item 3

OK Agreed.

Item 5 needs completion/correction

Lauree please amend.

The Commencement date is yet to be completed (Item 6) and should be a specific date in 2018 and probably the same date as the other Agreement.

The Commencement Date for the CARA should be the date of signing. It is only relevant to operation of the fund (not the registration) so can be different to MA.

Signing page: Same issues as mentioned previously

See other comments.

Sub-Authorised Representative:

Same comments as above concerning Item 1 Date of Deed and Item 2 Details of Authorised Representative Item 3 Details of Sub-Authorised Representatives. Considering the date when this would become effective,

See above comments.

there is a question as to whether Blaine Fitzgerald should be included.

Commercial decision.

Considering how there will be changes from time in the list of Sub-Authorised Representatives it would be better to have a deed for each person instead of grouping.

Agreed.

Lauree please amend.

Item 6 needs a specific date which would have to correlate with Item 1 on the previous schedule

See above comments.

The wording of Item 7 of the Schedule leaves some doubt. I would prefer "There is no remuneration arising from appointment and service as Sub-Authorised Representative in addition to your remuneration as an employee of Anglican Funds Grafton Diocese or the Anglican Diocese of Grafton. For the avoidance of doubt, any separate agreement does not form part of this deed."

Standard clause, do not see reason to amend because it is simply referring to terms agreed between the corporate rep and the sub-rep which is neutral to the licensee and has no impact.

Signing page: Same issues as mentioned previously with regard to the Corporate Trustees signing block ie ABN not ACN

Lauree please amend.



BOARD MEETING DATE:

24/01/2018

No 7 Matters for Discussion

Item: c

Title: Ord Minnett Advice & Portfolio Management

No of Pages. 25 incl Header

16 January 2018

Mr B Fitzgerald
Fund Manager
The Corporate Trustees of the Diocese of Grafton – Grafton Diocese Investment Fund
50 Victoria Street
GRAFTON NSW 2450

Dear Blaine,

Investment Policy Advice & Portfolio Management going forward

Further to the 14 December 2017 board meeting discussions around updating the investment policy and portfolio management into the future, I have set out below my thoughts and recommendations for the Grafton Diocese Investment Fund (GDIF) for consideration and review.

Background Understanding

The GDIF is currently a Religious charitable development fund (RCDF) which receives a banking exemption through Banking Exemption No.1 of 2017 issued by the Australian Prudential Regulation Authority (APRA) and must comply with ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813. These regulatory instruments provide considerable flexibility for the GDIF in comparison to a regulated Authorised Deposit Taking Institution (ADI), however the expectation is that the GDIF will continue to conduct its business in a prudent manner. In particular, the GDIF must be continually mindful of its capital adequacy and liquidity levels, credit and interest rate risk, as well as the maturity profile of its asset and liabilities. As we understand it, you as Fund Manager have expanded the prudential framework and governance over time with regard to GDIF policies and procedures addressing these issues.

We appreciate the GDIF is a “margin” business and has a number of stakeholders from Diocesan Council and clients such as depositors including Schools, Parishes, Parishioners and Associated Entities and borrowers from within the Diocese. The strategic challenges faced by the GDIF are not uncommon in the RCDF space, and very encouraging that via a Managed Investment Scheme (MIS) arrangement, GDIF has taken steps to grow into the future having recently received authority for an Australian Financial Services License (AFSL) via Melbourne Securities Limited for the retail non-associated deposits.

A review of the investment policy and practicalities around funds management is therefore timely given the regulatory changes and current strategic challenges and opportunities surrounding the MIS. The GDIF is at maximum Diocesan Institution investment capacity and so further growth is in the retail non-associated space from the congregation or the public in general.

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Investment Policy Update

The securities (non-loans) GDIF has predominantly been invested in over the last few years are:

- Notes and bonds listed on the Australian Stock Exchange (ASX). Note, all hybrids were sold due to capital adequacy requirements a number of years ago;
- Unlisted Notes and Bonds via the Over-The-Counter market (OTC); and
- Privately placed term deposits with ADI's such as Banks, Building Societies and Credit Unions.

ASX listed notes and bonds have been a source of longer term investment as a consequence of the availability of smaller marketable parcel size (listed securities trade down to \$1,000), the necessity for providing the GDIF with diversity of issuer, yield (a 2% margin) and all important liquidity. Just over 50% of the issued Tier 2 (subordinated notes) securities on the market will be due for redemption this year. These securities include (AMPHA, AQHHA, CWNHA, SUNPD and WBCHB). Given the trend has been to let these securities mature without replacement, we expect this will extend into 2018, providing very little in the sector to purchase on the ASX.

The broader fixed income market (bonds and notes) is classified as "unlisted" and minimum investment amounts are \$500,000 to \$1 million. Based on the mix required in the GDIF portfolio of cash/term deposits and longer term securities, and assuming GDIF retains the majority of invested funds, the unlisted market will be available for greater use going forward. The only drawback or practical issue with the OTC market is that many security issues are not formally rated. The issuing bank or building society generally has an official credit rating but not the "issue". There are a number of factors for this, the main two are cost and necessity. It is expensive to have an issue rated (approximately \$150,000 on average) and in the OTC market which is designed for sophisticated and professional investors the need is not high, thus not all issues (particularly those less than \$1 billion on issue) will have a formal rating, even those issued by the "big 4" banks. A lack of formal rating does not make the security any "less safe", it just means one less public input factor to assist an investor make an investment decision. As was found during the Global Financial Crisis (GFC) a formal rating does not guarantee capital security as "AAA" rated paper failed to repay in a number of instances. In fact, based on that very experience, the ASIC no longer allow issuers of interest rate securities on the ASX (and for retail investors) to advertise or place a formal rating on an issue prospectus (PDS) in case it "misleads" an investor regarding its capital security. Ord Minnett apply a rigorous process to it's security selection and formal rating of the issuing entity is just one factor we consider, we are less concerned with the rating of an issue as we apply our own credit and liquidity analysis thus forming our own view on a securities relative risk/reward.

GDIF receives advice regarding security selection from its Investment Manager (currently Ord Minnett) and as such should look to simplify the formal credit rating requirements in the investment policy ensuring opportunities to purchase all available appropriate securities is possible. Our recommended changes are as follows:

- A. Remove 10. Approved Securities section b) Solicited Ratings will be the only means by which to determine the credit quality of a security
- B. Change 10. Approved Securities section c) from:
The credit quality of all securities must be investment grade or better to:
The credit quality of all issuers of securities must be investment grade or better

Appendix 1 provides greater detail on our risk management and security selection process and basis for advice for your reference. We continue to maintain that an issuer must be rated investment grade however.

Other changes we would recommend to GDIF to allow some workaround solutions regarding the new MIS for retail funds is to remove the requirement “across” the total portfolio or fund size of issuer weightings and asset classes. As such we recommend:

C. Change 12. Asset Allocation section b) The maximum weighting to any issuer shall be the lower of:

- i) 5% of the assets of the Fund, or
- ii) 25% of the portfolio by market value issuer.

To

The maximum weighting of long term securities (> 12 months) to any issuer should be no more than approximately 25% of the portfolio:

- i) at the time each investment is made
- ii) if over time limits are breached from Fund asset reduction, appropriate steps to reduce holdings should be made using orderly conduct.

The holding percentage is the same as 25% but removes the impracticality around total fund size (which the investment manager will not be privy to on a day to day basis) and quick changes beyond the control of the Fund Manager and the difficulty of not being able to break term deposits. An example of the difficulty the “lower” of requirement creates is as follows:

When investing at any time the Fund is say \$50 million in total. A term deposit for \$500,000 for 6 months is placed with AMP which takes the overall holding to 23% in AMP. A few days after this placement a large withdrawal from the fund of \$5 million occurs, meaning that the holding in this issuer is now 25.56%. Instead of then having to be required to sell other AMP holdings immediately, it would be a far simpler process to reduce the overall exposure to AMP when the next term deposit matures, in an “orderly conduct”. Of course if the reduced Fund size is to remain lower for a prolonged period (say > 180 days) then we would recommend lightening other positions accordingly in the “orderly conduct”. We would recommend excluding cash and term deposits from this requirement given the government guarantee to 250,000 and requirement to be overall diversified.

Investment Strategy

As an addition to the Investment Policy which “sets the rules” governing the fund, we would recommend the GDIF adopt as an addendum to the policy an Investment Strategy which is updated each year in line with economic views, interest rate levels and overall credit levels to assist the GDIF maintain it’s margin and achieve it’s financial goals. This Investment Strategy can then be supplied to Investment Managers to ensure all parties are clear on the goals and approved allocations to each product type and simplify reporting. We have provided a sample strategy in Appendix 2 and would be pleased to provide a specific strategy for GDIF if approved.

Capital Adequacy, Liquidity & Addition of Hybrid Securities

Further recommendations were also made at the last board meeting to include “Hybrid” securities as part of the investable universe for GDIF as a “lending substitution”. In our view Hybrids are an appropriate substitution or alternative to lending based on the risk/return tradeoff (the returns currently average 5%pa), and with the added benefit of providing 2 day liquidity when required. The main reasons for this are:

1. All time record low interest rate levels;
2. Maximum lending/borrowing levels of Institutions;
3. Liquidity requirements for remainder of fund;

4. Lack of alternative investments which provide an appropriate risk/return tradeoff;
5. Confirmation that GDIF are not required by APRA to maintain capital adequacy or liquidity ratios other than what is necessary to operate the fund as stated in the banking exemption; and
6. Creation of MIS for retail funds.

It is important to note that in simple terms the liquidity of the GDIF is the oil that keeps it moving smoothly (the ability to meet its obligations as and when they fall due). Adequate liquidity is required to:

1. Cover withdrawal of depositors funds;
2. Meet unforeseen borrowing requests; and
3. Cope with interruptions to normal cash flow.

So to have all investments in loans is not practicable for the GDIF.

Capital adequacy is the shock absorber that keeps the GDIF steady on the road when it goes over a pot hole, the adequacy of the capital base depends not only upon the absolute volume of liabilities to be covered but the quality of the GDIF assets. Clearly the more risky the assets the greater must be the cushion of capital funds. The GDIF sources its funds in the main from wholesale funding and this means risk to individual depositors and liquidity can evaporate quickly if a large deposit is withdrawn. An appropriate mix of loans and investments (including Hybrids) will need to be considered for both capital adequacy and liquidity reasons.

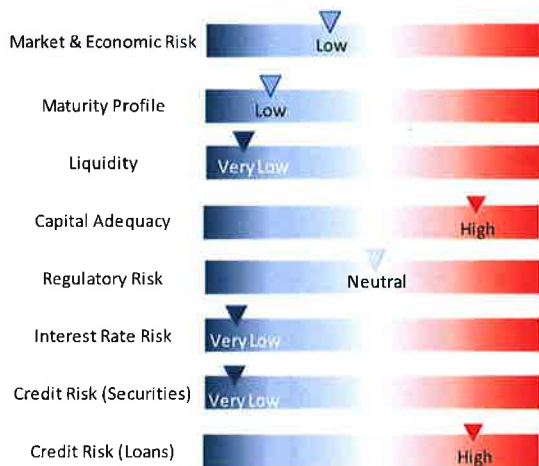
Whilst we appreciate the Diocesan Finance Advisory Group has provided guidelines regarding capital adequacy we simply point out that the GDIF is not a bank, it does not buy "off balance sheet" derivatives and other types of derivatives ADI's do creating further credit risk, it does not lend to the general public or on an unsecured basis.

The purpose for investing in securities or "lending substitution" is to employ the funds productively, achieve income returns in excess of the cost of funds (deposit rates) and thus create an interest margin, diversify the portfolio, manage capital and liquidity. The GDIF very carefully monitors the risks associated with non-lending investment via its investment policy and as recommended in this letter – investment strategy and takes particular care in regard to the following:

- Market & Economic Risk;
- Liquidity & Maturity Profile of the deposit book and investment portfolio;
- Capital Adequacy;
- Regulatory Risk;
- Interest Rate Risk; and
- Credit Risk (for all investments via credit ratings & analysis as well as scrutiny of potential loans).

As a current visual indicator these risks can be classified within the GDIF portfolio in a risk profile diagram which meters the risk from very low to very high as follows in Figure 1.

Figure 1: Current Risk Profile: GDIF



The risk levels of Very Low (blue) to Very High (red) reflect the current GDIF portfolio in comparison to other RCDF's as the benchmark and APRA regulation of banks and private health insurers as the regulatory "yard stick". It should be noted that Credit Risk for loans (not advised by Ord Minnett) is very high across most RCDF's as the pool is limited with low diversity and systemic risk as well as the inherent credit quality assessment levels.

The current portfolio of investments is weighted significantly to the lower risk end leading to a current combined very low risk investment portfolio. The addition of Hybrids will bring the combined loans and investments to below neutral.

We have outlined in Appendix 3 a discussion paper on IRS and Hybrids. We would note that there are many types of Hybrids on issue and Ord Minnett only look to recommend the income style of the asset class.

Essentially the GDIF currently has a very low risk appetite for investments based on the current investment policy. Things to think about and appreciate when considering the risk appetite and lending substitution are:

1. GDIF is not APRA regulated and is exempt from holding a banking licence under Religious Charitable Development Funds Banking Exemption No.1 of 2017;
2. GDIF does not comply with the same commercial loan credit rating rigour required by APRA and so cannot directly compare loans within the Diocese with other market investments;
3. GDIF deposit book liquidity requirements are currently unknown/untested in the new MIS environment (no lengthy track record) so managing a large loan book with retail MIS funds is uncharted territory and should maintain higher liquidity in the first few years as a buffer; and
4. GDIF does not have the same depositor profile as a bank.

The GDIF can overlay its investment in Hybrid securities and other marketable IRS and bonds in a number of strategies to minimise investment risk in a similar fashion to how ADI's and RCDF's manage their books as follows:

- Credit ratings bands (less held in lower rated issuers);
- Product type;
- Product diversification;
- Issuer diversification;
- Maturity diversification, and preferably deposit matching where possible; and
- No interest rate (fixed) risk over 12 months

The Investment Strategy should cover these areas clearly and concisely.

Portfolio stress testing (eg; Black Swan scenarios) should also be applied to ensure the portfolio can withstand risk events (Ord Minnett is happy to assist here).

Lending substitution by way of investing in hybrid securities cannot be directly compared to lending as most commercial loans are internally rated and assessed, whereas whilst there is market price risk, there is little risk of ultimate capital loss in a well known bank hybrid (based partially by way of APRA regulations).

The objectives ultimately of the lending substitution/hybrid investments are to:

- (i) Provide liquidity for the deposit book;
- (ii) Enhance the return of the portfolio whilst not invested in loans;
- (iii) Enhance the diversity of the investment portfolio;
- (iv) Continue to provide for capital stability and risk adjusted income returns; and
- (v) Be invested within the current prudent guidelines for interest rate securities.

Portfolio Management

Our understanding is that you as the Fund Manager will be leaving GDIF on a permanent basis this quarter. As such we recommend and propose that in the absence of an experienced Fund Manager GDIF should retain Ord Minnett's ongoing investment advice and administration through a managed portfolio service. This encompasses developing the final appropriate Investment Policy, and maintain that policy as appropriate, develop an Investment Strategy in consultation with the Board and stress testing each year, ongoing investment advice, discretionary portfolio management, safe custody, regular review and reporting as needed. Ord Minnett would leave the fee at its current level given our understanding of the fees currently experienced to set up the MIS. The only noticeable change to GDIF will be that Ord Minnett will make the investment decisions directly and at its discretion (based on clear rules and mandate documentation).

For the GDIF, prudent management of the balance sheet, deposit book and investment portfolio requires full awareness and management of the above risks, which has been successfully done to date. The changes going forward will however reduce the level of market knowledge directly within the Fund on a day to day basis and so our proposal seeks to minimise the risk to the portfolio. Ord Minnett successfully manage a number of other RCDF's in this manner.

In practice what this all means going forward is the current placements into term deposits will be done in consultation with current Fund staff and all longer term decisions around investment securities will be made by Ord Minnett (taking into account any known liquidity requirements).

We would be pleased to provide portfolio recommendations to include Hybrids taking into account the above discussion and recommendation as term deposits and notes mature. Blaine, as always we have the highest regard for the GDIF's needs as an investor and are ever mindful to ensure the GDIF portfolio is invested appropriately.

If you have any queries please do not hesitate to contact me on 08 8203 2508 and I look forward to discussing this with you further and providing further detail as required.

Yours sincerely,



Alison Perrott
Senior Adviser, Investments & Portfolio Strategy

Appendix 1

Risk Management & Security Selection

Risk Assessment and Management

In contemplating an investment for the long term in securities and a tailored portfolio, investors need to understand that there is a degree of risk, and understand those risks and how they may impact your investment. In managing risk, Ord Minnett seeks to prudently achieve targeted returns with an eye to maintaining an adequate level of risk for our clients while focusing on minimising the risk realised.

The risks associated with the types of investments most clients will include in an investment universe are in summary as follows:

Default Risk: If an issuer or company is unable to pay its debts, repay interest or the face value of a bond at maturity, the issuer is said to default on its obligation. In these circumstances, it is likely that equity and bond holders will receive less than the face value of their bonds or purchase value of their shares. All securities and bonds have varying levels of default risk, and the investor needs to make an assessment of this risk before investing. Investors should read the relevant offer document and seek advice before investing.

Ratings Risk: Rating agencies (such as Standard and Poors, Moody's and Fitch) aim to assist investors to make an assessment of default risk. Whilst providing a qualitative assessment, rating agencies can and do change ratings and ratings methodology, and their assessment of risk can differ from what is priced in the market. They should be used as a guide only.

Liquidity Risk: Some securities, such as bonds, trade only in the secondary or Over the Counter (OTC) markets and may be difficult to sell. Also, secondary markets may not be available to all investors and in some circumstances it may not be possible to liquidate a particular Fixed Interest Security or Equity position.

Liquidity Risk is also the risk that a company or bank may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process. HQLA assets have been designed to reduce Liquidity Risk.

Duration Risk: Duration is the most commonly used measure of risk in bond investing. Duration incorporates a bond's yield, coupon, final maturity and call features into one number, expressed in years, that indicates how price-sensitive a bond or portfolio is to changes in interest rates.

Price Volatility Risk: If investors are seeking to sell bonds prior to maturity, the price they receive can differ from the purchase price and the face value paid at maturity, as well as between brokers who trade the security (as there is no on screen market exchange). Factors that can influence what an investor will receive for a bond in the secondary market include the following:

- (i) **Credit Spreads:** a credit spread is the extra yield an investor needs from a particular bond to compensate them for perceived default risk. Generally speaking, if the market deems that there is a higher risk of a company defaulting on its obligations, the required credit spread they need from the bond increases, and therefore the price they are willing to pay for your bond will fall (all else being equal).
- (ii) **Changes in liquidity:** Bonds that are easily sold in the secondary market are more attractive to investors. Less liquid bonds need to pay extra yield (liquidity premium) to attract new investors to that bond. If the perceived level of liquidity of the bond reduces, the price may fall (all else being equal).

- (iii) **Interest Rate Risk:** fixed rate bonds (bonds with a 'coupon' or interest rate that doesn't change) are additionally exposed to interest rate risk. If the overall level of interest rates in the economy increases, a bond will become less attractive than its peer group, and the price will need to fall to attract new investors to that bond (all else being equal).
- (iv) **Maturity Considerations:** the degree to which the above three factors affect the price generally increase the longer the maturity of the bond. Bonds with shorter maturities therefore have generally lower price volatility.

Floating Rate Note Risk: Floating rate notes pay a known margin above the prevailing bank bill rate. As bank bill rates vary throughout the life of the note, investors do not know at the outset what their overall return will be. Investors looking for more certainty of yield outcome should consider fixed rate bonds.

Unlisted Subordinated Debt Risk: Most Australian banks have issued subordinated debt to meet their prudential capital requirements. These securities generally have 10 year final maturities, but can be called (repaid by the bank) earlier (generally after 5 years). Conservative investors should therefore consider these securities as long term investments. Being subordinated in nature, they also rank below senior secured and unsecured notes, so are riskier than senior debt.

ASX Listed Subordinated Debt Risk: Also known as "hybrid" securities, the securities include listed subordinated debt and convertible notes. There are a number of risks specific to these securities, including:

- (i) **Credit Risk:** hybrids are generally not secured debt. In the event of a company default, investors in hybrid securities receive their money only in the event that all secured and senior creditors are paid first.
- (ii) **Conversion Risk:** most hybrid securities allow the issuer the right to repay principal at maturity by issuing stock rather than paying cash. There is a chance that the amount relinquished from the stock sale is less than the face value of the bond, and this is known as conversion risk.
- (iii) **Dividend Payment Risk:** most hybrids pay preferred dividends, however the issuer is often under no obligation to pay them and has the right to forego the payment of preferred dividends if they choose.
- (iv) **Tax Credit Considerations:** some hybrids pay franked dividends as an income stream portion of their yield return. An investor should fully investigate the tax implications on their personal circumstances before investing, and seek professional tax advice.

Concentration Risk: The fewer the number of different securities in a portfolio, the greater the risk that the overall performance of the portfolio will be significantly affected by the poor performance of any particular security in that portfolio, and the greater the concentration risk. Limits on issuer and amounts held are a tool used to reduce concentration risk.

Economic & Interest Rate Risk: Changes in the economic environment and/or interest rates may affect the value of the holdings in your portfolio.

Manager Risk: Where the monies are invested via a tailored portfolio, and the portfolio is actively managed, its investment returns depend on the advisers ability to manage the portfolio successfully. There can be no guarantee that they will produce the desired results.

Regulatory Risk: The risk associated with potential for laws to change and the impact on your portfolio.

Taxation Risk: The returns from your portfolio may be influenced by tax laws or their interpretation.

At Ord Minnett, we believe that diversification is paramount when managing risk coupled with adept portfolio construction.

Through the use of sophisticated quantitative analysis, Ord Minnett will advise on the best way to manage and monitor portfolio risk (as measured by all of the above factors and volatility) on a regular basis. The vastly experienced Investment Committee provides a sound advisory role and will participate in the overall approach to risk management. Risk associated with individual securities will also be explained in detail prior to investment universe approval and policy recommendation.

Security Selection

Listed Interest Bearing Securities

The universe of listed fixed interest securities in which Ord Minnett would invest currently consists of all such ASX listed securities, including Capital Notes, Convertible Notes, Preference Shares, Listed Debt and other Income Securities. We assesses the liquidity of all securities before making any decision to invest, in order to meet the mandated liquidity provisions. Hybrid securities are subjected to a further test of their optionality, and the portfolio manager will avoid investing in preference shares where the price is too closely correlated with the price of the underlying equity (these securities can exhibit excessive "equity-like" volatility for an income portfolio, so the manager considers the merit of hybrid securities with low optionality that they "behave" more like bonds).

The securities that satisfy these screens are analysed based on Ord Minnett's proprietary pricing model, which factors: yield to maturity, and yield relative to the swap (or other credit) curve. A target valuation is set for each security, which is then compared to the market yield or price. In general, approximately half of the listed market is screened out by this process. This screening process takes place on an ongoing basis.

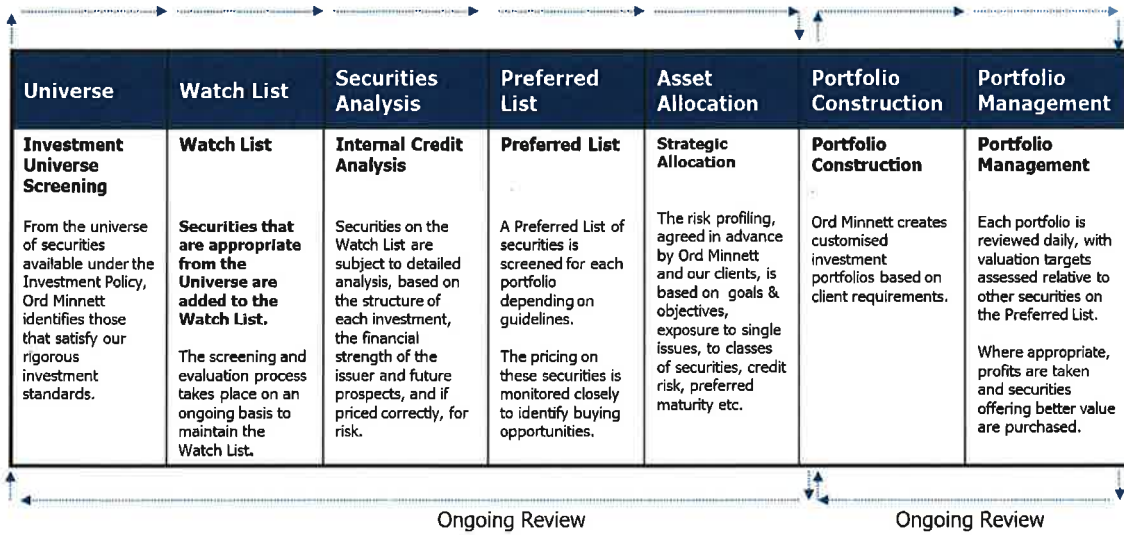
This process results in a Watch List of (currently) around twenty securities. The issuers of these securities are then subjected to further detailed credit analysis to determine the acceptable margin for the security against a benchmark credit curve e.g. the swap curve. This analysis (currently) generates a Preferred List of 5-10 securities. The monitoring of this Preferred List is ongoing.

Unlisted Interest Bearing Securities (OTC)

The screening process for unlisted securities is similar for listed interest bearing securities. The Watch List of unlisted interest bearing securities is focussed on floating and fixed rate securities issued by approximately 40 Approved Deposit Taking Institutions (major banks, regional banks and selected building societies and credit unions) and approximately 50 corporate issuers. Many unlisted securities are initially ruled out of consideration on valuation grounds because their yield is insufficient to enhance a client portfolio above its benchmark yield. Liquidity is of particular concern for unlisted securities, so the secondary market for all potential unlisted securities is assessed prior to investment.

Ord Minnett's proprietary pricing model is used to set a target valuation for each security for comparison with current market yield and swap/credit margins. The resulting Watch List of unlisted securities is constantly monitored.

The Watch List is subject to similar ongoing investment analysis as for listed securities to build a Preferred List of unlisted securities. Additional credit analysis is conducted on more complex unlisted securities to assess the credit risk.



As shown in the above diagram, the portfolio construction process commences with the preferred lists for each security type generated from the security screening process as outlined earlier. A set of portfolio guidelines and an investment strategy is agreed between the investment manager and the client that will include: maximum exposure to a single issuer, class of security, maturity, interest rate risk or duration. Depending on the maximum exposure to a single issuer, and the overall portfolio size, the investment manager would typically target a portfolio of around 15 - 25 securities.

Within this tailored framework, the portfolio manager uses the preferred lists to build an optimal portfolio. The portfolio is constructed from a bottom up perspective, comparing securities' relative value for their assessed credit standing, and with the yield of the benchmark index.

This outcome is next subject to a risk review that examines whether investments in the recommended portfolio have sufficient diversity across security types to reduce the level of overall portfolio risk. The manager will maintain a mix of fixed and floating securities, and both listed and unlisted income securities. Additionally, exposure to preferred securities can sometimes be limited by availability, in which case an appropriate substitute from the preferred list is taken.

Regular portfolio reviews are conducted to assess the valuation model's targets for the portfolio holdings relative to other securities on the preferred lists. If the actual margin to swap of a security in the fund has contracted to the point where it no longer represents good for the level of risk (as measured by the team's credit analysts), the portfolio manager will consider liquidating the security and switching into a security from the preferred list that represents value. Transactions costs are always taken into consideration with switching securities within the fund.

Where convertible securities are held, they would usually be liquidated before they convert to ordinary shares, in order to maintain the portfolio's desired income profile.

Appendix 2

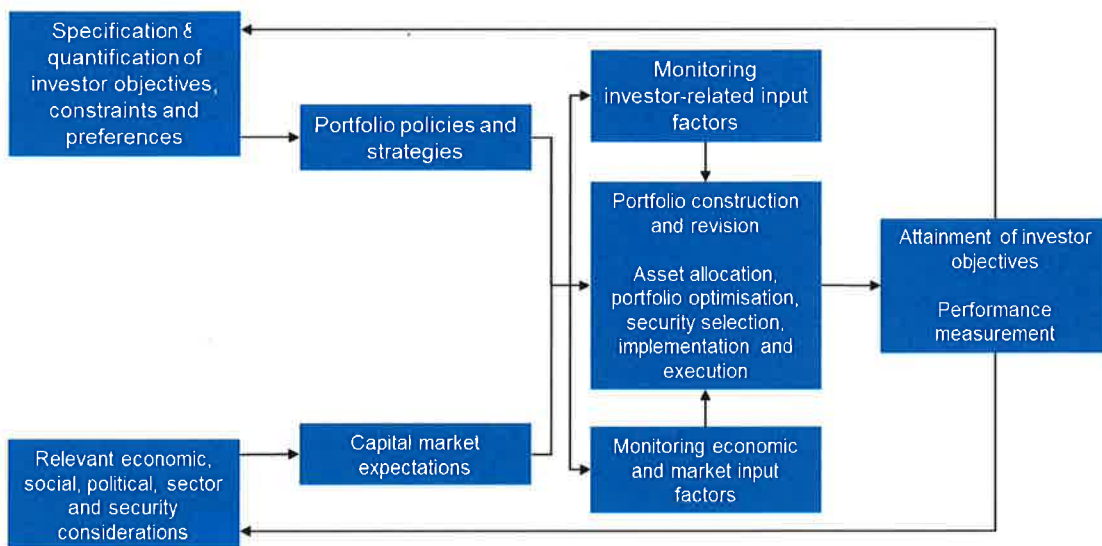
Developing an Investment Strategy

Developing Investment Strategies & Risk Framework

Critical to investment success is understanding the key deliverables a client requires and ensuring a framework is in place providing a dynamic process to monitor, review and adjust according to strategic intention.

Our process is a dynamic consultancy and as such there is open communication between client and adviser on our understanding and the client perceptions and requirements. Time has shown that this type of relationship increases client success measurably in achieving objectives.

The combination of Ord Minnett's experience with not-for-profit organisations combined with our knowledge and expertise in investment markets, equip us well to deliver a process and client servicing model as follows:



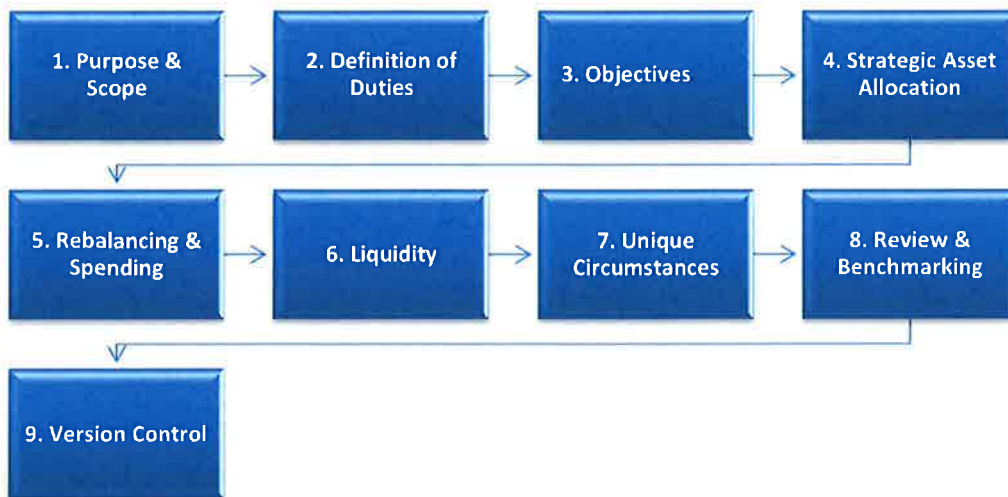
This process delivers a framework for clients to formalise an investment policy incorporating the management of investments, risk, liquidity and unique requirements.

The Investment Policy & Strategy

The investment policy becomes the strategic guide for organisations to manage funds. It should clearly address the objectives, constraints, unique circumstances, and overall oversight procedures that govern the fund (or individual pools of funds).

Our process to arrive at a formal policy is nine steps in total and in each step we undertake modelling to fully understand the risks and likely outcomes.

ORD MINNETT



In practice, the process Ord Minnett will follow:

- 1. Purpose & Scope;** An initial review; will address the objectives, constraints, unique requirements, and overall current oversight procedures that govern investment related activity. This overview sets the tone for the specific guidelines within the policy.
- 2. Definition of Duties;** All policies will require clearly stated duties of all involved parties, so that they can fulfil their duties effectively. These will include; Board, investment committee (or equivalent), outsourced investment managers, advisers and custodians.
- 3. Objectives;** Clearly articulated objectives are critical to achieving investment goals. With an outcome oriented mindset, the goals and constraints (such as liquidity, capital adequacy, time horizon and capital outlays) are matched against the commercial realities of the market and tested against return targets and risk tolerance. A balance is then sought between risk and return.
- 4. Strategic Asset Allocation;** Strategic Asset Allocation is the principal method by which a portfolio is designed and the assets invested to achieve each stated objective. The guidelines will be set out one of two ways depending on the objectives of the client; either per individual asset class (equities, fixed income alternative, cash etc) OR a roles based framework whereby the asset class allocation is listed in accordance to the manner in which they contribute (eg: growth, income, risk reduction, HQLA etc). At this point permitted assets should be integrated.
- 5. Rebalancing & Spending;** As funds grow or reduce periodic rebalancing of a portfolio should be conducted to keep allocations from shifting too far from targets. Ranges are set in this stage generally at an asset class level for minimums and maximums and tactical asset targets defined.
- 6. Liquidity Policy;** Whilst clients differ in their asset allocations and liquidity requirements, liquidity is imperative to the financial ability to meet operational, spend and capital outlay requirements. Many are also regulated by APRA and will require a subset specific policy directly related to regulation and licensing. An in depth modelling exercise is undertaken to ensure sufficient liquidity will exist in the portfolio whilst ensuring the maximum funds are deployed for investment plus meet regulatory requirements. Liquidity profiles are established which will vary in each pool the organisation has to invest, these are then stress tested for market shocks and scenario analysis conducted to measure the impact. Once these are understood an underlying funding strategy is designed intra pool and holistically.

7. **Unique Circumstances;** The mission and values core to the organisation are important and in this section we articulate the preferences for socially responsible investment, and any other unique circumstances. Breach reporting & conflicts of interest are also addressed at this point.
8. **Review & Benchmarking;** Once the asset allocation, investment strategy, liquidity and rebalancing policies are established, it is imperative a well defined monitoring and review process is created for objectives to be met. Benchmarks which are relevant and critical to the outcomes are also put in place for the review to be successful.
9. **Version Control;** Typically a procedural simplicity but important for the clear communication between multiple parties. We also include in this section any acknowledgements by the parties working together to ensure a collegiate work practice.

Our recommended changes to the overall asset allocation are as follows:

Asset Class	Approximate AA Current	Proposed AA	Change
Cash & Deposits (< 12 months)	15.9%	15%	-
Bonds & Notes	21%	20%	-
Loans*	63.0%	50%	-\$7mil
Hybrids	0%	15%	+\$7mil
Total	100%	100%	

Sample Investment Strategy

INVESTMENT GUIDELINES

The portfolio is to be managed to provide income yield enhancement.

Market Performance Benchmark: The performance of the Income portfolio is to be benchmarked to exceed the UBS Australia Bank Bill Index after fees. Long term growth assets (if applicable) are to be benchmarked against the S&P/ASX 100 Industrials Index, over rolling twelve (12) month periods, in accordance with the Investment Guidelines set out below. This is for investment manager guidance only.

Investment Guidelines

- The Portfolio may invest in interest bearing & growth securities.
- The Portfolio is to be managed according to the following requirements:
 - (a) The Portfolio holdings must meet the Asset Class requirements as detailed below;
 - (b) Maximum exposure to any single Issuer of 25% of the Portfolio (where the Portfolio size is below \$5 million, the maximum exposure to any single Issuer can be 35% of the Portfolio);
 - (c) All securities purchased must have an active secondary market at the time of purchase;
 - (d) Each investment must be screened for SRI as per the ethical investment requirement set by the Trustees;
 - (e) Maximise Franking Credits where applicable; and
 - (f) All securities are to be denominated in **AUD** and contain no direct foreign exchange risk.

Requirements

Asset Class	Minimum (%)	Maximum (%)	Strategic (%)
Cash & Deposits (< 12 months)	0%	100%	20%
Bonds & Notes	0%	50%	20%
Loans*	0%	70%	50%
Hybrids	0%	50%	15%

* Can include Hybrid Securities (where Loans are not available (Lending Substitution))

The Portfolio may not:

- be used as security for any form of loan; and
- be invested in Derivative Contracts.

Approved Securities

Separated by underlying asset class and security type:

Asset Class	Security Type
Cash & S/T Investments	Cash Accounts, Notice Account, Term Deposits, Negotiable Certificates of Deposit, Bank Bills, Transferable Certificates of Deposit Other classes falling generally within the definition of Cash Product
Fixed Interest Securities	Bonds, Debentures & Fixed Rate Notes Floating Rate Notes & Floating Rate Certificates of Deposit, Senior Notes, Subordinated Notes, Residential Mortgaged Backed Securities, Index Bonds, Capital Notes, Income Securities Hybrid Securities (ie. part debt and part equity), Convertible and Reset Preference Shares and Convertible Notes. Diversified Fixed Income Funds & Managed Funds Other classes falling generally within the definition of "Fixed Interest" & "Income Securities"

Other classes approved by the Board are also acceptable.

Appendix 3

**IRS & Hybrid Background
Discussion Paper**

Term deposits and cash accounts are short term investments whereby interest is accrued and paid on maturity (or monthly for cash accounts). The value of these does not fluctuate other than accruing interest, and the only real risk to capital associated with them is credit risk (possibility of the bank defaulting) and interest rate risk or opportunity cost (eg: GDIF invests in a 12 month term deposit at 2% and the next day the Reserve Bank raises the official cash rate by 0.50% and 12 month rates are now 2.50%). Term deposits also create some liquidity risk when invested for too long or not maturing at appropriate times as they are now quite difficult to "break".

The longer term investments (greater than 12 months) of FRN's, Bonds & IRS are also subject to the associated risks above which Ord Minnett assist and advise the GDIF on comparing the risks and return on a "relative" basis taking into account the net interest margin. For the benefit of new board members and a recap for current members the following introductory material serves to provide a practical understanding of the longer-dated securities the GDIF invests in to assist with risk appetite, strategic objectives, risk management and further policy considerations.

Floating rate notes and bonds both listed (on the ASX) and unlisted over the counter (OTC) market have been the main longer-term investment providing the GDIF with diversity of issuer, yield and all important liquidity.

Interest Rate Securities – An Introduction

The banks (primarily the majors) and insurers (eg: IAG, Suncorp) form the core of the IRS market, representing 80% of the total face value of securities on issue, and 77% of secondary market volume. Companies issue IRS for a variety of reasons including meeting capital requirements, diversifying funding sources, obtaining lower cost of funds and to manage credit ratings.

What are IRS?

Interest Rate Securities are longer dated transferable debt securities (usually for one to five years) where the interest rate is adjusted periodically in line with a benchmark rate (usually the 90 day Bank Bill rate).

- Most IRS are issued with the coupon or interest rate set at a margin to the 90 day BBSW rate.
- BBSW is the Bank Bill Reference Rate, which is set by the money market at approximately 10.10 am each day.

What are the different types of securities?

Senior Debt

Listed senior debt instruments are also known as "retail bonds", and are secured by specific assets when issued. Notes such as the **Commonwealth Bank Retail Bond (CBAHA)** were senior, secured, dated securities with interest payments that are non-deferrable. We see the comparison with term deposits particularly important as they exhibit many similar characteristics.

Table 1: Comparing term deposits and senior debt

Feature	Term Deposit	Senior Debt
Term of Issue	1 month - 5 years	Generally 5 years
Government Guaranteed?	Yes (up to \$250,000)	No
Liquidity	Difficult (generally with break fee)	Yes (T + 2 as with equity)
Franking	No	No
Coupon Structure	Fixed at time of issue	Fixed or Floating

Source: Company data

While term deposit pricing is locked in once the funds are deposited, the banks can vary the rates offered to new money on a daily basis if required. Retail bond coupon rates are set on a quarterly or semi-annual basis, but can trade in the market.

Senior debt is perfect for particularly conservative clients that are not willing to endure anything but very minimal capital volatility in return for two day liquidity. The bonds have a definite maturity date with no option for the issuer to extend the term, apply a step-up margin or defer any interest payments.

Senior debt (as the name suggests) sits very highly in the capital structure, outranked only by depositor funds, and ranking equally with other secured liabilities, see figure 2 following.

Figure 2: The capital structure



Source: Ord Minnett

Subordinated Debt

Up until a few years ago, subordinated bank debt was solely offered in the wholesale OTC unlisted market (\$500,000 minimum investment), or offshore to institutional investors. Subordinated debt sits below senior debt in the capital structure and is issued with generally one key difference, a first call date which the issuer has the option to extend the issue for a further period of time. This first call date is generally 5 years in duration, and the option to extend is also generally for another 5 years, making a standard 5*5 style security.

Several factors have emerged to attract the major Australian banks to issue subordinated debt locally, including:

- The banks' desire to broaden funding sources given continued uncertainty in key offshore markets.
- A change in local investor sentiment with a greater focus on income and reluctance to endure volatility.
- Global regulatory changes that require banks to increase capital levels that will in time force these institutions to change their funding profile.

We are of the view that as the world continues to change due to regulatory evolution, Basel III being implemented on financial institutions, and risk being priced more appropriately, the attractiveness of issuing local debt will moderate. This will in part be supported by APRA requirements around deposits.

Hybrids / Preference Shares

Hybrids combine both 'equity like' and 'debt like' features. Some of the comparisons to shares and bonds include:

- Investment income – Shares pay dividends at the company's discretion. Similarly, interest payments on hybrids may be subject to the issuer's discretion.
- Investment timeframe – like bonds, hybrid securities are issued for a fixed term, however some hybrids may be converted to shares early.
- As with shares, hybrids can be sold on the secondary market (although liquidity may be lower than for the relevant share).
- As with some bonds, issuers of hybrid securities may choose to redeem early by repaying the principal or converting to shares.
- Capital Structure/Insolvency – Investors in hybrid securities will only be repaid after lenders, senior and secured creditors and other bondholders have been paid.

There are several variations of preference share which are listed in Australia, with the common features being summarised in Table 2.

Table 2: Key terms of listed preference shares

Feature	Reset Preference	Converting Preference	Step-Up Preference
Term	Perpetual (with regular reset dates)	Perpetual (with a mandatory conversion date)	Perpetual (with a step-up date)
Coupon Structure	Fixed or Floating	Fixed or Floating	Fixed or Floating
Issuer Early Redemption	Limited Circumstances	Limited Circumstances	Limited Circumstances
Holder Early Redemption	At a Reset Date, and other limited circumstances	Limited Circumstances such as Change of Control Event	Limited Circumstances such as Change of Control Event
Mandatory Conversion Conditions	No	Yes, tied to Issue Date VWAP and share price of Issuer	No
Franking	Yes	Yes	Yes
Remarketing Possible	Yes. Terms can be altered including the coupon.	No	In some cases

Source: Company data, Ord Minnett

Preference shares are structured as perpetual instruments but contain incentives for the issuer to call them at a date 5-10 years from issue. The types of incentives include mandatory conversion to equity assuming certain conditions are met, or step up margins that would make the preference share expensive compared to other funding sources. Due to capital adequacy requirements GDIF does not currently invest in these instruments as they ultimately have "equity" risk associated with them.

There is a higher level of risk associated with hybrid securities when compared to a regular bond, term deposit or fixed interest investment. The conditions, timeframe, risks and return of each hybrid security will differ and some may have complex features.

Pricing and Valuation Considerations

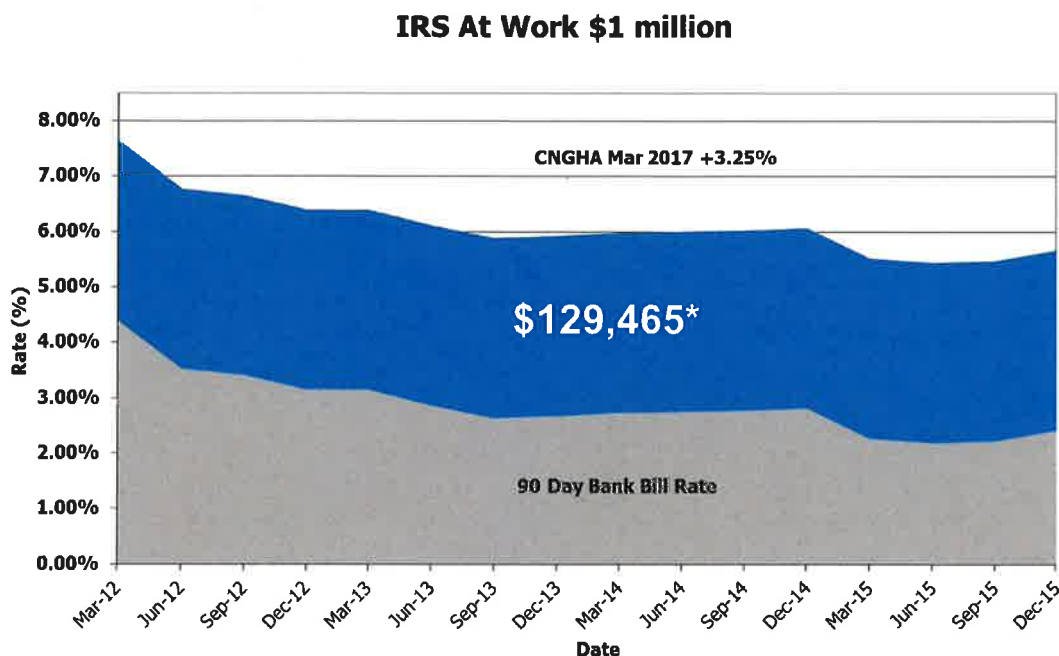
Mechanics

The following chart in figure 2 highlights, in practice, how simple Floating Rate Note's and IRS actually are. IRS are issued with a FIXED coupon margin (interest margin) and is added to the benchmark rate to calculate interest due at the end of the period. So the coupon margin essentially "floats" above BBSW. For example, figure 2 following tracks the history of a Colonial Group Subordinated Note with a first call date of March 2017:

ASX Code:	CNGHA
Issued:	29 March 2012
Coupon Margin:	Benchmark + 3.25% paid quarterly in arrears
Benchmark:	90 Day BBSW
Maturity Date/ First Call Date:	31 March 2017

The interest due on 31 March 2016 = BBSW on 31 Dec 2015 + Margin = 2.38% + 3.25% = 5.63%

Figure 3: IRS at Work



Source: Ord Minnett

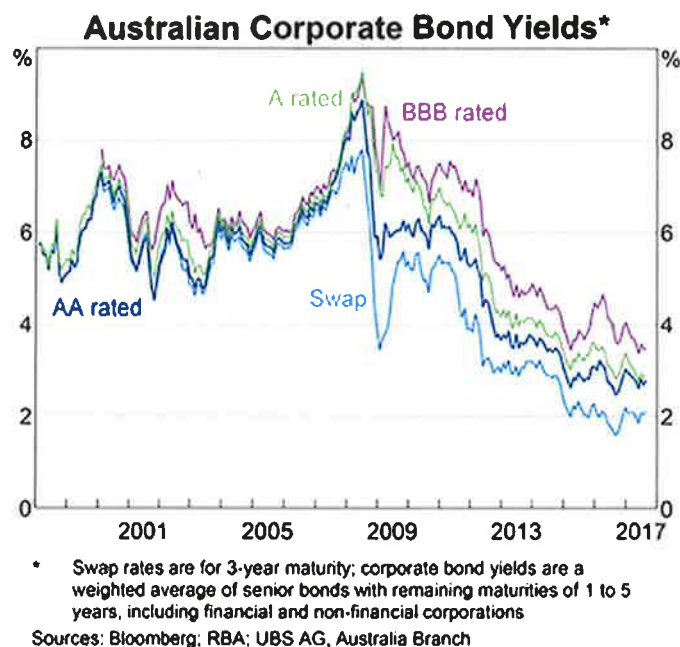
Figure 3 reflects the interest payment life of the CNGHA since issuance. The grey area is the benchmark 90 day bank bill rate and it moves generally in line with the official cash rate set by the Reserve Bank of Australia. The blue area is the extra interest earned from the 3.25% margin. So far the CNGHA has paid \$129,465 per \$1 million in extra income than if an investor had purchased a bank bill (or easily compared to a term deposit).

Yield to Maturity

If an IRS is purchased at the time it is issued for \$100 (the issue price), is held to maturity (or first call date) and interest rates do not change it is easy to calculate the actual return or the yield to maturity. For example if the bank bill rate was 4% on 29 March 2012 the CNGHA would have a first coupon rate of 7.25% (4% + 3.25%). If the bank bill stays the same for the next five years and Colonial Group redeem the security, the return will be 7.25% per annum for the five years. Of course interest rates do not stay constant and purchases are not always on issue date. The price of the IRS will fluctuate based on a number of factors including:

1. **Credit quality of the issuer.** The higher the credit quality of the issuer the safer the investment. The only publicly available measure of credit quality is credit ratings and so Ord Minnett use these "as a guide" alongside our own research. The RBA monitors spreads across a range of credit qualities and an average duration of three years. Figure 4 following displays this data going back to 1998.

Figure 4: Australian bond spreads

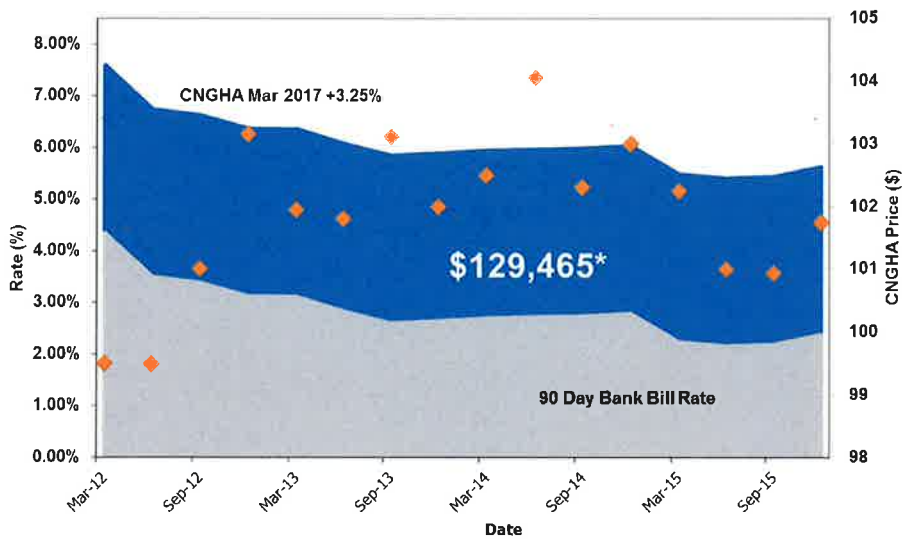


It is clear that spreads are below the anomalous times during the 1990's and early-to-mid 2000's, as well as below the GFC in 2007. What is also clear is that they are not constant and that credit is continually repriced, for example a 5-year CBA IRS initially offered at a 2.5% margin could be priced at say, a 2% margin in six months time.

2. **Term to Maturity.** The term to maturity affects the risk profile, and, everything else equal, investors should demand a higher return as the term to maturity increases. For example: Ord Minnett's internal fair value model adds 10 basis points for each year over and above the 3-year threshold.
3. **Specific Terms/Details.** This relates mainly to securities carrying step-up provisions or other terms that increase the risk that holders may not receive their capital back at a call date. Seniority of ranking, as well as terms that afford holders additional protections (such as certainty of coupon payment and capital return) will all be key influences on the returns and volatility experienced.
4. **Accrued Interest.** Each 3 months the IRS pays interest for the period, it stands to reason that the IRS will start to rise in value with more accrued interest.
5. **Economic conditions**
6. **General level of interest rates**
7. **Supply and Demand.** Even the simplest thing of more sellers than buyers will put downward pressure on an IRS price and vice versa.

With the above in mind figure 5 over page revisits the CNGHA income history and overlays at each coupon reset date the market value of the security in "price" per \$100 on the second right hand axis, as follows:

Figure 5: CNGHA Income & Price History

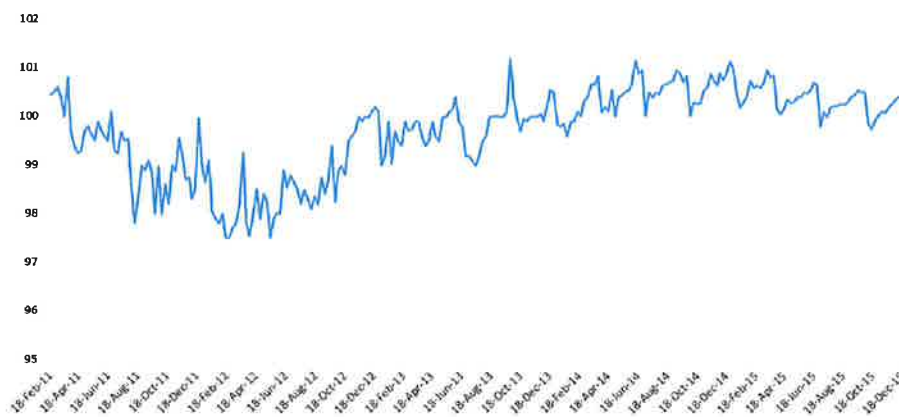


The implication for listed IRS is that the value does not stay constant and in fact can reflect an unrealised loss from purchase date. The orange markers in figure 5 have the CNGHA priced at anywhere from \$104 to \$99.50 over the last 3 years. This presents opportunity for investors (buying cheaply), or, for those who periodically account for market valuation, an occasional write-down in (unrealised) in asset value, whilst income continues to be paid.

Where the IRS sits in the capital structure, length to maturity and its complexity are the main contributors to the volatility of the IRS market price (supply and demand factors).

On maturity the bond or IRS will revert back to a \$100 price plus one last interest/coupon payment. Figure 6 below highlights the price history of the Commonwealth Bank Bond (CBAHA) which listed on the ASX in 2011 for a 5 year period.

Figure 6: CBAHA Weekly Price History



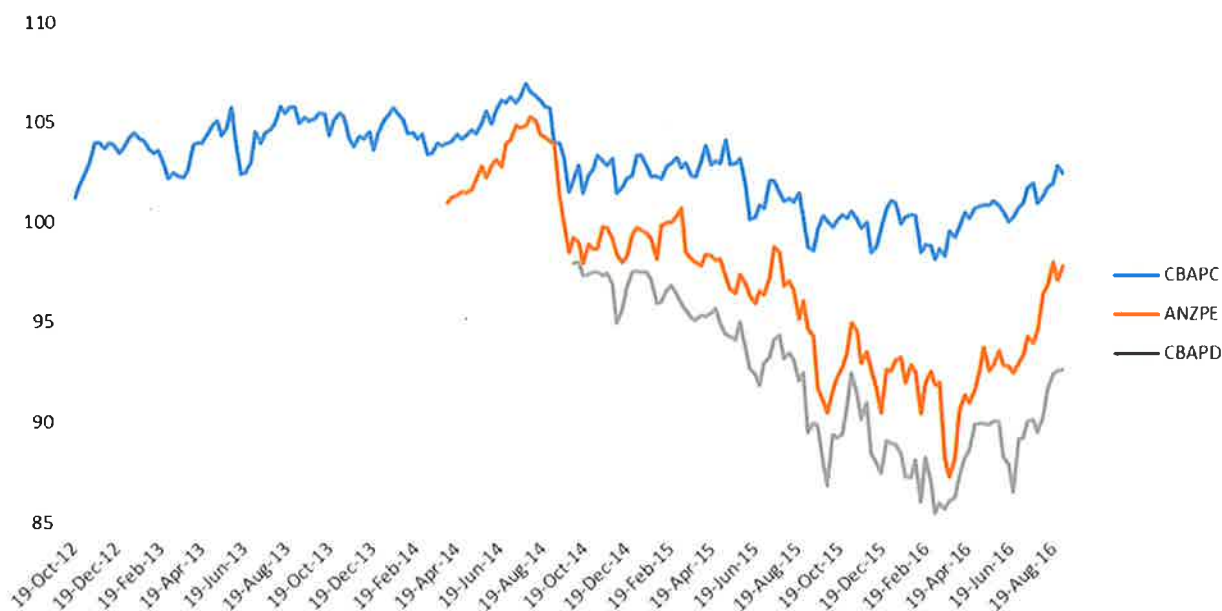
As the chart highlights the CBAHA dropped below \$100 in "value" from 2011 to 2014 due mainly to a widening of credit spreads and a large number of hybrid issuance at higher margins (circa > 3%), so the CBAHA were continually

sold off. The price reduction had actually nothing to do with the "inherent" value of the bond from an income perspective – purely demand and supply.

From late 2013 figure 6 also shows how the price will go up and down with "accrued interest", where market conditions are not playing a part on the value of the security (normal conditions).

Figure 7 below tracks 3 IRS that have fallen below \$100 face value at some point or other; CBAPC, ANZPE & CBAPD. As the chart highlights there was a drop in each and the "newer" the security the lower in price it fell. This was consistent across the market regardless of issuer. We do not perceive that CBA or ANZ are at risk of principal repayment issues, but the chart highlights the market price risk involved. Held to call date or maturity however the superior returns over and above bank bill and term deposits continue to be paid. It may seem counterintuitive to hold during times of profit and hold during times of loss, but the gains and losses are only realised when a sale occurs, if we sell an IRS which is at a profit, the remaining IRS to purchase are at lower yields, and vice versa, selling at a loss we may be able to purchase at higher yields but by realising the loss the portfolio remains in a net yield position. Holding can be likened more to an opportunity cost of locking in which, over time, evens out.

Figure 7: ANZPE, CBAPC, CBAPD Price History



Please note all securities in 2017/18 have traded at or over the \$100 maturity value.



BOARD MEETING DATE:

24/01/2018

No 9 Matters for Noting

Item: b

Title: Financial Reports

No of Pages. 14 incl Header

AFGD Dashboard

AFGD Dashboard - as at 31-12-17

Margins & Cost of Funds (COF)				
	<u>31-12-17</u>	<u>30-11-17</u>	<u>Variance</u>	<u>Comment</u>
Loans	5.378%	5.251%	0.13%	
Ord Minnett	4.250%	4.300%	-0.05%	
Cash	1.904%	2.051%	-0.15%	
Ave Return on assets	4.630%	4.162%	0.47%	
Savings	1.047%	0.953%	0.09%	
Investment	2.621%	2.620%	0.00%	
Ave weighted COF	2.414%	2.390%	0.02%	
Margin	2.216%	1.772%	0.44%	Strategic Plan benchmark 1.75% to high of 2.50%

Capital Adequacy - target is 10%				
	<u>31-12-17</u>	<u>30-11-17</u>	<u>Variation</u>	<u>% below min target</u>
Total Equity	1,377.2	1,359.8	\$ 17.40	
Risk Weighted Assets	22,019.0	22,403.4	-\$ 384.38	
Capital Adequacy	6.25%	6.07%	0.18%	3.75%

Total Deposits & Lending (\$000's)				Cash & Investments	
	<u>31-12-17</u>	<u>30-11-17</u>	<u>Variation</u>	<u>\$ 000's</u>	
Deposits	\$ 37,093.1	\$ 37,617.5	-\$ 524	AFSA	826.5
addback				Westpac	1,490.6
re-draw funds	\$ -	\$ -		ORD Minnett	10,821.8
	<u>\$ 37,093.1</u>	<u>\$ 37,617.5</u>		Melb DIF	1,750.0
				BOQ	-
Lending	\$ 32,275.0	\$ 32,126.7	\$ 148	ME Bank	-
addback				AMP	750.0
re-draw funds	\$ -	\$ -			<u>\$ 15,638.9</u>
	<u>\$ 32,275.0</u>	<u>\$ 32,126.7</u>			<u>% holding</u>
				AFSA	5.28%
				Westpac	9.53%
				ORD Minnett	69.20%
				AMP	4.80%
				Melb DIF	11.19%
Cash/ Investment	\$ 15,638.9	\$ 20,342.7	-\$ 4,704	BOQ	0.00%
LOC facilities	\$ 1,600.0	\$ 1,600.0	\$ -	ME Bank	0.00%
Total available	\$ 17,238.9	\$ 21,942.7	-\$ 4,704		<u>100.00%</u>
Liquidity Ratio	46.47%	58.33%	-11.86%		

Fixed Investment retention Rates at month end				
(000's)	<u>Portfolio Balance</u>	<u>Redemptions</u>	<u>%</u>	<u>Explanation</u>
	\$ 32,224.5	\$ 93.5	0.29%	Deceased estate redemption

Loan Portfolio Performance at month end					
(000's)	<u>Portfolio Balance</u>	<u>Drawn Loc's</u>	<u>Undrawn Facilities</u>	<u>Term Loans</u>	<u>Explanation</u>
	\$ 23,060.3	\$ 9,735.2	\$ 9,214.8	\$ 13,325.0	
				<u>Arrears</u>	
				Nil	No arrears/non-performing loans.
			<u>Av. Term to maturity (years)</u>	6.85	Indicates without new lending loan portfolio to be repaid in full in less than 7 years

AFGD Dashboard

P & L Summary - Month in Isolation (\$000's)					
	Actual	Budget for	Variation		
	31-12-17	31-12-17			
All income	\$ 163.9	\$ 175.3	-\$ 11.4	Income	Facility usage significantly reduced on loan portfolio
Expenses	\$ 169.4	\$ 137.4	-\$ 32.0		
Net profit	-\$ 5.5	\$ 37.9	-\$ 43.4	Expenses	Large accruals for legals and professional fees MSC
Contrib Diocese	\$ -	\$ 14.4	-\$ 14.4		
Balance after Dist	-\$ 5.5	\$ 23.5	-\$ 29.0		

P & L Summary - YTD (\$000's)					
	Actual as at	Budget as at	Variation		
	31-12-17	31-12-17			
All income	\$ 1,674.1	\$ 1,998.0	-\$ 323.9	Income	Facility usage significantly reduced on loan portfolio has reduced income
Expenses	\$ 1,514.4	\$ 1,700.6	-\$ 186.2		Realised loss Ord \$62K impacted
Net profit	\$ 159.7	\$ 297.4	-\$ 137.7	Expenses -	Savings achieved interest paid
Contrib Diocese	\$ 150.0	\$ 175.0	-\$ 25.0		investors and general operating expenses.
Balance after Dist	\$ 9.7	\$ 122.4	-\$ 112.7		

Ord Minnett Portfolio Summary (000's)			Comments
MV	Cost base	Movement	
31-12-17			Portfolio MV is holding.
\$ 10,794.04	\$ 10,667.37	\$ 126.67	Revaluation occurs quarterly -
	Income		
YTD Actual	Annualised	Gross Yield	Cash flow forecast indicates gross income to be \$449K.
\$ 453.64	\$ 453.64	4.25%	
Cashflow	\$ 449.63	4.22%	
	Fees		
YTD Actual	Annualised	%	Agreement is .40% - tracking to plan
\$ 40.57	\$ 40.57	0.38%	

Capital Adequacy: (Target > 10% of Risk Weighted Assets)				
Assets		Weighting	Asset Value	RWA
Cash (Govt. Securities, A Rated Aust. Banks)		10%	\$ 4,817,070	\$ 481,707
Cash (Other Aust. Banks, ADI's)		20%	\$ -	\$ -
Anglican Loans -Unsecured		100%	\$ -	\$ -
Anglican Loans -Secured	\$ 23,060,252	50%	\$ 23,060,252	\$ 11,530,126
Undrawn Anglican Loans -Secured		50%	\$ 9,214,773	\$ 4,607,386
redraw funds available		50%	\$ -	\$ -
External Loans - Secured Commercial property		100%	\$ -	\$ -
Undrawn Ext. Loans - Secured Commercial property		100%	\$ -	\$ -
Equities		400%	\$ -	\$ -
Ord Minnett Subordinated Notes		50%	\$ 10,794,038	\$ 5,397,019
Other Investments		300%	\$ -	\$ -
Ord Cash		10%	\$ 27,790	\$ 2,779
	Total Assets		\$ 47,913,923	\$ 22,019,017
N.B. As Asset Values include undrawn loans, figures won't reconcile with the Balance Sheet.				
Risk Concentration:				
Internal loans (< 30% of Total Assets)				
	<u>Total Assets:</u>	<u>Limit Amount:</u>		
Limit	30% \$ 47,913,923	\$ 14,374,177		
Loans > 30% of TA		\$ 12,592,173	200% -\$ 1,782,003	\$ -
External loans (< 5% of Total Assets)				
	<u>Total Assets:</u>	<u>Limit Amount:</u>		
Limit	5% \$ -	\$ -		
Loans > 5% of TA		\$ -	400% \$ -	\$ -
			Total Risk Weighted Assets	\$ 22,019,017
			8% \$	1,761,521
			+ 2% Buffer \$	440,380
			Required Capital 10%	\$ 2,201,902
Equity:				
	2016 audited	Accumulated Funds		\$ 1,238,452
		Asset Reserves		\$ 129,060
		Adjustments		
	Management results	YTD profit after distribution		\$ 9,705
		Total Equity		\$ 1,377,217
		"Surplus" Capital		-\$ 824,685
		Actual Capital Adequacy ratio		6.25%

Liquidity (> 10% of Total Assets):			
Total Assets:			\$ 47,918,613
Minimum Liquidity requirement	10%		\$ 4,791,861
<u>Actual position:</u>			
Cash			\$ 4,844,860
Undrawn Bank OD Facility			\$ 1,600,000
Total Actual Liquidity			\$ 6,444,860
"Surplus" Liquidity			\$ 1,652,999
Actual Liquidity Ratio			13.4%

Depositors in excess of 5% of Liabilities					
		Client	Deposit Amount	% of Liabilities	
Total Liabilities	\$ 37,093,111	Corp Trustees	\$ 11,754,988	32%	
plus redraw funds		St Cuthberts	\$ 4,536,312	12%	
	\$ 37,093,111			0%	
				0%	
			\$ 16,291,300	44%	
External Loan in excess of 5% of Total Assets					
		Borrower	Loan Amount	% of Assets	
				0	
Internal Loan to any one anglican entity not to exceed 30% of TA					
		Borrower	Loan Amount	% of Assets	
		SCAS	\$ 12,592,173	26%	
Asset Targets					
			Target	Actual	
Cash	\$ 4,844,860		20%	10.11%	
Ord Hybrids	\$ -		0%	0.00%	
Secured External loans			0%	0.00%	
Secured Anglican loans	\$ 32,275,025		70%	67.35%	
Unsecured Anglican loans	\$ -		0%	0.00%	
Ord Minnett Subordinated Notes	\$ 10,794,038		10%	23%	
Other Investments P&E wd value	\$ 4,690		0%	0.01%	
	\$ 47,918,613		100%	100.00%	
Maximum % of Cash invested with any one institution, 20% of Total Assets					
		Bank	Inv. Amount	% of Assets	
		Melbourne DIF	\$ 1,750,000	3.7%	
				0.0%	
Minimum % of Cash investments with maturity dates < 45 days, 12%					
				Actual %	
			\$ 2,923,808	60.3%	
Floating Rate Note/CDO investments to be "A" rated					
Investments currently below this benchmark;					
		Rating	Maturity Date	Market Value	
Australian Unity Ltd		BBB+	15-12-20	\$ 1,192,879	
Members Equity		BBB	29-08-19	\$ 1,732,181	
Auswide Credit Union		BBB-	12-06-19	\$ 507,675	
Bendigo Bank		BBB+	13-12-21	\$ 1,041,250	
	(n.b. Westpac credit rating AA-)			\$ 4,473,985	
Westpac Covenants:					
			Requirement	Actual	
Tier 1 Capital			\$ 2,201,902	\$ 1,377,217	
Liquid assets with maturity terms < 45 days			\$ 581,383	\$ 2,923,808	
Min. liquid assets (Deposits, FRN & CDOs)			\$ 9,583,723	\$ 15,638,898	
of not less than 20% of Total Assets			20%	33%	

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

Month and YTD Budget Variance
October 2017

	Dec	Dec	Dec	Dec	YTD	YTD	YTD	YTD	YTD	Reason
	Actual	Budget	Variance		Actual	Budget	Variance	Variance %		
4-0000										
Income										
Interest Recd - Investments	10,557	14,014	(3,457)	-25%	216,473	222,748	(6,275)	-3%	Reduced return on cash	
Interest Recd - Borrowers	90,327	109,349	(19,022)	-17%	1,014,712	1,287,500	(272,788)	-21%	Timing delays on new business has negatively impacted returns.	
Sundry Income - Other Asset classes and Sen	62,990	51,906	11,084	21%	442,943	487,796	(44,853)	-9%	Realised loss on maturity of sub notes/bonds - not budgeted. \$62K	
Total Income	163,875	175,269	(11,395)	-7%	1,674,128	1,998,044	(323,916)	-16%		
Total Cost Of Sales	76,398	92,045	15,646	17%	946,251	1,140,381	194,130	17%	Reduced returns paid to investors has assisted offset income position.	
Gross Profit	87,476	83,225	4,251	5%	727,878	857,663	(129,785)	-15%		
6-6-0000										
Expenses										
Total Employee Benefits	21,781	23,598	1,818	8%	258,891	279,979	21,089	8%	Restructure of staff has generated savings	
Total Professional Fees	54,133	2,313	(51,820)	-2240%	89,190	20,756	(68,434)	-330%	Legal Fees ASIC	
Total Banking Costs	14,627	15,100	473	3%	174,533	184,200	9,667	5%	within budget parameters	
Total Insurance Costs	1,722	534	(1,188)	-223%	12,676	15,606	2,930	19%	within budget parameters	
Total General Operations Costs	694	3,735	3,041	81%	32,884	59,695	26,811	45%	General expenditure well controlled.	
Total Expenses	92,957	45,280	(47,677)	-105%	568,172	560,236	(7,936)	-1%		
Total Net Profit	-5,481	37,945	(43,425)	-114%	159,705	297,427	(137,722)	-46%		
Distribution to Diocese	0	14,400	14,400		150,000	175,000	25,000			
Net Profit/(Loss) after distribution	-5,481	23,545	(29,025)	-123%	9,705	122,427	(112,722)			

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

Balance Sheet [Multi-Period]
 January 2017 To December 2017

Account No.	Account Name	January	February	March	April	May	June	July	August	September	October	November	December
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	974,423	979,818
		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	8,014,700	3,935,030
		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	10,771,105	10,794,038
		76,994	100,143	74,656	72,427	79,313	25,862	36,291	42,377	54,414	45,539	57,373	28,663
		4,690	4,558	4,426	4,295	34,392	33,742	33,093	32,443	31,793	31,144	30,494	33,709
Fixed Assets Current													
		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	19,400,373	23,060,252
		0	0	0	0	0	0	0	0	0	0	0	0
		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	39,248,467	38,831,509
Total Assets													
Liabilities													
Current Liabilities													
		33,790	25,443	28,993	28,311	54,178	20,234	22,748	25,204	24,795	26,417	30,205	84,833
		130	256	375	500	633	0	143	295	443	595	746	0
		254,158	270,416	311,771	319,334	342,079	361,724	291,408	293,953	304,798	245,418	214,274	249,077
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	5,192,565	4,868,646
		32,051,491	31,962,340	33,486,735	31,616,225	31,175,649	30,481,563	30,183,980	30,915,331	30,888,344	30,482,177	30,893,168	30,492,740
Sundry Liabilities													
		11,561	12,174	13,974	12,240	9,197	11,291	11,914	13,109	12,238	13,795	25,795	27,047
		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	1,731,948	1,731,948
		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	37,888,702	37,454,291
Total Liabilities													
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	1,359,765	1,377,218
Equity													
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	1,359,765	1,377,218

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

Month and YTD Budget Variance
December 2017

	Dec Actual	Dec Budget	Dec Variance	YTD Actual	YTD Budget	YTD Variance
Income						
4-0000 Interest Received - Investment	-	14,014	(14,014)	-	222,748	(222,748)
4-1010 Interest Recd - NAB	-	-	-	-	-	-
4-1011 Interest Recd - AFSA	351	-	351	5,642	-	5,642
4-1012 Interest Recd - Melb CF7963	5,218	-	5,218	86,520	-	86,520
4-1013 Interest recd - WBC	2,157	-	2,157	25,980	-	25,980
4-1014 Interest Recd - AMP	2,832	-	2,832	63,264	-	63,264
4-1015 Interest Recd - ME Bank	-	-	-	9,801	-	9,801
4-1016 Interest Recd - BOQ	-	-	-	25,266	-	25,266
4-1017 Interest Recd - Investments	10,557	14,014	(3,457)	216,473	222,748	(6,275)
4-1020 Overdraft/LOC INT INC	29,548	109,349	(79,801)	215,081	1,287,500	(1,072,419)
4-1021 Interest Only Loans INT INC	19,557	-	19,557	265,103	-	265,103
4-1022 Princ & Int Loans INT INC	41,222	-	41,222	534,529	-	534,529
Interest Recd - Borrowers	90,327	109,349	(19,022)	1,014,712	1,287,500	(272,788)
4-1053 Franking Credits	-	-	-	509	-	509
4-1055 Ord Min List Interest Income	16,998	27,782	(10,784)	249,601	320,482	(70,881)
4-1056 Ord Minnett Interest Income	22,363	10,438	11,926	190,919	112,566	78,353
4-1057 Proceeds of Sale of Bonds	-	-	-	(61,757)	-	(61,757)
4-2100 Line Fee Income	23,625	13,687	9,938	58,272	54,748	3,524
4-3000 Sundry Income	4	-	4	5,399	-	5,399
Sundry Income - Other Asset classes and Ser	62,990	51,906	11,084	442,943	487,796	(44,853)
Total Income	163,875	175,269	(11,395)	1,674,128	1,998,044	(323,916)
5-0000 Cost Of Sales	-	-	-	-	-	-
5-2100 Interest Paid to Investors	76,398	92,045	(15,646)	946,251	1,140,381	(194,130)
Total Cost Of Sales	76,398	92,045	(15,646)	946,251	1,140,381	194,130
Gross Profit	87,476	83,225	4,251	727,878	857,663	(129,785)
Expenses						
6-0000 Provision for Annual Leave	239	-	(239)	4,405	-	(4,405)
6-1100 Provision Long Service Leave	1,295	1,167	(128)	12,702	14,004	1,302
6-1200 Salaries and Wages	18,169	18,750	(581)	210,829	225,000	14,171
6-1300 Superannuation	1,709	1,781	(72)	19,805	21,375	1,570

6-1600	6-1600	Staff Training	-	400	400	-	1,600	1,600	
6-1700	6-1700	Fund Manager Vehicle	368	1,500	1,132	11,150	18,000	6,850	
		Total Employee Benefits	21,781	23,598	1,818	258,891	279,979	21,089	
6-4300	6-4300	Audit Fees	3,888	1,313	(2,575)	20,900	15,756	(5,144)	
6-4360	6-4360	Legal Fees	23,245	1,000	(22,245)	31,290	5,000	(26,290)	
6-4410	6-4410	Consultancy Fees	27,000	-	(27,000)	37,000	-	(37,000)	
		Total Professional fees	54,133	2,313	(51,820)	89,190	20,756	(68,434)	
6-4400	6-4400	WBC Bank Charges	587	650	63	6,382	7,800	1,418	
6-4402	6-4402	Indue Fees	38	-	(38)	979	-	(979)	
6-4412	6-4412	Donations	-	-	-	2,500	5,000	2,500	
6-4440	6-4440	WBC Line of Credit Charges	948	950	2	10,230	11,400	1,170	
6-4442	6-4442	Ord Minnett Brokerage/Advice	3,532	4,000	468	39,684	46,000	6,316	
6-4445	6-4445	ASFA Line of Credit Charges	-	-	-	26	-	(26)	
6-4450	6-4450	AFSA Service Agreement Fees	9,522	9,500	(22)	114,732	114,000	(732)	
		Total Banking Costs	14,627	15,100	473	174,533	184,200	9,667	
6-4510	6-4510	Insurance - Workers Comp	272	534	262	3,142	6,406	3,264	
6-4530	6-4530	Insurance - General	1,450	-	(1,450)	9,534	9,200	(334)	
		Total insurance costs	1,722	534	(1,188)	12,676	15,606	2,930	
6-4200	6-4200	Advertising	210	200	(10)	1,957	2,400	443	
6-4425	6-4425	Depreciation Expense	913	200	(713)	5,646	2,400	(3,246)	
6-4600	6-4600	Meeting Expenses	84	140	56	974	1,680	706	
6-4610	6-4610	Marketing	-	400	400	-	4,800	4,800	
6-4700	6-4700	Postage	308	175	(133)	1,805	4,175	2,370	
6-4800	6-4800	Printing & Stationery	1,085	1,000	(85)	5,640	12,000	6,360	
6-4850	6-4850	Recruitment Expenses	-	-	-	125	-	(125)	
6-4900	6-4900	Rent/Victoria Street	433	600	167	5,200	7,200	2,000	
6-5000	6-5000	PC Repairs & Maintenance	-	400	400	81	1,600	1,519	
6-5100	6-5100	Telephone	300	220	(80)	2,591	2,640	49	
6-5200	6-5200	Travel & Accommodation - Board	1,277	-	(1,277)	4,859	8,000	3,141	
6-5300	6-5300	Travel & Accommodation - AFGD	212	400	188	2,540	4,800	2,260	
6-5310	6-5310	AFGD Staff Expenses Other	-	-	-	101	-	(101)	
6-4910	6-4910	Office Fitout	(4,128)	-	4,128	1,366	8,000	6,634	
		Total General Operations costs	694	3,735	3,041	32,884	59,695	26,811	
		Total Expenses	92,957	45,280	(47,677)	568,172	560,236	(7,936)	
		Operating Profit	(5,481)	37,945	(43,425)	159,705	297,427	(137,722)	
9-0000	9-0000	Other Expenses	-	-	-	-	-	-	
9-2200	9-2200	Contribution to Diocese	-	14,400	14,400	150,000	175,000	25,000	
		Total Other Expenses	-	14,400	14,400	150,000	175,000	25,000	
		Net Profit/(Loss) after distribution	(5,481)	23,545	(29,025)	9,705	122,427	(112,722)	

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

Profit & Loss Statement
January 2017 through December 2017

	January	February	March	April	May	June	July	August	September	October	November	December	YTD	Budget	Variance
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual		
4-0000 Income															
4-1010 4-1010 Interest Received - Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	222,748	(222,748)
4-1011 4-1011 Interest Recd - NAB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4-1012 4-1012 Interest Recd - AFSA	363	320	356	356	357	339	360	360	1,840	346	335	351	5,642	0	5,642
4-1013 4-1013 Interest Recd - Meib CF7963	6,918	11,010	12,075	10,308	8,532	1,082	2,597	5,063	4,734	7,467	11,516	5,218	86,520	0	86,520
4-1014 4-1014 Interest recd - WBC	1,754	1,807	2,044	1,866	2,964	2,895	2,506	2,017	1,885	2,106	1,880	2,157	25,980	0	25,980
4-1015 4-1015 Interest Recd - AMP	2,493	3,222	3,567	6,240	7,654	6,142	6,011	7,400	7,161	5,734	4,808	2,832	63,264	0	63,264
4-1016 4-1016 Interest Recd - ME Bank	109	3,049	3,376	3,267	0	0	0	0	0	0	0	0	9,801	0	9,801
4-1017 4-1017 Interest Recd - BOQ	6,752	6,099	6,752	5,663	0	0	0	0	0	0	0	0	25,266	0	25,266
Interest Recd - Investments	18,379	25,507	28,171	27,690	19,506	10,557	11,464	14,830	15,620	15,653	18,539	10,557	216,473	222,748	(6,276)
4-1020 4-1020 Overdraft/LOC INT INC	23,998	7,226	8,573	8,120	11,932	19,936	24,462	24,415	23,942	18,500	14,427	29,548	1,287,500	1,287,500	(1,072,419)
4-1021 4-1021 Interest Only Loans INT INC	24,082	22,780	25,221	24,407	25,220	23,783	22,364	20,012	19,077	19,667	18,933	19,557	265,103	0	265,103
4-1022 4-1022 Princ & Int Loans INT INC	48,720	42,821	46,794	44,953	46,046	44,898	46,108	45,276	42,847	43,482	41,561	41,222	534,529	1,287,500	(272,788)
Interest Recd - Borrowers	96,801	72,626	80,588	77,480	83,199	88,617	92,935	89,704	85,866	81,649	74,922	90,327	1,014,712	1,287,500	(272,788)
4-1053 4-1053 Franking Credits	0	0	0	0	0	0	0	0	509	0	0	0	509	0	509
4-1055 4-1055 Ord Min List Interest Income	0	0	78,257	23,528	22,301	23,353	17,390	17,390	17,251	16,567	16,567	16,998	249,801	320,482	(70,881)
4-1056 4-1056 Ord Min U/List Interest Income	28,953	35,640	45,965	14,125	14,070	14,345	20,678	20,678	21,599	22,216	22,216	22,363	190,919	112,566	78,353
4-1057 4-1057 Proceeds of Sale of Bonds	0	0	-15,375	0	-2,698	-34,306	0	-4,896	0	0	-4,493	0	-61,757	0	(61,757)
4-2100 4-2100 Line Fee Income	0	0	7,125	0	0	7,125	0	20,387	0	0	0	23,625	58,272	64,748	3,524
4-3000 4-3000 Sundry Income	5,275	7	32	0	8	0	14	26	0	7	0	27	4	5,399	5,399
Sundry Income - Other Asset Classes and Service Fee	34,228	35,647	24,074	37,653	33,681	10,516	38,082	33,209	59,763	38,783	34,317	62,990	442,943	487,796	(44,853)
Total Income	149,408	133,780	132,832	142,822	136,386	109,690	142,481	137,743	161,249	136,085	127,777	163,875	1,674,128	1,998,044	(323,916)
5-0000 5-0000 Cost Of Sales	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	84,964	82,479	81,893	77,201	78,191	78,164	75,591	77,543	74,082	76,398	946,251	1,140,381	194,130
Total Cost Of Sales	83,955	75,769	84,964	82,479	81,893	77,201	78,191	78,164	75,591	77,543	74,082	76,398	946,251	1,140,381	194,130
Gross Profit	65,453	58,011	47,848	60,343	54,493	32,489	64,290	59,578	85,659	58,542	53,695	87,476	727,878	857,663	(129,785)
Expenses															
6-0000 6-0000 Provision for Annual Leave	1,246	1,016	1,246	-1,339	-1,339	93	1,246	554	390	324	729	239	4,405	0	(4,405)
6-1200 6-1200 Provision Long Service Leave	0	0	0	0	0	0	0	0	0	0	11,407	1,295	12,702	14,004	1,302
6-1300 6-1300 Salaries and Wages	17,022	17,563	17,022	17,475	17,475	17,224	16,484	17,296	18,138	18,936	18,025	18,169	210,829	225,000	14,171
6-1500 6-1500 Superannuation	1,617	1,617	1,617	1,617	1,617	1,617	1,566	1,632	1,709	1,784	1,704	1,709	19,805	21,375	1,570
6-1600 6-1600 Staff Training	0	0	0	0	0	0	0	0	0	0	0	0	0	1,600	1,600
6-1700 6-1700 Fund Manager Vehicle	1,295	1,326	1,303	1,317	1,224	1,408	522	1,013	343	653	378	368	11,150	18,000	6,850
Total Employee Benefits	21,181	21,522	21,189	19,070	18,977	20,342	19,818	20,495	20,560	21,696	32,242	21,781	258,891	279,979	21,089
6-4300 6-4300 Audit Fees	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	3,868	3,868	20,900	15,756	(5,144)
6-4360 6-4360 Legal Fees	9	9	2,335	0	5,664	0	7	0	14	0	7	23,245	31,290	5,000	(26,290)
6-4410 6-4410 Consultancy Fees	0	0	0	0	0	0	0	0	10,000	0	0	27,000	37,000	0	(37,000)
Total Professional fees	1,322	1,322	3,648	1,313	6,977	1,313	1,313	1,313	11,326	1,313	3,894	54,133	89,190	20,756	(68,434)
6-4400 6-4400 WBC Bank Charges	457	446	490	543	491	579	482	524	618	584	581	587	6,382	7,800	1,418
6-4402 6-4402 Indue Fees	26	115	107	48	76	180	103	110	48	103	26	38	979	0	(979)
6-4412 6-4412 Donations	0	0	0	0	0	0	0	0	0	0	2,500	0	2,500	5,000	2,500
6-4440 6-4440 WBC Line of Credit Charges	828	748	948	801	828	921	828	828	921	828	801	948	10,230	11,400	1,170
6-4442 6-4442 Ord Minnet Brokerage/Advice	2,596	2,667	3,117	3,000	3,757	3,259	3,507	3,600	3,392	3,607	3,650	3,532	39,684	46,000	6,316
6-4445 6-4445 ASFA Line of Credit Charges	0	0	0	0	0	0	18	0	8	0	0	0	26	0	(26)

	9,009	8,908	9,292	9,000	9,110	10,647	10,991	9,602	8,822	9,412	10,416	9,522	114,732	114,000	(732)
6-4450 6-4450 AFSA Service Agreement Fees															
Total Banking Costs	12,916	12,883	13,954	13,393	14,261	15,587	15,928	14,664	13,810	14,535	17,973	14,627	174,533	184,200	9,667
6-4510 6-4510 Insurance - Workers Comp	254	254	254	261	260	257	246	259	271	283	270	272	3,142	6,406	3,264
6-4530 6-4530 Insurance - General	824	745	824	798	824	798	824	824	798	824	0	1,450	9,534	9,200	(334)
Total Insurance costs	1,078	999	1,078	1,059	1,085	1,054	1,071	1,083	1,069	1,108	270	1,722	12,676	15,606	2,930
6-4200 6-4200 Advertising	0	337	0	210	0	210	570	210	0	0	210	210	1,957	2,400	443
6-4425 6-4425 Depreciation Expense	0	132	132	132	439	650	650	650	650	650	650	913	5,646	2,400	(3,246)
6-4600 6-4600 Meeting Expenses	0	0	169	125	145	61	0	133	119	33	104	84	974	1,680	706
6-4610 6-4610 Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0	4,800	4,800
6-4700 6-4700 Postage	0	151	122	146	142	155	141	141	188	156	155	308	1,805	4,175	2,370
6-4800 6-4800 Printing & Stationery	130	512	906	489	769	14	1,184	0	0	42	510	1,085	5,640	12,000	6,360
6-4850 6-4850 Recruitment Expenses	0	0	0	0	0	0	0	125	0	0	0	0	125	0	(125)
6-4900 6-4900 Rent/Victoria Street	433	433	433	433	433	433	433	433	433	433	433	433	5,200	7,200	2,000
6-5000 6-5000 PC Repairs & Maintenance	0	81	0	0	0	0	0	0	0	0	0	0	1,600	1,600	1,519
6-5100 6-5100 Telephone	207	213	211	199	130	141	371	209	208	200	203	300	2,591	2,640	49
6-5200 6-5200 Travel & Accommodation - Board	0	832	0	783	243	0	680	1,043	0	0	0	1,277	4,859	8,000	3,141
6-5300 6-5300 Travel & Accommodation - AFGD	0	589	57	252	0	203	0	0	151	100	976	212	2,540	4,800	2,260
6-5310 6-5310 AFGD Staff Expenses Other	0	0	0	0	0	0	0	101	0	0	0	0	101	0	(101)
6-4910 6-4910 Office Fitout	186	0	0	0	5,308	0	0	0	0	0	0	-4,128	1,366	8,000	6,634
Total General Operations costs	956	3,280	2,030	2,769	7,610	1,867	4,029	3,046	1,750	1,614	3,241	694	32,884	59,695	26,811
Total Expenses	37,453	40,005	41,899	37,603	48,909	40,162	42,165	40,600	48,535	40,265	57,620	92,957	568,172	560,236	(7,936)
Total Net Profit	28,001	18,006	5,949	22,740	5,584	-7,673	22,124	18,978	37,124	18,276	-3,924	-5,481	159,705	297,427	(137,722)
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	4,000	0	150,000	175,000	25,000
Total Other Expenses	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	4,000	0	150,000	175,000	25,000
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	-7,924	-5,481	9,705	122,427	(112,722)

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

Balance Sheet [Multi-Period]

January 2017 To December 2017

Account No.	Account Name	January	February	March	April	May	June	July	August	September	October	November	December
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	36,964	52,028
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	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	18,563	27,720
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	18,897	70
		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	974,423	979,818
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	152,272	180,468
1-1130	AFSA Float SAV00000202	1,074,884	362,538	309,211	214,008	342,330	631,980	563,616	97,314	953,756	69,793	1,263,332	583,225
1-1136	AFGD Bus Operating Suspense/Ci	0	0	0	0	0	0	0	0	0	-1	-1	0
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	-589,241	69,987
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	195,427	358,088
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	4,500,000	1,750,000
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	2,250,000	750,000
1-3112	ME Bank Term Investment	1,500,000	1,500,000	1,500,000	1,500,000	0	0	0	0	0	0	0	0
1-3113	BOQ Term Investment	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	0	0
1-3120	AFSA Security Dep SAV00000203	239,479	239,799	240,155	240,501	240,857	241,196	241,546	241,896	242,230	242,576	242,911	243,262
		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	8,014,700	3,935,030
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	4,359,580	4,353,132
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	6,411,525	6,440,906
		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	10,771,105	10,794,038
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	60,546	28,664
1-1171	Ord Min List Accrued Int Rec	0	0	0	10,168	6,561	0	4,913	-4,224	0	3,288	-3,982	0
1-1172	Ord Min U/List Accrued Int Rec	0	0	0	1,833	4,856	0	-4,178	-2,504	0	-2,510	809	-1
1-1400	Prepaid Insurance	7,259	6,515	5,691	4,893	4,068	3,271	2,446	1,622	824	0	0	0
1-1700	Other Prepayments	2,500	2,500	1,044	0	0	0	0	0	0	0	0	0
1-2000	Trade Debtors	5,275	0	0	0	0	0	0	0	2,389	2,389	0	0
		76,994	100,143	74,656	72,427	79,313	25,862	36,291	42,377	54,414	45,539	57,373	28,663
1-2510	Vehicles - at Cost	0	0	0	0	30,536	30,536	30,536	30,536	30,536	30,536	30,536	30,536

1-2520	Vehicles - Accum dep	0	0	0	-307	-825	-1,343	-1,861	-2,379	-2,896	-3,414	-3,932
1-2710	Furniture & Fixtures Orig Cost	724	724	724	724	724	724	724	724	724	724	4,853
1-2720	Furniture & Fixtures Accum Dep	-724	-724	-724	-724	-724	-724	-724	-724	-724	-724	-988
1-2810	Computer Hardware	28,219	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	-23,793	-24,056	-24,056	-24,188	-24,320	-24,452	-24,584	-24,715	-24,847	-24,979
1-2910	Computer Software	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
1-2920	Acc Depn - Comptr Software	-60,500	-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	33,742	33,093	32,443	31,793	31,144	30,494	33,709
	Loan Assets											
1-3155	Line of Credit - O/D	1,714,310	1,942,865	1,388,205	2,656,994	6,008,611	6,240,880	7,322,649	6,538,497	3,305,990	5,663,670	9,735,227
1-3160	Loan Advances	5,200,860	5,200,322	5,202,763	5,201,949	4,669,264	4,092,309	4,092,309	4,016,112	4,016,702	3,991,963	3,992,587
1-3170	Loan Advances - P & I	10,813,507	10,731,289	10,626,883	10,595,305	10,412,286	10,504,666	10,272,923	9,989,143	9,811,818	9,744,740	9,332,438
1-3193	3247300 Int Only loan INT REC	0	0	0	0	-792	0	0	0	0	0	0
	Loan Assets	17,728,677	17,874,476	17,217,851	18,454,249	21,307,945	20,837,855	21,687,881	20,543,752	17,134,510	19,400,373	23,060,252
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	-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	15,104,496
	Total Assets	40,898,168	39,942,302	42,705,549	40,868,334	38,891,963	39,293,331	39,643,797	39,366,499	39,261,815	39,248,467	38,831,509
	Liabilities											
	Current Liabilities											
2-1004	Audit Costs	12,063	13,375	14,688	16,000	7,875	9,188	10,500	11,813	13,125	17,013	20,900
2-1200	Accounts payable	9,392	133	11,188	38	34,985	54	1,104	0	185	43	2,127
2-1915	Accrued Expenses	12,335	11,935	3,117	12,273	12,359	13,507	13,600	12,982	13,107	13,150	61,806
	Current Liabilities	33,790	25,443	28,993	28,311	20,234	22,748	25,204	24,795	26,417	30,205	84,833
2-1101	2243130 Access Acc INT PAY	51	96	130	175	0	54	110	168	225	277	0
2-1102	2243131 Inst Acc INT PAY	43	85	134	183	0	59	124	183	247	312	0
2-1103	2243132 Student Acc INT PAY	0	1	1	2	0	0	1	1	1	2	0
2-1104	2243133 Parish Prov INT PAY	35	75	109	141	0	30	61	91	122	156	0
	Current Liabilities	130	256	375	500	0	143	295	443	595	746	0
2-1221	2243310 Term 90 Days INT PAY	13,789	21,941	28,657	22,666	20,245	22,631	37,767	48,946	21,535	21,222	26,205
2-1222	2243320 Term 180 days INT PAY	30,446	44,472	59,464	71,200	101,984	30,487	36,209	24,382	31,170	46,666	62,930
2-1223	2243330 Term 365 days INT PAY	187,744	198,466	215,957	214,086	221,991	216,312	214,113	223,558	180,982	133,512	143,097
2-1224	2243340 Negotiable INT PAY	17	31	3	20	4	20	37	0	0	0	0
2-1225	235 Fixed Inv - 18 Month INT P	22,163	5,507	7,689	11,363	17,500	21,958	5,828	7,912	11,732	12,874	16,845
	Current Liabilities	254,158	270,416	311,771	319,334	361,724	291,408	293,953	304,798	245,418	214,274	249,077

Investor Funds Fin Liab Current													
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	309,396	293,415
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	185,763	187,491
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	4,007	4,009
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	4,459	4,426
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	6,974	7,225
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	921,455	896,000
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	1,282,801	1,458,059	1,665,627	1,364,585
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	1,017,228	945,868
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	808,008	892,122
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	60,028	56,850
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	209,620	216,655
	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	5,192,565	4,868,646
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	7,413,093	6,319,519
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	5,105,750	9,294,051	9,501,491	10,388,263
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	13,778,584	13,784,957
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	0	0
	Sundry Liabilities	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	30,693,168	30,492,740
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	9,072	9,311
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	17,349	18,644
2-3030	GST from purchases	-534	-936	-382	-777	-2,480	-480	-1,103	-467	-1,723	-496	-625	-908
2-3070	Voluntary Withholdings Payable	0	0	0	0	0	0	0	5	0	5	0	0
	Sundry Liabilities	11,561	12,174	13,974	12,240	9,197	11,291	11,914	13,109	12,238	13,795	25,795	27,047
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	1,731,725	1,731,725
2-9999	Westpac Unknown transactions	224	224	224	224	224	3,640	224	224	224	224	224	224
	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	37,888,702	37,454,291
	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	1,359,765	1,377,218
3-7000	Equity												
3-8000	Revaluation Financial Assets	34,970	34,970	30,224	30,224	33,424	81,965	81,965	85,178	103,405	103,405	106,127	129,060
3-9000	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	1,238,452	1,238,452
	Current Earnings	13,401	16,807	8,156	16,296	7,280	-14,993	-7,468	-3,090	19,434	23,110	15,186	9,705
	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	1,359,765	1,377,218