



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

ANGLICAN FUNDS GRAFTON DIOCESE BOARD MEETING
Thursday 25th October 2018
AGENDA

1. **9am** - Opening Prayer
2. Confirm attendees and apologies
3. Conflict of Interest Declarations
Current standing register of interests:
 - David Ford – Chair of Bishop Druitt College Council
 - Ted Clarke – Agreement with Clarence Valley Anglican School
 - Chris Nelson – involved on various Diocesan boards and committees
4. Confirmation of Minutes
 - Meeting of 23 August 2018
 - Flying Minute 29 August 2018 - Legal Advice on Dormant Accounts
 - Flying Minute 3 October 2018 - Revised ASIC Identification Statement
 - Special meeting of 12 October 2018
5. Call for additional agenda items and close of agenda
6. Financial and performance reports
 - a) Finance reports
 - b) Capital adequacy and liquidity analysis
 - c) Cashflow monitoring
7. Matters for discussion and/or decision
 - a) **9.30am** Schools (Mr Blaine Fitzgerald to join discussion by videoconference)
 - i. SCAS increase in equipment/fit out finance
 - ii. Activation of finance to Emmanuel Anglican College for Multi Purpose Centre
 - iii. Report on Lindisfarne Anglican Grammar School
 - iv. Update on activation of finance for Bishop Druitt College
 - b) Audit Strategy 2018
 - c) AFSA line of credit proposal
 - d) Strategic Options
 - i. AFSA response
 - ii. Response from other development funds
 - iii. TNR proposal
 - iv. Other
8. Matters for noting and status updates
 - a) Finalisation of unclaimed money
9. Correspondence
In:
 - Australian Securities and Investments Commission – 5 October 2018 – Application for registration of an Identification Statement pursuant to ASIC Instrument 2016/813

Out:

- St Cuthbert's Retirement Living Complexes – 17 October 2018 - CVAS Half Yearly Update

10. Next meeting scheduled for 20 December 2018.

11. Meeting close [Note: Meeting needs to conclude by 11.40am]



BOARD MEETING DATE:

25/10/2018

No 4 Confirmation of Minutes

Title: Meeting of 23 August 2018

No of Pages. 4 incl Header



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

Minutes
Thursday 23 August 2018
Videoconference

1. **Opening Prayer** - Meeting opened at 9.05am with prayers by Mr Phil Crandon
2. **Attendees:** Mr David Ford (Chair), Mr Phil Crandon, Mr Gary Boyd, Mr John Adlington.
Mr Ted Clarke
Non-members: Mr Chris Nelson, Mrs Annette Dent (for item 7)

Apologies: Archdeacon Gail Hagon (Administrator).

3. Conflict of Interest Declarations

The current standing register of interests as follows was noted:

- Chris Nelson - involved on various Diocesan boards and committees
- David Ford – Chair of Bishop Druitt College Council
- Ted Clarke – Agreement with Clarence Valley Anglican School

No update was required.

4. Confirmation of Minutes

That the minutes of the meeting of 10 July 2018 be accepted as true and correct.

Moved: Mr John Adlington

Seconded: Mr Phil Crandon

CARRIED

5. Call for additional Agenda items and close of Agenda

No further agenda items were requested.

6. Financial and Performance Reports

a. Finance reports

Balance Sheet and Profit & Loss reports for YTD 31 July 2018 were considered.

That the AFGD Board accepts the financial reports as presented.

Moved: Mr Ted Clarke

Seconded: Mr Gary Boyd

CARRIED

b. Financial Review – St Columba Anglican School

A report from Mr Blaine Fitzgerald regarding the financial position of St Columba Anglican School was considered.

c. Financial Review – Bishop Druitt College

A report from Mr Blaine Fitzgerald regarding the financial position of Bishop Druitt College was considered.

That the AFGD Board accepts the financial reviews of both St Columba Anglican School and Bishop Druitt College and requests that Mr Blaine Fitzgerald joins the next Board meeting to discuss the schools reports.

Moved: Mr Ted Clarke

Seconded: Mr Philip Crandon

CARRIED

Mr David Ford abstained from voting due to a conflict of interest.

d. Audit Management Letter Update

An update on the progress with regard to management responses to TNR's audit management letter for the Y/E 31 December 2017 audit was considered.

That the AFGD Board accepts the progress report on the Audit Management Letter as presented.

Moved: Mr Gary Boyd

Seconded: Mr Ted Clarke

CARRIED

7. Matters for Discussion and or Decision:

a. Emmanuel Anglican College – Multi Purpose Centre

The Board consider the proposal submitted by Emmanuel Anglican College seeking finance for the construction of a Multi Purpose Centre.

That the AFGD Board requests Mr Blaine Fitzgerald to make an assessment for the Board of the EAC Multi Purpose Centre proposal such that the matter can be determined by the Board by Flying Minute.

Moved: Mr John Adlington

Seconded: Mr David Ford

CARRIED

b. i. Progress on exit from retail non-associate accounts

Ms Annette Dent provided data on the progress of the exit of retail non-associate accounts as of 17 August 2018. Approximately \$1.25M of funds are yet to be finalised and may need to be remitted to the account holder. Ms Dent reported that progress was on track for compliance with the 30 September 2018 deadline.

In this report, Ms Dent advised the Board that due to unexpected cash requests beyond the above exits, liquidity management has been a focus. Plans have been created which involve redemptions from the Ord Minnett investments and using AFSA for short-term credit.

b. ii. Inactive accounts

Ms Annette Dent provided data on the number and value of inactive accounts as of 17 August 2018. Accounts inactive at 30 September 2018 will be consolidated into a special account.

c. Strategic Options

The Board reviewed its discussions with the Corporate Trustees on 16 August 2018.

That with respect to the options paper of 3 July 2018 and the subsequent discussions with the Corporate Trustees on 16 August 2018, the AFGD Board authorise the Chair and the Registrar to actively:

- 1. Make discreet enquiries of various Anglican Diocesan Investment Funds to ascertain interest in participation in option C and the likely terms of that arrangement; and*
- 2. Seek the services of an accountancy firm to undertake a financial assessment of options E, C and F versus the current operations; and*
- 3. To report progress to AFGD Board Members on a regular basis via confidential email which inform and may enable some input from the Board members.*

Moved: Mr David Ford

Seconded: Mr John Adlington

CARRIED

8. Matters for noting and status updates

a. Development Funds – Capital Adequacy

The Registrar reported that an enquiry had been made of DFATF but no response had yet been received.

b. Financial Representatives of Australian National Churches

The Board noted the planned meeting but determined not to send a representative.

**c. Lindisfarne Anglican Grammar School – Mahers Lane Reservoir Site
Subdivision – Sale to Tweed Shire Council**

The Board noted the progress on this matter.

9. Correspondence

In: Nil

Out: AFGD Chair to Lindisfarne Anglican Grammar School 7 August 2018

That the outward correspondence be endorsed.

Moved: Mr Gary Boyd

Seconded: Mr Phil Crandon

CARRIED

10. Next Meeting: 25 October 2018

11. Meeting Close

The meeting closed at 10.43am with the saying of the grace.

CONFIRMED as a true and correct record of proceedings of Anglican Funds Grafton Diocese Board meeting of 23 August 2018.

Chair – David Ford



BOARD MEETING DATE:

25/10/2018

No 4 Confirmation of Minutes

**Title: Flying Minute 29 August 2018 – Legal Advice on
Dormant Accounts**

No of Pages. 2 incl Header



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

AFGD Board Flying Minute - Legal Advice on Dormant Accounts

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

29 August 2018 at 08:04

To: David Ford <fordie@mac.com>, John Adlington <jadlington2@gmail.com>, Philip Crandon <phil_crandon@bigpond.com>, Gary Boyd <garyandcilla@outlook.com>, Ted & Peggy Clarke <tedpeggy@bigpond.net.au>
Cc: Annette Dent <office@afgd.com.au>, Gail Hagon <gail.hagon@graftondiocese.org.au>

Dear AFGD Board Members,

As you know, AFGD holds a number of dormant accounts where we have lost contact with the account holder. At the moment, that is less than \$5,000 but some of the approximately \$400,000 of accounts that are yet to be finalised may be added to this figure.

In recognition that AFGD is not governed by the Banking Act, the plan was to consolidate those dormant accounts and 'freeze' them.

On Tuesday 28 August, I met with the Diocesan Audit Committee. As part of the meeting, the Audit Committee wanted an update on progress in complying with ASIC's requirements. During that report I gave an explanation of our plans for the dormant accounts.

This started a conversation among the members of the Audit Committee and the auditor, Kevin Franey of TNR. They had concerns that AFGD may not be appropriate. While the Banking Act 1959 may not apply, the Unclaimed Money Act 1995 No. 75 [NSW], which covers a wide range of non-bank organisations, may apply.

I recommend that AFGD obtains legal advice on this matter from David Ford (Emil Ford) to ensure that we are doing the right thing. Although it is not a lot of money, we could be in another mess if we are found to have not complied.

Could you please respond by Reply All email as to whether you support the following motion?

That on behalf of AFGD the Registrar seeks advice from Emil Ford Lawyers as to the appropriate handling of AFGD's dormant accounts.

Regards,

Chris Nelson

General Manager/Registrar

Anglican Diocese of Grafton

This e-mail and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient or the person responsible for delivering the e-mail to the intended recipient, be advised that you have received this e-mail in error and that any use, dissemination, forwarding, printing or copying this e-mail or any file attachments is strictly prohibited. If you have received this e-mail in error, please immediately notify us by telephone at 02 6642 4122 or by reply e-mail to the sender.



BOARD MEETING DATE:

25/10/2018

No 4 Confirmation of Minutes

**Title: Flying Minute 3 October 2018 – Revised ASIC
Identification Statement**

No of Pages. 7 incl Header



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

AFGD Board Flying Minute - Revised ASIC Identification Statement

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

3 October 2018 at 17:19

To: David Ford <fordie@mac.com>, Philip Crandon <phil_crandon@bigpond.com>, John Adlington <jadlington2@gmail.com>, Gary Boyd <garyandcilla@outlook.com>, Ted & Peggy Clarke <tedpeggy@bigpond.net.au>, Bishop Murray Harvey <bishop@graftondiocese.org.au>

Cc: Annette Dent <office@afgd.com.au>

Dear AFGD Board members,

Emil Ford Lawyers have reported that ASIC appear to be happy with AFGD's exit from retail non-associated accounts and is now keen to finalise the revised Identification Statement.

To that end, there has been correspondence between ASIC, Emil Ford and this office and a modified Identification Statement has been prepared. A clean copy and a copy marked up with changes are attached to this email.

Could you please advise by Reply All email whether you approve the following resolution?

That the AFGD Board endorses the 3rd October 2018 draft of the amended Identification Statement for The Corporate Trustees of the Diocese of Grafton Investment Fund and requests that the Chair sign this document for approval by the Australian Securities and Investment Commission in accordance with ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813.

Regards,

Chris Nelson

General Manager/Registrar

Anglican Diocese of Grafton

This e-mail and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient or the person responsible for delivering the e-mail to the intended recipient, be advised that you have received this e-mail in error and that any use, dissemination, forwarding, printing or copying this e-mail or any file attachments is strictly prohibited. If you have received this e-mail in error, please immediately notify us by telephone at 02 6642 4122 or by reply e-mail to the sender.

2 attachments

 **Revised Identification Statement - 3 October 2018 - Clean.docx**
32K

 **Revised Identification Statement - 3 October 2018 - mark up.docx**
33K

Identification Statement – The Corporate Trustees of the Diocese of Grafton Investment Fund
ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813

IDENTIFICATION INFORMATION

The Corporate Trustees of the Diocese of Grafton Investment Fund (ABN 42 489 753 905) is a fund created under the *Diocese of Grafton Investment Fund Ordinance 1981*, now continued under Chapter 18 of the *Diocese Governance Ordinance 2008*.

The Corporate Trustees of the Diocese of Grafton Investment Fund is located at Level 1, 50 Victoria Street, Grafton NSW 2450.

The Corporate Trustees of the Diocese of Grafton Investment Fund trades as Anglican Funds Grafton Diocese.

The Corporate Trustees of the Diocese of Grafton Investment Fund is under the control of The Corporate Trustees of the Diocese of Grafton (ABN 88 144 942 068), a body corporate incorporated by section 5 of the *Anglican Church of Australia Trust Property Act 1917* (NSW).

COMPLIANCE

The Corporate Trustees of the Diocese of Grafton Investment Fund raises funds to support the charitable purposes of The Anglican Diocese of Grafton by issuing debentures. It relies on exemptions contained in paragraphs 5(1)(b) and 5(2) of *ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813*. It also relies on exemptions to Sections 7 and 8 of the *Banking Act 1959* provided by APRA – Banking Exemption No.1 of 2017.

The Corporate Trustees of the Diocese of Grafton Investment Fund (ABN 42 489 753 905) ensures compliance with the conditions of the above exemptions in the following ways:

- The Corporate Trustees of the Diocese of Grafton Investment Fund has lodged this Identification Statement with ASIC and it is made available to the public via its website, located at "<http://www.anglicanfundsgraftondiocese.com.au/www/content/default.aspx?cid=685>". The Corporate Trustees of the Diocese of Grafton Investment Fund is required to make this Identification Statement readily publicly accessible for as long as it relies on the Identification Statement and for a period of five years after that.
- The Corporate Trustees of the Diocese of Grafton Investment Fund regularly reviews its Identification Statement and all relevant offer documents to ensure that they are up to date, complete and not misleading.
- The Corporate Trustees of the Diocese of Grafton Investment Fund no longer offers short term investment products to clients who are retail, non-associated clients. No retail, non-associated person is to hold a short-term investment product issued by it.
- None of The Corporate Trustees of the Diocese of Grafton Investment Fund itself, its products, its promotional material or offer documents has been examined or approved by ASIC, nor do any of the above documents state or imply that The Corporate Trustees of the Diocese of Grafton Investment Fund, its promotional material, or offer documents have been examined or approved by ASIC.
- The Corporate Trustees of the Diocese of Grafton Investment Fund ensures that all relevant offer documents detail that:
 - the investment funds will be used to support its charitable purposes;
 - this Identification Statement may be viewed on its website;
 - it is required by law to notify investors that its products are not subject to the normal *Corporations Act* protections for investors under the *Corporations Act* or regulation by ASIC;
 - it does not hold an Australian Financial Services Licence;
 - the investment is only intended to attract investors whose primary purpose for making the investment is to support its charitable purposes;
 - investors may be unable to get some or all of their money back when the investor expects or at all; and
 - the investment is not comparable to investments with banks, finance companies or fund managers.
- Any false or misleading material statements relating to this Identification Statement are rectified as soon as practicable via the issue of a supplementary or replacement Identification Statement.
- The Corporate Trustees of the Diocese of Grafton Investment Fund lodges with ASIC audited financial statements, which comply with relevant accounting standards, within 6 months after the end of each financial year. Such statements are made available to the public via its website for a minimum period of 3 years from the date of issue.

The Corporate Trustees of the Diocese of Grafton Investment Fund is required to notify ASIC in writing within 15 business days of becoming aware of a matter that gives it reason to believe that it has failed or is likely to fail to comply with a condition in section 7 of *ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813*.

METHOD OF FUNDRAISING

The Corporate Trustees of the Diocese of Grafton Investment Fund issues debentures to investors and lends the funds raised for profit to assist and grow the mission of the Anglican Church in the Diocese of Grafton. The Corporate Trustees of the Diocese of Grafton Investment Fund generates a margin between the rates of return paid to debenture investors and those charged to borrowers. These surplus funds are used for the operating costs of The Corporate Trustees of the Diocese of Grafton Investment Fund. The Corporate Trustees of the Diocese of Grafton Investment Fund retains minimum surpluses to strengthen its capital adequacy aspiring to reach a benchmark of 8-10% of Risk Weighted Assets.

FINANCIAL YEAR

The Corporate Trustees of the Diocese of Grafton Investment Fund has a financial year of 1 January to 31 December.

AFS LICENCE

As The Corporate Trustees of the Diocese of Grafton Investment Fund is relying on the licensing exemption under subsection 5(2) of the *ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/1813* it is not required to hold an Australian Financial Services Licence and does not hold an Australian Financial Services Licence.

CHARITABLE PURPOSE

The charitable purpose of The Corporate Trustees of the Diocese of Grafton Investment Fund as set out in paragraph 218.2 of *Diocese Governance Ordinance 2008* is to be a fiscally responsible entity which generates financial resources to support and serve the community of faith that is the Anglican Diocese of Grafton. The issue of debentures by The Corporate Trustees of the Diocese of Grafton Investment Fund promotes this charitable purpose by providing operating surpluses to the Anglican Diocese of Grafton for mission, ministry and administration.

KEY TERMS

The Corporate Trustees of the Diocese of Grafton Investment Fund offers several classes of debentures on the terms set out below. The Board meets at least every 2 months to review and adjust interest rates according to movements in the Bank Bill Swap Rate BBSY and apply an appropriate margin. As a general rule, no fees or costs are payable by the holder of a debenture. However, if the holder of a debenture causes The Corporate Trustees of the Diocese of Grafton Investment Fund to incur a third-party cost, such as a dishonour fee, then this cost will be charged back to the holder on a pass-through basis by adjustments to the interest rate received by the client. This could occur where a client has provided an invalid BSB or account number or where there are insufficient cleared funds in a client's account.

The Corporate Trustees of the Diocese of Grafton Investment Fund has a Hardship Policy, which allows for early release of funds on certain grounds.

The following classes of debentures are offered to retail, associated clients and other clients that are not retail, non-associated clients:

Fixed term Investments

- Minimum investment \$500
- Interest is paid at maturity.
- View only Online Access
- The terms offered on investments are
 - 31 Days
 - 90 Days
 - 180 Days
 - 365 Days
 - 18 Month
- Except for 18 month investments, interest is calculated daily and paid at maturity to a nominated account or can be capitalised with the initial investment.
- For the 18 month fixed investment, interest is either calculated daily and paid half yearly to a nominated account or capitalised with the initial investment.
- The interest rate applied on the initial investment is advised at the time of application.

	<ul style="list-style-type: none"> Interest rate changes are provided via correspondence to all existing investors at pre-maturity and via the website.
Short Term Investments < 31 days	Savings Account <ul style="list-style-type: none"> Minimum investment amount Nil Online Access EFT & BPay facilities. Interest is calculated daily and paid half yearly capitalised to the account. The interest rate applied is tiered, based on the dollar amount of funds under management in the account. <ul style="list-style-type: none"> > 0- \$4,999 > \$5,000 - \$49,999 > \$50,000 & over At least 21 days' notice is given prior to any proposed interest rate change taking effect. The interest rate applied on the initial investment is advised at the time of application. Existing clients will be advised of any interest rate change via the website.
Short Term Investments < 31 days	Cheque Account <ul style="list-style-type: none"> Minimum investment amount Nil Online Access. EFT & BPay facilities. Cheque Books and customised A4 cheque stationery available. Interest is calculated daily and paid monthly capitalised to the account. The interest rate is linked to a benchmark, plus or minus an applicable margin. At least 21 days' notice is given prior to any proposed change taking effect. The interest rate applied on the initial investment is advised at the time of application. Existing clients will be advised of any interest rate change via the website.
Short Term Investments < 31 days	Cash Management Account <ul style="list-style-type: none"> Minimum investment amount Nil Online Access EFT & BPay facilities. Interest is calculated daily and paid monthly capitalised to the account. The Interest rate applicable to this product is reviewed monthly by the Board. The Interest rates applicable to this product is linked to the current RBA cash rate, plus or minus an applicable margin. Any change in the interest rate is effective the following day after any RBA rate change is released.

INVESTORS

The Corporate Trustees of the Diocese of Grafton Investment Fund offers debentures to the following classes of investors as defined by **ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813**:

I. Retail, associated clients

Products are promoted to this class of investor in the following ways:

- advertising in the Anglican Diocese of Grafton internal publication, the "North Coast Anglican" Newspaper;
- promotional material and brochures;
- direct written correspondence;
- advertising on the website; and
- word of mouth.

A product is offered to this class of investor after a formal signed application and a declaration confirming associate status is received by The Corporate Trustees of the Diocese of Grafton Investment Fund. The Corporate Trustees of the Diocese of Grafton Investment Fund reserves the right to make enquiries, as it considers necessary, with the relevant parish, organisation or school to confirm the potential investor's associate status before opening an account.

Associates are defined by ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 as:

- a) A body constituted by or under the authority of a decision of the charity or is controlled by the charity.
- b) A person or body that constituted the charity or under whose authority the charity was constituted or controls the charity.
- c) A charity with a charitable purpose (**related charitable purpose**) which is the same or similar to the charity.
- d) A person acting as a trustee of a trust for the charity or a charity with a related charitable purpose.
- e) A member of clergy, employee or voluntary staff member who works for a person in paragraphs (a) to (d).
- f) A person undertaking training or education to enable them to be a person mentioned in paragraph (e) who receives money from a person mentioned in paragraph's (a) to (e).

The Corporate Trustees of the Diocese of Grafton Investment Fund considers the following individuals to be volunteer staff members:

- Any unpaid member of any Board or Council of the Anglican Diocese of Grafton or one of its committees or sub committees. This refers to, but is not limited to, any governance group described in the *Diocesan Governance Ordinance 2008* or described in any constitution established under the *Anglican Church of Australia (Bodies Corporate) Act 1938 (NSW)*.
- Any unpaid member of a Parish Council.
- Parish volunteers who undertake ongoing volunteering for their Parish of at least 8 hours per week.
- A person who works on a regular and ongoing basis for at least 8 hours per week for an organisation of the Anglican Community without being paid, or an honorary office bearer recognised by the Ordinances of the Synod, for example, members of Diocesan Council, and its associated Boards and Committee.

2. Other clients that are not retail, non-associated clients

Products are promoted to this class of investor in the following ways:

- advertising in the Anglican Diocese of Grafton internal publication, the "North Coast Anglican" Newspaper;
- promotional material and brochures;
- direct written correspondence;
- advertising on the website; and
- word of mouth.

A product is offered to this class of investor after a formal signed application is received. Products offered to this class of investor may be customised to meet the requirements of each client. The Corporate Trustees of the Diocese of Grafton Investment Fund reserves the right to make enquiries, as it considers necessary, to confirm that a potential investor is not a retail client before opening an account.

AUDITED FINANCIAL STATEMENTS

The Corporate Trustees of the Diocese of Grafton Investment Fund is a basic religious charity and is currently not required to lodge audited financial statements with the Australian Charities and Not-for-profits Commission (ACNC).

The Corporate Trustees of the Diocese of Grafton Investment Fund is required to lodge audited financial statements with ASIC within 6 months of each financial year end.

GUARANTEES OR OBLIGATIONS

No guarantees or obligations of interests by any person apply.

ASSET TYPES

The Corporate Trustees of the Diocese of Grafton Investment Fund currently holds the following asset classes in Australia:

- **Cash deposits at ADIs.**
- **Interest bearing securities**, Australian Banks and large corporations, rated at investment grade or better. No hybrid securities, except for Australian bank securities containing an APRA mandated capital trigger.
- **Loans** advanced to Anglican parishes and Anglican entities when they borrow from the Fund to undertake charitable activities within their communities

No assets are held outside of Australia.

SPONSOR

There is no sponsor involvement in regard to acceptance of this Identification Statement.

CONSENT

The Corporate Trustees of the Diocese of Grafton Investment Fund consents to any person, on request to ASIC, examining this Identification Statement and the application to ASIC to accept this Identification Statement for lodgement.

DATED: 4th OCTOBER 2018

Signature



David Ford

Print Name

Chair of Board of The Corporate Trustees of
the Diocese of Grafton Investment Fund

Capacity



BOARD MEETING DATE:

25/10/2018

No 4 Confirmation of Minutes

Title: Special Meeting of 12 October 2018

No of Pages. 2 incl Header



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

**Minutes of Special Meeting – Emmanuel Anglican College Finance Request
Thursday 12 October 2018
Videoconference**

1. Opening Prayer - Meeting opened at 10am with prayers by Bishop Murray

2. Attendees: Mr David Ford (Chair), Bishop Murray Harvey, Mr Ted Clarke,
Mr Gary Boyd, Mr John Adlington.
Non-members: Mr Chris Nelson

Apologies: Mr Phil Crandon

3. Conflict of Interest Declarations

No member declared any conflict of interest relative to the matter for decision.

4. Emmanuel Anglican College Finance Request

Emmanuel Anglican College requested \$6 million of finance to support its building of a Multipurpose Centre. Mr Blaine Fitzgerald provided the AFGD Board with an assessment of this application and AFGD capacity to meet the request.

The Chair lead a discussion on the aspects of EAC's application and Mr Fitzgerald's report.

That AFGD advise Emmanuel Anglican College that it will support its Multi Purpose Centre proposal with finance of \$6 million as requested under the usual conditions for lending to diocesan schools but also:

- 1. Clarification that the College is not planning any other major capital expenditure project prior to 2024;*
- 2. Post-construction and commencing in 2021, a minimum of \$1 million per annum in permanent reduction of total College debts and line of credit facilities to enable debt ratios to return to more acceptable levels; and*
- 3. AFGD reserving the right to partner with another suitable financier on this finance during the term of the loan if such action is expedient for Anglican Funds Grafton Diocese.*

Moved: Mr John Adlington

Seconded: Mr Gary Boyd

CARRIED

5. Next Meeting: 25 October 2018

6. Meeting Close

The meeting closed at 10.40am with the saying of the grace.

CONFIRMED as a true and correct record of proceedings of Anglican Funds Grafton Diocese Board meeting of 12 October 2018.

Chair – David Ford



BOARD MEETING DATE:

25/10/2018

No 6 Financial and performance reports

Item: a)

Title: Finance reports

August 2018 and September 2018

No of Pages. 17 incl Header

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

Profit & Loss Statement

January to December 2018

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	YTD	Sep	Oct	Nov	Dec	Forecast	Budget	Variance
4-0000																
Income																
Interest Recd - Investments	11,890	21,539	22,384	16,845	15,028	11,192	9,232	11,430	119,540	11,550	17,500	14,000	7,875	170,465	184,240	(13,775)
Interest Recd - Borrowers	85,818	59,795	67,358	63,737	70,076	72,183	76,461	75,351	570,778	93,263	88,971	98,971	107,513	959,494	1,000,771	(38,690)
Sundry Income - Other Asset Classes and Ser	36,913	44,837	59,581	39,548	39,548	70,398	39,548	36,443	366,815	87,875	43,000	30,431	59,304	587,425	634,022	(46,597)
Total Income	134,621	126,171	149,322	120,130	124,652	153,772	125,241	123,224	1,057,133	192,688	149,471	143,401	174,692	1,717,385	1,819,033	(44,378)
Cost Of Sales																
Total Interest Paid to Investors	77,885	70,828	76,040	70,997	69,509	65,089	67,178	65,302	497,525	75,738	75,632	76,018	76,250	886,465	923,412	56,947
Gross Profit	56,736	55,343	73,282	49,132	55,144	88,684	58,063	57,922	559,609	116,949	73,839	67,384	98,442	850,920	895,621	(44,701)
6-0000																
Expenses																
Total Employee Benefits	7,586	9,073	8,429	9,164	9,330	10,911	8,823	8,867	72,183	22,931	22,531	22,531	22,931	163,107	271,973	108,866
Total Professional fees	1,942	1,742	2,959	3,560	7,723	6,645	3,431	1,991	29,994	3,050	3,050	3,050	3,050	42,194	40,600	(1,594)
Total Banking and Indue Costs	15,559	16,979	16,791	25,436	17,681	20,835	18,060	15,684	147,023	27,852	20,962	17,002	29,589	242,428	254,761	12,333
Total insurance costs	1,096	780	856	847	851	11,228	851	851	17,361	1,260	1,260	340	340	20,561	13,280	(7,281)
Total General Operations costs	3,334	3,327	2,014	2,196	4,166	1,507	3,471	2,276	22,290	3,795	3,635	3,635	3,135	36,430	44,070	7,640
Total Expenses	29,517	31,901	31,048	41,203	39,751	51,125	34,637	29,669	288,851	58,828	51,439	46,558	59,045	504,719	624,684	119,965
Total Net Profit	27,220	23,442	42,234	7,930	15,393	37,559	23,426	28,253	205,456	58,121	22,400	20,826	39,397	346,200	270,937	75,263
9-0000																
Distribution to Diocese																
Total Other Expenses	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	116,800	14,600	14,600	14,600	14,400	175,000	175,000	-
Net Profit/(Loss) after distribution	12,620	8,842	27,634	-6,670	793	22,959	8,826	13,653	88,656	43,521	7,800	6,226	24,997	171,200	95,937	75,263

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

Profit & Loss Statement

January to December 2018

	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	YTD Actual	September Budget	October Budget	November Budget	December Budget	Forecast	Budget	Variance
Income																
4-0000																
4-1010	0	0	0	0	0	0	0	0	0	11,550	17,500	14,000	7,875	50,925	184,240	(133,315)
4-1011	406	1,895	2,098	2,030	0	0	0	0	8,121	0	0	0	0	8,121	0	8,121
4-1012	351	320	360	349	374	387	400	2,803	5,344	0	0	0	0	5,344	0	5,344
4-1013	6,443	11,910	11,815	7,829	6,191	4,505	2,694	4,821	56,208	0	0	0	0	56,208	0	56,208
4-1014	2,179	1,930	2,038	2,148	2,355	2,026	2,007	2,169	16,851	0	0	0	0	16,851	0	16,851
4-1015	2,511	5,485	6,073	4,488	4,416	4,274	4,132	1,638	33,016	0	0	0	0	33,016	0	33,016
4-1020	11,890	21,539	22,384	16,845	15,028	11,192	9,232	11,430	119,540	11,550	17,500	14,000	7,875	170,465	184,240	(13,776)
4-1021	24,827	5,422	7,897	6,869	12,147	16,599	19,564	19,148	112,472	93,263	88,971	98,971	107,513	501,189	1,000,771	(499,682)
4-1022	20,939	19,118	21,166	20,483	21,166	20,483	21,166	21,166	165,689	0	0	0	0	165,689	0	165,689
4-1022	40,052	35,255	36,295	36,384	36,763	35,101	35,731	35,036	292,617	0	0	0	0	292,617	0	292,617
4-1055	85,818	59,795	67,368	63,737	70,076	72,183	76,461	75,351	570,718	93,263	88,971	98,971	107,513	959,494	1,000,771	(41,277)
4-1056	13,010	20,706	13,034	15,575	15,575	15,934	15,575	18,659	126,068	16,770	16,770	16,770	16,770	193,148	184,951	(1,803)
4-1057	24,784	23,973	22,915	23,973	23,973	24,159	23,973	23,973	191,734	26,230	26,230	26,230	26,230	296,654	304,924	(8,270)
4-2000	-907	0	0	0	0	0	0	-4,213	-907	0	0	0	-28,571	-45,353	-45,353	(0)
4-2100	0	150	0	0	0	0	0	0	150	0	0	0	0	150	0	150
4-3000	0	0	23,625	0	0	30,292	0	0	53,917	44,875	0	0	44,875	143,667	179,500	(36,833)
4-3000	16	7	7	0	0	13	0	24	67	0	0	0	0	67	0	67
Sundry Income - Other Asset classes and Service Fee	36,913	44,837	59,581	39,548	39,548	70,398	39,548	36,443	366,815	87,875	43,000	30,431	59,304	587,425	634,022	(46,597)
Total Income	134,621	126,171	149,322	120,130	124,652	153,772	125,241	123,224	1,057,133	192,688	149,471	143,401	174,692	1,717,385	1,819,033	(101,648)
5-2100	77,885	70,828	76,040	70,997	69,509	69,089	67,178	69,302	562,827	75,738	75,632	76,018	76,250	866,465	923,412	56,947
Total Cost Of Sales	77,885	70,828	76,040	70,997	69,509	69,089	67,178	69,302	562,827	75,738	75,632	76,018	76,250	866,465	923,412	56,947
Gross Profit	56,736	55,343	73,282	49,132	55,144	84,684	58,063	57,922	494,306	116,949	73,839	67,384	98,442	850,920	895,621	(44,701)
Expenses																
6-1100	-7,440	452	-633	-633	452	336	452	514	-6,500	0	0	0	0	-6,500	0	6,500
6-1200	-11,595	0	0	0	0	1,640	0	0	-9,955	1,167	1,167	1,167	1,167	-5,297	14,004	19,291
6-1300	24,445	7,629	7,920	8,969	7,629	7,649	7,647	7,629	79,516	18,780	18,780	18,780	18,780	154,636	225,360	70,724
6-1500	1,767	725	734	827	725	725	725	725	6,952	1,784	1,784	1,784	1,784	14,088	21,409	7,321
6-1600	0	0	0	0	0	0	0	0	0	400	400	400	400	800	1,600	800
6-1700	409	267	407	0	524	561	0	2,169	800	800	800	800	800	5,369	9,600	4,231
Total Employee Benefits	7,586	9,073	8,429	9,164	9,330	10,911	8,823	8,867	72,183	22,931	22,931	22,931	22,931	163,107	271,973	108,866
6-4200	0	0	210	0	0	990	210	0	1,410	200	200	200	200	2,210	2,400	190
6-4300	1,742	1,742	1,742	1,742	6,865	1,865	1,781	1,781	19,345	2,350	2,350	2,350	2,350	28,745	28,200	(545)
6-4360	200	0	1,007	1,818	858	4,780	576	0	9,239	500	500	500	500	11,239	10,000	(1,239)
Total Professional fees	1,942	1,742	2,959	3,560	7,723	6,645	3,431	1,991	29,994	3,050	3,050	3,050	3,050	42,194	40,600	(1,594)
6-4400	535	476	542	533	479	593	556	547	4,261	650	650	650	650	6,861	7,800	939
6-4402	20	31	19	31	68	57	144	77	447	0	0	0	0	447	0	(447)
6-4410	0	3,833	2,333	2,333	2,333	7,944	2,333	2,333	23,444	12,500	0	0	12,500	48,444	56,850	8,406
6-4412	0	0	0	0	0	0	0	0	0	5,000	0	0	0	5,000	5,000	0
6-4440	828	748	948	801	828	921	828	828	6,731	950	950	950	950	10,531	11,400	869
6-4442	3,675	3,331	3,692	3,500	3,709	3,432	4,244	3,726	29,299	4,000	4,000	4,000	4,000	45,299	46,500	1,201
6-4445	0	0	0	0	0	510	0	23	534	0	0	0	0	534	0	(534)
6-4450	10,501	8,560	9,267	18,237	10,263	7,887	9,444	8,149	82,309	9,752	10,362	11,402	11,489	125,313	127,211	1,898
Total Banking Costs	15,559	16,979	16,791	25,436	17,681	20,835	18,060	15,684	147,023	27,852	20,962	17,002	29,589	242,428	254,761	12,333

6-4510	Insurance - Workers Comp	359	114	119	134	114	114	114	114	114	340	340	340	2,543	4,080	1,537
6-4530	Insurance - General	737	666	737	713	737	737	737	737	737	920	920	0	18,017	9,200	(8,817)
	Total insurance costs	1,096	780	866	847	851	851	851	851	851	1,260	1,260	340	20,561	13,280	(7,281)
6-4425	Depreciation Expense	626	626	626	626	626	626	626	626	626	650	650	650	7,611	7,800	189
6-4600	Meeting Expenses	222	174	106	0	11	0	50	0	0	140	140	140	1,138	1,680	542
6-4610	Marketing	0	0	0	0	0	0	0	0	0	400	400	400	1,600	4,800	3,200
6-4700	Postage	0	184	503	154	143	158	104	123	137	175	175	175	2,070	3,350	1,280
6-4800	Printing & Stationery	327	537	0	0	9	0	1,191	0	2,064	600	600	600	4,464	7,200	2,736
6-4900	Rent/Victoria Street	433	433	433	433	433	433	433	433	433	450	450	450	5,267	5,400	133
6-5000	PC Repairs and Maintenance	0	0	0	0	0	0	0	0	0	100	100	100	200	400	200
6-5100	Telephone	117	214	216	193	199	212	197	194	1,542	220	220	220	2,422	2,640	218
6-5200	Travel & Accommodation - Board	1,061	1,152	128	789	1,097	77	869	885	6,057	600	600	600	7,857	6,000	(1,857)
6-5300	Travel & Accommodation - AFGD	309	0	0	0	1,597	0	0	0	1,906	400	400	400	3,506	4,800	1,294
6-5310	AFGD Staff Expenses Other	239	5	0	0	50	0	0	0	294	0	0	0	294	0	(294)
	Total General Operations costs	3,334	3,327	2,014	2,196	4,166	1,507	3,471	2,276	22,290	3,735	3,635	3,135	36,430	44,070	7,640
	Total Expenses	29,517	31,901	31,048	41,203	39,751	51,125	34,637	29,669	288,851	58,828	51,439	46,558	504,719	624,584	119,965
	Total Net Profit	27,220	23,442	42,234	7,930	15,393	37,559	23,426	28,253	205,456	58,121	22,400	20,826	346,200	270,937	75,263
9-2200	Contribution to Diocese	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	116,800	14,600	14,600	14,600	175,000	175,000	-
	Total Other Expenses	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	116,800	14,600	14,600	14,600	175,000	175,000	0
	Net Profit/(Loss) after distribution	12,620	8,842	27,634	-6,670	793	22,959	8,826	13,653	88,656	43,521	7,800	6,226	171,200	95,937	75,263

Anglican Funds Grafton Diocese

Level 1 - 50 Victoria Street
Grafton 2460
NSW

Balance Sheet

As of August 2018

Account No.			
1-0000	Assets		
1-1000	Current Assets		
1-1105	WBC 032537 247819 Operating Ac	\$26,566.20	
1-1110	WBC 032537 120455 Client Chq	\$120,789.60	
1-1130	AFSA Float SAV00000202	\$310,189.89	
1-1137	Daily Txns Unproc'd in Phoenix	(\$146,042.51)	
1-1160	WBC 032537 163017 Cash Managem	\$562,291.36	
1-1165	Melb DIF 30 day term	\$1,750,000.00	
1-1170	Accrued Int Receivable Investm	\$25,515.01	
1-1171	Ord Min List Accrued Int Rec	(\$3,382.14)	
1-1172	Ord Min U/List Accrued Int Rec	(\$3,163.50)	
1-1400	Prepaid Insurance	\$1,450.29	
1-2500	Vehicles		
1-2510	Vehicles - at Cost	\$30,536.49	
1-2520	Vehicles - Accum dep	(\$8,004.10)	
1-2700	Furniture & Fixtures		
1-2710	Furniture & Fixtures Orig Cost	\$4,852.56	
1-2720	Furniture & Fixtures Accum Dep	(\$1,263.10)	
1-2800	Plant & Equipment		
1-2810	Computer Hardware	\$26,730.39	
1-2820	Acc Depn Computer Hardware	(\$24,994.25)	
1-2900	Intangible Assets		
1-2910	Computer Software	\$60,500.00	
1-2920	Acc Depn - Comptr Software	(\$60,500.00)	
1-3000	Financial Assets - Current		
1-3120	AFSA Security Dep SAV00000203	\$246,205.02	
1-3130	WBC Term Invested Funds	\$900,000.00	
1-3145	Ord Minnett-Listed Investments	\$3,308,235.72	
1-3147	Ord Minnett-Global Cash Trust	\$24,981.50	
1-3148	Ord Minn-Global Investments	\$6,370,223.00	
1-3150	Loan Assets		
1-3155	Line of Credit - O/D	\$7,603,151.26	
1-3160	Loan Advances	\$4,373,600.36	
1-3170	Loan Advances - P & I	\$7,920,847.91	
1-3190	Accrued Interest Loans		
1-3199	Financial Assets Current - Adj	(\$15,104,496.17)	
1-4000	Financial Assets - Non Current		
1-4110	Financial Assets Non Current	\$15,104,496.17	
	Total Assets		\$33,419,316.96
2-0000	Liabilities		
2-1000	Current Liabilities		
2-1004	Audit Costs	\$14,345.00	
2-1100	Accrued Interest payable		
2-1101	2243130 Access Acc INT PAY	\$37.45	
2-1102	2243131 Inst Acc INT PAY	\$123.72	
2-1103	2243132 Student Acc INT PAY	\$0.35	
2-1104	2243133 Parish Prov INT PAY	\$68.22	
2-1200	Accounts payable		\$2,663.49
2-1221	2243310 Term 90 Days INT PAY		\$15,274.40

2-1222	2243320 Term 180 days INT PAY		\$71,270.51	
2-1223	2243330 Term 365 days INT PAY		\$178,880.54	
2-1700	Investor Funds Fin Liab Curren			
2-1710	2103300 Access Accounts	\$106,055.27		
2-1715	2103310 Institution Access	\$96,752.62		
2-1720	2103320 Student Access	\$2,019.69		
2-1725	2103330 Parish Provider Access	\$5,158.50		
2-1730	2103350 Interest Free Deposits	\$7,989.96		
2-1735	2103370 Chq Acc Parishes	\$816,826.01		
2-1740	2103380 Chq Acc Ministry	\$2,098,027.73		
2-1745	2103400 Anglican Affiliates	\$734,782.69		
2-1750	139 Parishes CMA	\$758,267.79		
2-1755	2183310 Term Inv 90 days	\$6,140,413.75		
2-1756	2103420 Clergy Access Account	\$200,819.36		
2-1760	2183320 Term Inv 180 days	\$9,712,048.55		
2-1765	2183330 Term Inv 365 days	\$11,072,653.51		
2-1900	Other Current Liabilities			
2-1910	Accrued Annual Leave	\$2,811.31		
2-1911	Accrued Long Service Leave	\$8,688.35		
2-1915	Accrued Expenses	\$16,621.73		
2-3030	GST from purchases		(\$72.87)	
2-9999	Westpac Unknown transactions		\$223.68	
	Total Liabilities			\$32,062,751.31
	Net Assets			\$1,356,565.65
3-0000	Equity			
3-7000	Revaluation Financial Assets		\$9,593.98	
3-8000	Retained Earnings		\$1,258,315.96	
3-9000	Current Earnings		\$88,655.71	
	Total Equity			\$1,356,565.65

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

Balance Sheet [Multi-Period]

January 2018 To August 2018

Account No.	Account Name	January	February	March	April	May	June	July	August
	Assets								
	Current Assets								
		989,695	1,021,463	1,039,180	964,850	1,025,767	979,786	949,314	951,548
		13,432,487	12,824,854	13,135,313	9,025,466	7,483,693	3,827,215	6,520,629	2,843,433
		10,794,038	10,794,038	10,754,759	10,754,759	10,754,759	10,673,434	10,673,434	9,678,459
		46,158	46,821	44,346	52,389	53,704	39,299	33,782	20,420
	Fixed Assets	32,243	31,616	30,990	30,364	29,737	29,111	28,484	27,858
	Loan Assets								
	Loan Assets	15,885,109	15,227,046	14,786,293	15,682,818	16,749,722	19,235,077	17,203,674	19,897,600
		0	0	0	0	0	0	0	0
	Total Assets	41,179,729	39,945,839	39,790,880	36,510,646	36,097,381	34,783,922	35,409,317	33,419,317
	Liabilities								
	Current Liabilities								
		66,960	59,572	43,405	26,413	33,215	36,497	29,908	33,630
		153	302	450	593	735	0	134	230
		266,741	275,346	302,387	264,095	273,754	289,484	267,446	265,425
	Investor Funds Fin Liab Current								
		7,265,036	6,535,970	7,157,651	6,012,581	6,242,339	4,744,764	6,094,964	4,826,700
		30,442,346	31,441,219	30,831,929	28,778,526	28,113,090	28,371,673	27,666,198	26,925,116
	Sundry Liabilities								
	Sundry Liabilities	6,549	6,320	2,344	2,394	7,711	8,331	8,669	11,427
		1,731,948	218,273	55,521	35,521	35,224	224	224	224
	Total Liabilities	39,779,734	38,537,001	38,393,687	35,120,123	34,706,066	33,450,972	34,067,542	32,062,751
	Net Assets	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566
	Equity								
	Total Equity	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566

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

Balance Sheet [Multi-Period]

January 2018 To August 2018

Account No.	Account Name	January	February	March	April	May	June	July	August
Assets									
Current Assets									
1-1105	WBC 032537 247819 Operating Ac	27,875	19,157	75,705	18,146	37,041	14,373	17,336	26,566
1-2000	Trade Debtors	0	150	0	0	0	0	0	0
1-3130	WBC Term Invested Funds	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
1-3146	Ord Minnett-List Cash Account	36,538	53,165	62,722	21,817	40,415	52,556	0	0
1-3147	Ord Minnett-Global Cash Trust	<u>25,282</u>	<u>48,991</u>	<u>753</u>	<u>24,887</u>	<u>48,311</u>	<u>12,857</u>	<u>31,978</u>	<u>24,982</u>
		989,695	1,021,463	1,039,180	964,850	1,025,767	979,786	949,314	951,548
1-1110	WBC 032537 120455 Client Chq	132,596	130,575	171,758	138,785	136,381	87,832	143,039	120,790
1-1130	AFSA Float SAV00000202	2,149,924	2,016,756	3,603,604	1,777,587	701,780	579,254	959,472	310,190
1-1137	Daily Txns Unproc'd in Phoenix	-86,997	-539,949	314,512	-586,958	-111,310	42,742	-54,739	-146,043
1-1160	WBC 032537 163017 Cash Managem	493,350	473,539	51,145	951,409	1,011,826	121,984	1,227,054	562,291
1-1165	Melb DIF 30 day term	6,750,000	6,750,000	5,000,000	3,500,000	3,500,000	750,000	3,000,000	1,750,000
1-3110	NAB Term Investment	1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0
1-3111	AMP Term Investment	2,750,000	2,750,000	2,750,000	2,000,000	2,000,000	2,000,000	1,000,000	0
1-3120	AFSA Security Dep SAV00000203	<u>243,613</u>	<u>243,933</u>	<u>244,294</u>	<u>244,643</u>	<u>245,017</u>	<u>245,403</u>	<u>245,803</u>	<u>246,205</u>
		13,432,487	12,824,854	13,135,313	9,025,466	7,483,693	3,827,215	6,520,629	2,843,433
1-3145	Ord Minnett-Listed Investments	4,353,132	4,353,132	4,336,368	4,336,368	4,336,368	4,303,211	4,303,211	3,308,236
1-3148	Ord Minn-Global Investments	<u>6,440,906</u>	<u>6,440,906</u>	<u>6,418,391</u>	<u>6,418,391</u>	<u>6,418,391</u>	<u>6,370,223</u>	<u>6,370,223</u>	<u>6,370,223</u>
		10,794,038	10,794,038	10,754,759	10,754,759	10,754,759	10,673,434	10,673,434	9,678,459
1-1170	Accrued Int Receivable Investm	39,936	40,963	39,260	45,747	51,851	36,374	32,090	25,515
1-1171	Ord Min List Accrued Int Rec	150	187	0	2,430	-2,172	0	1,660	-3,382
1-1172	Ord Min U/List Accrued Int Rec	-419	-154	-1	-162	387	0	-2,155	-3,164
1-1400	Prepaid Insurance	<u>6,491</u>	<u>5,825</u>	<u>5,088</u>	<u>4,375</u>	<u>3,638</u>	<u>2,924</u>	<u>2,187</u>	<u>1,450</u>
		46,158	46,821	44,346	52,389	53,704	39,299	33,782	20,420
1-2510	Vehicles - at Cost	30,536	30,536	30,536	30,536	30,536	30,536	30,536	30,536
1-2520	Vehicles - Accum dep	-4,441	-4,950	-5,459	-5,968	-6,477	-6,986	-7,495	-8,004
1-2710	Furniture & Fixtures Orig Cost	4,853	4,853	4,853	4,853	4,853	4,853	4,853	4,853
1-2720	Furniture & Fixtures Accum Dep	-1,022	-1,057	-1,091	-1,126	-1,160	-1,194	-1,229	-1,263
1-2810	Computer Hardware	26,730	26,730	26,730	26,730	26,730	26,730	26,730	26,730
1-2820	Acc Depn Computer Hardware	-24,413	-24,496	-24,579	-24,662	-24,745	-24,828	-24,911	-24,994
1-2910	Computer Software	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
1-2920	Acc Depn - Comptr Software	<u>-60,500</u>	<u>-60,500</u>	<u>-60,500</u>	<u>-60,500</u>	<u>-60,500</u>	<u>-60,500</u>	<u>-60,500</u>	<u>-60,500</u>
	Fixed Assets	32,243	31,616	30,990	30,364	29,737	29,111	28,484	27,858
Loan Assets									
1-3155	Line of Credit - O/D	2,443,808	2,000,522	1,754,211	2,786,040	4,060,559	6,621,632	4,816,234	7,603,151
1-3160	Loan Advances	4,373,373	4,371,552	4,373,600	4,372,918	4,373,600	4,372,918	4,373,600	4,373,600
1-3170	Loan Advances - P & I	<u>9,067,928</u>	<u>8,854,972</u>	<u>8,658,481</u>	<u>8,523,861</u>	<u>8,315,563</u>	<u>8,240,528</u>	<u>8,013,840</u>	<u>7,920,848</u>
	Loan Assets	15,885,109	15,227,046	14,786,293	15,682,818	16,749,722	19,235,077	17,203,674	19,897,600
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
1-4110	Financial Assets Non Current	<u>15,104,496</u>	<u>15,104,496</u>	<u>15,104,496</u>	<u>15,104,496</u>	<u>15,104,496</u>	<u>15,104,496</u>	<u>15,104,496</u>	<u>15,104,496</u>
		0	0	0	0	0	0	0	0
	Total Assets	41,179,729	39,945,839	39,790,880	36,510,646	36,097,381	34,783,922	35,409,317	33,419,317
Liabilities									
Current Liabilities									
2-1004	Audit Costs	22,642	24,384	8,926	6,968	8,833	10,699	12,564	14,345
2-1200	Accounts payable	11,143	4,297	21,530	6,445	9,107	8,567	3,570	2,663
2-1915	Accrued Expenses	<u>33,175</u>	<u>30,891</u>	<u>12,949</u>	<u>13,000</u>	<u>15,274</u>	<u>17,232</u>	<u>13,774</u>	<u>16,622</u>
		66,960	59,572	43,405	26,413	33,215	36,497	29,908	33,630
2-1101	2243130 Access Acc INT PAY	51	99	137	174	207	0	26	37
2-1102	2243131 Inst Acc INT PAY	70	137	215	289	367	0	73	124
2-1103	2243132 Student Acc INT PAY	0	1	1	1	1	0	0	0

2-1104	2243133 Parish Prov INT PAY	32	66	97	129	159	0	35	68
		153	302	450	593	735	0	134	230
2-1221	2243310 Term 90 Days INT PAY	17,361	10,142	14,585	7,878	11,990	18,525	8,869	15,274
2-1222	2243320 Term 180 days INT PAY	71,387	92,242	94,546	66,841	70,279	77,424	71,069	71,271
2-1223	2243330 Term 365 days INT PAY	157,176	170,426	192,686	189,297	191,327	193,534	187,508	178,881
2-1225	235 Fixed Inv - 18 Month INT P	20,817	2,536	570	78	158	0	0	0
		266,741	275,346	302,387	264,095	273,754	289,484	267,446	265,425
	Investor Funds Fin Liab Current								
2-1710	2103300 Access Accounts	293,928	310,914	272,779	261,033	210,869	178,862	153,218	106,055
2-1715	2103310 Institution Access	187,618	204,091	212,066	198,544	209,441	215,342	149,469	96,753
2-1720	2103320 Student Access	4,009	3,843	3,253	3,224	2,634	2,197	2,197	2,020
2-1725	2103330 Parish Provider Access	4,777	3,409	4,214	3,747	5,192	5,188	4,612	5,159
2-1730	2103350 Interest Free Deposits	7,377	7,139	7,877	8,084	7,513	8,177	7,693	7,990
2-1735	2103370 Chq Acc Parishes	836,181	805,746	752,416	705,347	744,382	789,012	862,153	816,826
2-1740	2103380 Chq Acc Ministry	2,888,969	2,313,672	3,198,981	2,246,098	1,940,345	1,672,824	3,143,864	2,098,028
2-1745	2103400 Anglican Affiliates	1,933,893	1,871,265	1,721,235	1,592,191	2,166,217	874,234	694,840	734,783
2-1750	139 Parishes CMA	847,234	778,670	752,331	763,677	744,254	785,686	856,189	758,268
2-1751	Next Gen Bonus Saver	57,529	49,067	33,997	31,695	8,413	0	0	0
2-1756	2103420 Clergy Access Account	203,523	188,153	198,502	198,941	203,078	213,240	220,728	200,819
		7,265,036	6,535,970	7,157,651	6,012,581	6,242,339	4,744,764	6,094,964	4,826,700
2-1755	2183310 Term Inv 90 days	5,148,920	3,451,388	3,300,311	4,315,173	4,359,507	4,389,706	4,676,078	6,140,414
2-1760	2183320 Term Inv 180 days	11,515,889	12,979,536	12,904,127	10,604,238	10,548,760	11,378,113	11,268,318	9,712,049
2-1765	2183330 Term Inv 365 days	13,777,538	15,010,294	14,627,490	13,859,116	13,204,824	12,603,853	11,721,803	11,072,654
		30,442,346	31,441,219	30,831,929	28,778,526	28,113,090	28,371,673	27,666,198	26,925,116
	Sundry Liabilities								
2-1910	Accrued Annual Leave	1,871	2,323	1,691	1,058	1,510	1,846	2,298	2,811
2-1911	Accrued Long Service Leave	7,048	7,048	7,048	7,048	7,048	8,688	8,688	8,688
2-3030	GST from purchases	-2,371	-3,052	-6,395	-5,712	-848	-2,203	-2,317	-73
	Sundry Liabilities	6,549	6,320	2,344	2,394	7,711	8,331	8,669	11,427
2-2310	2183350 Fixed 18 Mths	1,731,725	218,050	55,000	35,000	35,000	0	0	0
2-9999	Westpac Unknown transactions	224	224	521	521	224	224	224	224
		1,731,948	218,273	55,521	35,521	35,224	224	224	224
	Total Liabilities	39,779,734	38,537,001	38,393,687	35,120,123	34,706,066	33,450,972	34,067,542	32,062,751
	Net Assets	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566
	Equity								
3-7000	Revaluation Financial Assets	129,060	129,060	89,781	89,781	89,781	8,456	8,456	9,594
3-8000	Retained Earnings	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316
3-9000	Current Earnings	12,620	21,462	49,096	42,426	43,218	66,177	75,003	88,656
	Total Equity	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566

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

Profit & Loss Statement

January to December 2018

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD	Oct	Nov	Dec	Forecast	Budget	Variance
4-0000																
Income																
Interest Recd - Investments	11,890	21,539	22,384	16,845	15,028	11,192	9,232	11,430	6,880	126,430	17,500	14,000	7,875	165,805	184,240	(18,435)
Interest Recd - Borrowers	85,818	59,795	67,358	63,737	70,076	72,183	76,461	75,351	73,215	643,993	88,971	98,971	107,513	939,447	1,000,771	(68,690)
Sundry Income - Other Asset classes and Serv	36,913	44,837	59,581	39,548	39,548	70,398	39,548	36,443	89,172	455,987	43,000	30,431	59,304	588,722	634,022	(45,300)
Total Income	134,621	126,171	149,322	120,130	124,652	153,772	125,241	123,224	169,276	1,226,410	149,471	143,401	174,692	1,693,973	1,819,033	(41,378)
Cost Of Sales																
Total Interest Paid to Investors	77,885	70,828	76,040	70,997	69,509	65,089	67,178	65,302	60,890	623,717	75,632	76,018	76,250	851,617	923,412	71,795
Gross Profit	56,736	55,343	73,282	49,132	55,144	88,684	58,063	57,922	108,386	602,693	73,839	67,384	98,442	842,357	895,621	(53,264)
Expenses																
Total Employee Benefits	7,586	9,073	8,429	9,164	9,330	10,911	8,823	8,867	9,250	81,432	22,531	22,531	22,931	149,426	271,973	122,547
Total Professional fees	1,942	1,742	2,959	3,960	7,723	6,645	3,431	1,991	1,782	31,776	3,050	3,050	3,050	40,926	40,600	(326)
Total Banking and Indue Costs	15,559	16,979	16,791	25,436	17,681	20,835	18,064	15,684	14,549	161,572	20,962	17,002	29,589	229,125	254,761	25,636
Total insurance costs	1,096	780	856	847	851	11,228	851	851	833	18,194	1,260	340	340	20,134	13,280	(6,854)
Total General Operations costs	3,334	3,327	2,014	2,196	4,166	1,507	3,471	2,276	2,966	25,256	3,635	3,635	3,135	35,661	44,070	8,409
Total Expenses	29,517	31,901	31,048	41,203	39,751	51,125	34,637	29,669	29,380	318,231	51,439	46,558	59,045	475,272	624,684	149,412
Total Net Profit	27,220	23,442	42,234	7,930	15,393	37,559	23,426	28,253	79,006	284,461	22,400	20,826	39,397	367,085	270,937	96,148
Distribution to Diocese																
Total Other Expenses	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	131,400	14,600	14,600	14,400	175,000	175,000	-
Net Profit/(Loss) after distribution	12,620	8,842	27,634	-6,670	793	22,959	8,826	13,653	64,406	153,061	7,800	6,226	24,997	192,085	95,937	96,148

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

Profit & Loss Statement
January to December 2018

	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	YTD Actual	October Budget	November Budget	December Budget	Forecast	Budget	Variance
Income																
4-1000																
4-1010	0	1,895	2,098	2,030	0	0	0	0	0	0	17,500	14,000	7,875	39,375	184,240	(144,865)
4-1011	406				1,692	0	0	0	0	8,121	0	0	0	8,121	0	8,121
4-1012	351	320	360	349	374	387	400	2,803	391	5,735	0	0	0	5,735	0	5,735
4-1013	6,443	11,910	11,815	7,829	6,191	4,505	2,694	4,821	4,505	60,714	0	0	0	60,714	0	60,714
4-1014	2,179	1,930	2,038	2,148	2,355	2,026	2,007	1,994	1,994	18,844	0	0	0	18,844	0	18,844
4-1015	2,511	5,485	6,073	4,488	4,416	4,274	4,132	1,638	0	33,016	0	0	0	33,016	0	33,016
4-1020	11,890	21,539	22,384	16,845	15,028	11,192	9,232	11,430	6,890	126,430	17,500	14,000	7,875	165,805	184,240	(18,435)
4-1021	24,827	5,422	7,897	6,869	12,147	16,599	19,148	19,148	19,981	132,453	88,971	98,971	107,513	427,907	1,000,771	(672,864)
4-1022	20,939	19,118	21,166	20,483	21,166	20,483	21,166	20,194	20,194	185,882	0	0	0	185,882	0	185,882
4-1055	65,818	69,795	67,358	63,737	70,076	72,183	76,461	75,351	73,215	643,993	88,971	98,971	107,513	939,447	1,000,771	(61,324)
4-1056	13,010	20,706	13,084	15,575	15,575	15,934	15,575	16,659	17,573	143,641	16,770	16,770	16,770	193,951	194,951	(1,000)
4-1057	24,794	23,973	22,915	23,973	23,973	24,159	23,973	27,961	27,961	219,694	26,230	26,230	26,230	298,384	304,924	(6,540)
4-1058	-907	0	0	0	0	0	0	-4,213	0	-4,213	0	-12,569	-28,571	-45,353	-45,353	(0)
4-2000	0	150	0	0	0	0	0	0	0	-907	0	0	0	-907	0	(907)
4-2100	0	0	0	0	0	0	0	0	0	150	0	0	0	150	0	150
4-3000	16	7	7	0	0	13	0	24	13	80	0	0	0	80	0	80
Sundry Income - Other Asset classes and Service Fee	36,913	44,837	59,581	39,548	39,548	70,398	39,548	36,443	89,172	455,987	43,000	30,431	59,304	568,722	634,022	(45,300)
Total Income	134,621	126,171	149,322	120,130	124,652	153,772	125,241	123,224	169,276	1,226,410	149,471	143,401	174,692	1,693,973	1,819,033	(125,060)
5-2100	77,885	70,828	76,040	70,997	69,509	65,089	67,178	65,302	60,890	623,717	75,632	76,018	76,250	851,617	923,412	71,795
Total Cost Of Sales	77,885	70,828	76,040	70,997	69,509	65,089	67,178	65,302	60,890	623,717	75,632	76,018	76,250	851,617	923,412	71,795
Gross Profit	56,736	55,343	73,282	49,132	55,144	88,684	58,063	57,922	108,386	602,693	73,839	67,384	98,442	842,357	895,621	(53,264)
Expenses																
6-1100	-7,440	452	-633	-633	452	336	452	514	462	-6,038	0	0	0	-6,038	0	6,038
6-1200	-11,595	0	0	0	0	1,640	0	0	0	-9,955	1,167	1,167	1,167	-6,454	14,004	20,458
6-1300	24,445	7,629	7,920	8,969	7,629	7,649	7,647	7,629	8,025	87,542	18,780	18,780	18,780	143,882	225,380	81,478
6-1500	1,767	725	734	827	725	725	725	725	762	7,714	1,784	1,784	1,784	13,067	21,409	8,342
6-1600	0	0	0	0	0	0	0	0	0	0	0	0	0	400	1,600	1,200
6-1700	409	267	407	0	524	561	0	0	0	2,169	800	800	800	4,569	9,600	5,031
Total Employee Benefits	7,586	9,073	8,429	9,164	9,330	10,911	8,823	8,867	9,250	81,432	22,531	22,531	22,531	149,426	271,973	122,547
6-4200	0	0	210	0	0	990	210	0	0	1,410	200	200	200	2,010	2,400	390
6-4300	1,742	1,742	1,742	1,742	6,865	1,865	1,865	1,781	1,782	21,127	2,350	2,350	2,350	28,177	28,200	23
6-4360	200	1,742	1,007	1,818	858	4,780	576	0	0	9,239	500	500	500	10,000	10,000	(739)
Total Professional fees	1,942	1,742	2,959	3,560	7,723	6,645	3,431	1,991	1,782	31,776	3,050	3,050	3,050	40,926	40,600	(326)
6-4400	535	476	542	533	479	593	556	547	563	4,824	650	650	650	6,774	7,800	1,026
6-4402	20	31	19	31	68	57	144	77	28	475	0	0	0	475	0	(475)
6-4410	0	3,633	2,333	2,333	2,333	7,944	2,333	2,333	2,333	25,777	0	0	12,500	38,277	56,850	18,573
6-4412	0	0	0	0	0	0	0	0	0	0	5,000	0	0	5,000	5,000	0
6-4440	828	748	948	601	828	921	828	828	921	7,652	950	950	950	10,502	11,400	898
6-4442	3,675	3,331	3,682	3,500	3,709	3,432	4,244	3,726	1,700	30,999	4,000	4,000	4,000	42,999	46,500	3,501
6-4445	0	0	0	0	0	510	0	23	3	537	0	0	0	537	0	(537)
6-4450	10,501	8,560	9,267	16,237	10,263	7,887	9,444	8,149	9,000	91,309	10,362	11,402	11,489	124,561	127,211	2,650

6-4510	15,559	16,979	16,791	25,436	17,681	20,835	18,060	15,684	14,549	161,572	20,962	17,002	29,589	229,125	254,761	25,636
Insurance - Workers Comp	359	114	119	134	114	114	114	114	120	1,303	340	340	340	2,323	4,080	1,757
6-4530	737	686	737	713	737	11,113	737	737	713	16,891	920	0	0	17,811	9,200	(8,611)
Insurance - General	1,096	780	856	847	851	11,228	851	851	833	18,194	1,260	340	340	20,134	13,280	(6,854)
Total Insurance costs	222	174	106	0	0	0	0	0	0	0	0	0	0	7,588	7,800	212
6-4425	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-4600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Meeting Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-4610	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-4700	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Postage	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-4800	327	537	0	0	9	0	1,191	123	129	1,499	175	175	175	2,024	3,350	3,600
Printing & Stationery	433	433	433	433	433	433	433	433	433	3,900	450	450	450	3,876	7,200	3,324
6-4900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rent/Victoria Street	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-5000	117	214	216	193	199	212	197	194	202	1,744	220	220	220	2,404	2,640	300
PC Repairs and Maintenance	1,061	1,152	128	789	1,097	77	869	885	1,517	7,574	600	600	0	8,774	6,000	236
6-5100	309	0	0	0	1,597	0	0	0	-200	1,706	400	400	400	2,906	4,800	1,894
Telephone	239	5	0	0	50	0	0	0	246	540	0	0	0	540	0	(540)
6-5200	3,334	3,327	2,014	2,196	4,166	1,507	3,471	2,276	2,966	25,256	3,635	3,635	3,135	35,661	44,070	8,409
Travel & Accommodation - Board	29,517	31,901	31,048	41,203	39,751	51,125	34,637	29,669	29,380	318,231	51,439	46,558	59,045	476,272	624,684	149,412
6-5300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Travel & Accommodation - AFGD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-5310	239	5	0	0	50	0	0	0	246	540	0	0	0	540	0	(540)
AFGD Staff Expenses Other	3,334	3,327	2,014	2,196	4,166	1,507	3,471	2,276	2,966	25,256	3,635	3,635	3,135	35,661	44,070	8,409
Total General Operations costs	29,517	31,901	31,048	41,203	39,751	51,125	34,637	29,669	29,380	318,231	51,439	46,558	59,045	476,272	624,684	149,412
Total Expenses	27,220	23,442	42,234	7,930	15,393	37,559	23,426	28,253	79,006	284,461	22,400	20,826	39,397	367,085	270,937	96,148
Total Net Profit	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	131,400	14,600	14,600	14,400	175,000	175,000	-
Contribution to Diocese	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	131,400	14,600	14,600	14,400	175,000	175,000	0
Total Other Expenses	12,620	8,942	27,634	-6,670	793	22,959	8,826	13,653	64,406	153,061	7,800	6,226	24,997	192,086	95,937	96,148
Net Profit/(Loss) after distribution																

Anglican Funds Grafton Diocese

Level 1 - 50 Victoria Street
Grafton 2460
NSW

Balance Sheet

As of September 2018

Account No.			
1-0000	Assets		
1-1000	Current Assets		
1-1105	WBC 032537 247819 Operating Ac	\$15,358.44	
1-1110	WBC 032537 120455 Client Chq	\$134,013.27	
1-1130	AFSA Float SAV00000202	\$6,619.41	
1-1137	Daily Txns Unproc'd in Phoenix	(\$59,901.74)	
1-1160	WBC 032537 163017 Cash Managem	\$52,418.05	
1-1165	Melb DIF 30 day term	\$1,750,000.00	
1-1170	Accrued Int Receivable Investm	\$19,848.17	
1-1400	Prepaid Insurance	\$737.02	
1-2500	Vehicles		
1-2510	Vehicles - at Cost	\$30,536.49	
1-2520	Vehicles - Accum dep	(\$8,513.10)	
1-2700	Furniture & Fixtures		
1-2710	Furniture & Fixtures Orig Cost	\$4,852.56	
1-2720	Furniture & Fixtures Accum Dep	(\$1,297.50)	
1-2800	Plant & Equipment		
1-2810	Computer Hardware	\$26,730.39	
1-2820	Acc Depn Computer Hardware	(\$25,077.25)	
1-2900	Intangible Assets		
1-2910	Computer Software	\$60,500.00	
1-2920	Acc Depn - Comptr Software	(\$60,500.00)	
1-3000	Financial Assets - Current		
1-3120	AFSA Security Dep SAV00000203	\$246,595.58	
1-3130	WBC Term Invested Funds	\$900,000.00	
1-3145	Ord Minnett-Listed Investments	\$3,315,653.48	
1-3148	Ord Minn-Global Investments	\$6,358,259.00	
1-3150	Loan Assets		
1-3155	Line of Credit - O/D	\$7,545,677.04	
1-3160	Loan Advances	\$4,297,366.39	
1-3170	Loan Advances - P & I	\$7,716,585.31	
1-3190	Accrued Interest Loans		
1-3199	Financial Assets Current - Adj	(\$15,104,496.17)	
1-4000	Financial Assets - Non Current		
1-4110	Financial Assets Non Current	\$15,104,496.17	
	Total Assets		\$32,326,461.01
2-0000	Liabilities		
2-1000	Current Liabilities		
2-1004	Audit Costs	\$16,127.25	
2-1100	Accrued Interest payable		
2-1101	2243130 Access Acc INT PAY	\$50.47	
2-1102	2243131 Inst Acc INT PAY	\$154.69	
2-1104	2243133 Parish Prov INT PAY	\$98.45	
2-1200	Accounts payable		\$3,712.96
2-1221	2243310 Term 90 Days INT PAY		\$25,529.86
2-1222	2243320 Term 180 days INT PAY		\$66,580.48
2-1223	2243330 Term 365 days INT PAY		\$170,233.69
2-1700	Investor Funds Fin Liab Curren		
2-1710	2103300 Access Accounts	\$104,482.60	

2-1715	2103310 Institution Access	\$102,788.08		
2-1725	2103330 Parish Provider Access	\$3,365.50		
2-1730	2103350 Interest Free Deposits	\$10,013.62		
2-1735	2103370 Chq Acc Parishes	\$834,871.56		
2-1740	2103380 Chq Acc Ministry	\$2,050,026.76		
2-1745	2103400 Anglican Affiliates	\$650,072.49		
2-1750	139 Parishes CMA	\$735,628.40		
2-1755	2183310 Term Inv 90 days	\$6,134,484.92		
2-1756	2103420 Clergy Access Account	\$200,104.13		
2-1760	2183320 Term Inv 180 days	\$9,686,323.21		
2-1765	2183330 Term Inv 365 days	\$10,084,575.78		
2-1900	Other Current Liabilities			
2-1910	Accrued Annual Leave	\$3,273.37		
2-1911	Accrued Long Service Leave	\$8,688.35		
2-1915	Accrued Expenses	\$18,700.00		
2-3030	GST from purchases		(\$74.55)	
2-9999	Westpac Unknown transactions		\$223.68	
	Total Liabilities			\$30,910,035.75
	Net Assets			\$1,416,425.26
3-0000	Equity			
3-7000	Revaluation Financial Assets		\$5,047.74	
3-8000	Retained Earnings		\$1,258,315.96	
3-9000	Current Earnings		\$153,061.56	
	Total Equity			\$1,416,425.26

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

Balance Sheet [Multi-Period]

January 2018 To September 2018

Account No.	Account Name	January	February	March	April	May	June	July	August	September
	Assets									
	Current Assets									
		989,695	1,021,463	1,039,180	964,850	1,025,767	979,786	949,314	951,548	915,358
		13,432,487	12,824,854	13,135,313	9,025,466	7,483,693	3,827,215	6,520,629	2,843,433	2,129,745
		10,794,038	10,794,038	10,754,759	10,754,759	10,754,759	10,673,434	10,673,434	9,678,459	9,673,912
		46,158	46,821	44,346	52,389	53,704	39,299	33,782	20,420	20,585
	Fixed Assets	32,243	31,616	30,990	30,364	29,737	29,111	28,484	27,858	27,232
	Loan Assets									
	Loan Assets	15,885,109	15,227,046	14,786,293	15,682,818	16,749,722	19,235,077	17,203,674	19,897,600	19,559,629
		0	0	0	0	0	0	0	0	0
	Total Assets	41,179,729	39,945,839	39,790,880	36,510,646	36,097,381	34,783,922	35,409,317	33,419,317	32,326,461
	Liabilities									
	Current Liabilities									
		66,960	59,572	43,405	26,413	33,215	36,497	29,908	33,630	38,540
		153	302	450	593	735	0	134	230	304
		266,741	275,346	302,387	264,095	273,754	289,484	267,446	265,425	262,344
	Investor Funds Fin Liab Current									
		7,265,036	6,535,970	7,157,651	6,012,581	6,242,339	4,744,764	6,094,964	4,826,700	4,691,353
		30,442,346	31,441,219	30,831,929	28,778,526	28,113,090	28,371,673	27,666,198	26,925,116	25,905,384
	Sundry Liabilities									
	Sundry Liabilities	6,549	6,320	2,344	2,394	7,711	8,331	8,669	11,427	11,887
		1,731,948	218,273	55,521	35,521	35,224	224	224	224	224
	Total Liabilities	39,779,734	38,537,001	38,393,687	35,120,123	34,706,066	33,450,972	34,067,542	32,062,751	30,910,036
	Net Assets	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566	1,416,425
	Equity									
	Total Equity	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566	1,416,425

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

Balance Sheet [Multi-Period]

January 2018 To September 2018

Account No.	Account Name	January	February	March	April	May	June	July	August	September
Assets										
Current Assets										
1-1105	WBC 032537 247819 Operating Ac	27,875	19,157	75,705	18,146	37,041	14,373	17,336	26,566	15,358
1-2000	Trade Debtors	0	150	0	0	0	0	0	0	0
1-3130	WBC Term Invested Funds	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	36,538	53,165	62,722	21,817	40,415	52,556	0	0	0
1-3147	Ord Minnett-Global Cash Trust	25,282	48,991	753	24,887	48,311	12,857	31,978	24,982	0
		989,695	1,021,463	1,039,180	964,850	1,025,767	979,786	949,314	951,548	915,358
1-1110	WBC 032537 120455 Client Chq	132,596	130,575	171,758	138,785	136,381	87,832	143,039	120,790	134,013
1-1130	AFSA Float SAV00000202	2,149,924	2,016,756	3,603,604	1,777,587	701,780	579,254	959,472	310,190	6,619
1-1137	Daily Txns Unproc'd in Phoenix	-86,997	-539,949	314,512	-586,958	-111,310	42,742	-54,739	-146,043	-59,902
1-1160	WBC 032537 163017 Cash Managem	493,350	473,539	51,145	951,409	1,011,826	121,984	1,227,054	562,291	52,418
1-1165	Melb DIF 30 day term	6,750,000	6,750,000	5,000,000	3,500,000	3,500,000	750,000	3,000,000	1,750,000	1,750,000
1-3110	NAB Term Investment	1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0
1-3111	AMP Term Investment	2,750,000	2,750,000	2,750,000	2,000,000	2,000,000	2,000,000	1,000,000	0	0
1-3120	AFSA Security Dep SAV00000203	243,613	243,933	244,294	244,643	245,017	245,403	245,803	246,205	246,596
		13,432,487	12,824,854	13,135,313	9,025,466	7,483,693	3,827,215	6,520,629	2,843,433	2,129,745
1-3145	Ord Minnett-Listed Investments	4,353,132	4,353,132	4,336,368	4,336,368	4,336,368	4,303,211	4,303,211	3,308,236	3,315,653
1-3148	Ord Minn-Global Investments	6,440,906	6,440,906	6,418,391	6,418,391	6,418,391	6,370,223	6,370,223	6,370,223	6,358,259
		10,794,038	10,794,038	10,754,759	10,754,759	10,754,759	10,673,434	10,673,434	9,678,459	9,673,912
1-1170	Accrued Int Receivable Investm	39,936	40,963	39,260	45,747	51,851	36,374	32,090	25,515	19,848
1-1171	Ord Min List Accrued Int Rec	150	187	0	2,430	-2,172	0	1,660	-3,382	0
1-1172	Ord Min U/List Accrued Int Rec	-419	-154	-1	-162	387	0	-2,155	-3,164	0
1-1400	Prepaid Insurance	6,491	5,825	5,088	4,375	3,638	2,924	2,187	1,450	737
		46,158	46,821	44,346	52,389	53,704	39,299	33,782	20,420	20,585
1-2510	Vehicles - at Cost	30,536	30,536	30,536	30,536	30,536	30,536	30,536	30,536	30,536
1-2520	Vehicles - Accum dep	-4,441	-4,950	-5,459	-5,968	-6,477	-6,986	-7,495	-8,004	-8,513
1-2710	Furniture & Fixtures Orig Cost	4,853	4,853	4,853	4,853	4,853	4,853	4,853	4,853	4,853
1-2720	Furniture & Fixtures Accum Dep	-1,022	-1,057	-1,091	-1,126	-1,160	-1,194	-1,229	-1,263	-1,298
1-2810	Computer Hardware	26,730	26,730	26,730	26,730	26,730	26,730	26,730	26,730	26,730
1-2820	Acc Depn Computer Hardware	-24,413	-24,496	-24,579	-24,662	-24,745	-24,828	-24,911	-24,994	-25,077
1-2910	Computer Software	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
1-2920	Acc Depn - Compr Software	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500
	Fixed Assets	32,243	31,816	30,990	30,364	29,737	29,111	28,484	27,858	27,232
Loan Assets										
1-3155	Line of Credit - O/D	2,443,808	2,000,522	1,754,211	2,786,040	4,060,559	6,621,632	4,816,234	7,603,151	7,545,677
1-3160	Loan Advances	4,373,373	4,371,552	4,373,600	4,372,918	4,373,600	4,372,918	4,373,600	4,373,600	4,297,366
1-3170	Loan Advances - P & I	9,067,928	8,854,972	8,658,481	8,523,861	8,315,563	8,240,528	8,013,840	7,920,848	7,716,585
	Loan Assets	15,885,109	15,227,046	14,786,293	15,682,818	16,749,722	19,235,077	17,203,674	19,897,600	19,559,629
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
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
		0	0	0	0	0	0	0	0	0
	Total Assets	41,179,729	39,945,839	39,790,880	36,510,646	36,097,381	34,783,922	35,409,317	33,419,317	32,326,461
Liabilities										
Current Liabilities										
2-1004	Audit Costs	22,642	24,384	8,926	6,968	8,833	10,699	12,564	14,345	16,127
2-1200	Accounts payable	11,143	4,297	21,530	6,445	9,107	8,567	3,570	2,663	3,713
2-1915	Accrued Expenses	33,175	30,891	12,949	13,000	15,274	17,232	13,774	16,622	18,700
		66,960	59,572	43,405	26,413	33,215	36,497	29,908	33,630	38,540
2-1101	2243130 Access Acc INT PAY	51	99	137	174	207	0	26	37	50
2-1102	2243131 Inst Acc INT PAY	70	137	215	289	367	0	73	124	155
2-1103	2243132 Student Acc INT PAY	0	1	1	1	1	0	0	0	0
2-1104	2243133 Parish Prov INT PAY	32	66	97	129	159	0	35	68	98
		153	302	450	593	735	0	134	230	304
2-1221	2243310 Term 90 Days INT PAY	17,361	10,142	14,585	7,878	11,990	18,525	8,869	15,274	25,530
2-1222	2243320 Term 180 days INT PAY	71,387	92,242	94,546	66,841	70,279	77,424	71,069	71,271	66,580
2-1223	2243330 Term 365 days INT PAY	157,176	170,426	192,686	189,297	191,327	193,534	187,508	178,881	170,234

2-1225	235 Fixed Inv - 18 Month INT P	20,817	2,536	570	78	158	0	0	0	0
		266,741	275,346	302,387	264,095	273,754	289,484	267,446	265,425	262,344
	Investor Funds Fin Liab Current									
2-1710	2103300 Access Accounts	293,928	310,914	272,779	261,033	210,869	178,862	153,218	106,055	104,483
2-1715	2103310 Institution Access	187,618	204,091	212,066	198,544	209,441	215,342	149,469	96,753	102,788
2-1720	2103320 Student Access	4,009	3,843	3,253	3,224	2,634	2,197	2,197	2,020	0
2-1725	2103330 Parish Provider Access	4,777	3,409	4,214	3,747	5,192	5,188	4,612	5,159	3,366
2-1730	2103350 Interest Free Deposits	7,377	7,139	7,877	8,084	7,513	8,177	7,693	7,990	10,014
2-1735	2103370 Chq Acc Parishes	836,181	805,746	752,416	705,347	744,382	789,012	862,153	816,826	834,872
2-1740	2103380 Chq Acc Ministry	2,888,969	2,313,672	3,198,981	2,246,098	1,940,345	1,672,824	3,143,864	2,098,028	2,050,027
2-1745	2103400 Anglican Affiliates	1,933,893	1,871,265	1,721,235	1,592,191	2,166,217	874,234	694,840	734,783	650,072
2-1750	139 Parishes CMA	847,234	778,670	752,331	763,677	744,254	785,686	856,189	758,268	735,628
2-1751	Next Gen Bonus Saver	57,529	49,067	33,997	31,695	8,413	0	0	0	0
2-1756	2103420 Clergy Access Account	203,523	188,153	198,502	198,941	203,078	213,240	220,728	200,819	200,104
		7,265,036	6,535,970	7,157,651	6,012,581	6,242,339	4,744,764	6,094,964	4,826,700	4,691,353
2-1755	2183310 Term Inv 90 days	5,148,920	3,451,388	3,300,311	4,315,173	4,359,507	4,389,706	4,676,078	6,140,414	6,134,485
2-1760	2183320 Term Inv 180 days	11,515,889	12,979,536	12,904,127	10,604,238	10,548,760	11,378,113	11,268,318	9,712,049	9,686,323
2-1765	2183330 Term Inv 365 days	13,777,538	15,010,294	14,627,490	13,859,116	13,204,824	12,603,853	11,721,803	11,072,654	10,084,576
		30,442,346	31,441,219	30,831,929	28,778,526	28,113,090	28,371,673	27,666,198	26,925,116	25,905,384
	Sundry Liabilities									
2-1910	Accrued Annual Leave	1,871	2,323	1,691	1,058	1,510	1,846	2,298	2,811	3,273
2-1911	Accrued Long Service Leave	7,048	7,048	7,048	7,048	7,048	8,688	8,688	8,688	8,688
2-3030	GST from purchases	-2,371	-3,052	-6,395	-5,712	-848	-2,203	-2,317	-73	-75
	Sundry Liabilities	6,549	6,320	2,344	2,394	7,711	8,331	8,669	11,427	11,887
2-2310	2183350 Fixed 18 Mths	1,731,725	218,050	55,000	35,000	35,000	0	0	0	0
2-9999	Westpac Unknown transactions	224	224	521	521	224	224	224	224	224
		1,731,948	218,273	55,521	35,521	35,224	224	224	224	224
	Total Liabilities	39,779,734	38,537,001	38,393,687	35,120,123	34,706,066	33,450,972	34,067,542	32,062,751	30,910,036
	Net Assets	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566	1,416,425
	Equity									
3-7000	Revaluation Financial Assets	129,060	129,060	89,781	89,781	89,781	8,456	8,456	9,594	5,048
3-8000	Retained Earnings	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316	1,258,316
3-9000	Current Earnings	12,620	21,462	49,096	42,426	43,218	66,177	75,003	88,656	153,062
	Total Equity	1,399,995	1,408,838	1,397,193	1,390,523	1,391,316	1,332,949	1,341,775	1,356,566	1,416,425



BOARD MEETING DATE:

25/10/2018

No 6 Financial and performance reports

Item: b)

Title: Capital adequacy and liquidity analysis

No of Pages. 2 incl Header

ADF Capital Adequacy & Liquidity:

Capital Adequacy (4.4.2): (Target > 10% of Risk Weighted Assets)

Assets	Weighting	Asset Value	RWA
A Cash (Govt. Securities, A Rated Aust. Banks)	10%	\$ 4,485,045	\$ 448,505
B Cash (Other Aust. Banks, ADI's)			
Rating AAA t AA-	20%	\$ -	\$ -
Rating A+ to BBB-	50%	\$ -	\$ -
Rating BB+ to B-	100%	\$ -	\$ -
Rating CCC to D	200%	\$ -	\$ -
Unrated	400%	\$ -	\$ -
C Internal Loans - Unsecured	100%	\$ -	\$ -
D Internal Loans			
Secured Commercial	75%	\$ 22,237,602	\$ 16,678,201
Secured Residential	50%	\$ 822,700	\$ 411,350
E External Loans - Secured Residential Property	75%	\$ -	\$ -
F External Loans - Secured Commercial Property	125%	\$ -	\$ -
G Other Investments (excluding Equities) with claims on Australian and International counter parties:			
Rating AAA t AA-	20%	\$ 991,900	\$ 198,380
Rating A+ to BBB-	50%	\$ 10,231,890	\$ 5,115,945
Rating BB+ to B-	100%	\$ -	\$ -
Rating CCC to D	200%	\$ -	\$ -
Unrated	400%	\$ -	\$ -
J Other Investments/assets and Equities	400%	\$ -	\$ -
	Total Assets	38,769,137	22,852,381
Risk Concentration:			
J To the extent an External loans exceeds 5% of Total Assets			
	Total Assets:	Limit Amount:	
Limit 5%	\$ 38,769,137	\$ -	
Loans > 5% of TA		\$ -	400% \$ - \$ -
To the extent an Internal loans exceeds 30% of Total Assets			
	Total Assets:	Limit Amount:	
Limit 30%	\$ 38,769,137	\$ 11,630,741	
Loans > 30% of TA		\$ -	200% \$ - \$ -
		Total Risk Weighted Assets	\$ 22,852,381
		8% of risk weighted assets	\$ 1,828,190
		+2% Buffer	\$ 457,048
		Required Capital 10%	\$ 2,285,238
Equity:			
	Accumulated Funds	\$ 1,269,912	
	Asset Reserves	\$ 129,060	
	Total Equity	\$ 1,398,972	
	"Surplus" Capital	-\$ 886,266	
	Actual Capital Adequacy ratio		6.12%
Comments should actual Capital Adequacy ratio be <10%			

Liquidity (4.1): (>10% of Total Assets):

Total Assets:		38,769,137	
Minimum Liquidity requirement	10%		3,876,914
Actual position:			
Cash		\$ 4,485,045	
Undrawn Bank OD Facility		\$ 1,600,000	
Total Actual Liquidity			\$ 6,085,045
"Surplus" Liquidity			2,208,131
Actual Liquidity Ratio			15.7%
Comments should actual Liquidity ratio be <10%			

4.3 Depositors in excess of 5% of Liabilities

Total depositors in excess of 5% of Liabilities		\$ 16,291,300	43.6%
Total liabilities		\$ 37,370,165	

Comments on large depositors

NOTE: Please complete all cells highlighted in grey, putting "0" if not applicable.

Signed by Chairman of ADDF's Governance Body _____

Date _____



BOARD MEETING DATE:

25/10/2018

No 7 Matters for discussion and/or decision

Item: a) i.

Title: SCAS increase in equipment/fit out finance

No of Pages. 12 incl Header



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

Fwd: SCAS Increase in Equipment/Fit out Finance

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

15 October 2018 at 20:38

To: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <fordie@mac.com>

Cc: Annette Dent <annette.dent@afgd.com.au>

Hi Chris and David,

I have forwarded this request through so that you are aware of what SCAS and Westpac have requested.

SCAS currently have an undrawn funding line with Westpac for the fit out of PACE. Initially being funded from cash flow at AFGD and then reimbursed as term finance.

Westpac -
initial approval \$500K
Then we consented to circa \$560k
now \$1.4m capped.

To proceed they need AFGD consent and release of these goods once documented from our fixed and floating charge.

I am in the middle of Synod so will not be able to revisit until say 23/10/18.

It may be one for discussion and a short executive summary for the October 18 meeting since we have just completed the half yearly review.

Please let me know how you would like it to proceed for a decision.

kind regards

Blaine Fitzgerald
Mobile: **0450 924 448**
Email: **blaine.fitzgerald@afgd.com.au**

#####

I believe the advice and information herein to be accurate and reliable, but no warranty of accuracy or reliability is given. Unless otherwise specified, to the extent there is any advice contained within this message, such advice is general advice and not personal advice nor a recommendation.

This email and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the sender. Although reasonable precautions have been taken to ensure no viruses are present in this email, no responsibility is accepted for any loss or damage arising from the use of this email or attachments. If you no longer want to receive emails from Blaine Fitzgerald, simply reply to this email requesting to be unsubscribed from future communications.

#####

----- Forwarded message -----
From: **Murray, Les** <lmurray@westpac.com.au>
Date: Mon, 15 Oct 2018 at 09:17
Subject: SCAS Increase in Equipment/Fit out Finance
To: Blaine Fitzgerald <blaine.fitzgerald@afgd.com.au>
Cc: Callaghan, Guy <gcallaghan@westpac.com.au>

Hi Blaine,

As discussed, I have attached the formal letter of variation for the School to sign for the increased facility to finance the fitout. We intend to do this in 2 tranches and specific contracts will then need to go to you for the individual detail.

I will need appropriate written consent to the finance and you will also see a release of the specific items we are financing. This is required as the school paid for them and so they then technically fall under your GSA.

Regards,

Les Murray

MBA (Fin), Grad Dip Mgmt

Senior Relationship Manager - Commercial Banking

Suite 3, 28 Gore St, Port
Macquarie NSW 2444

Internal Mail code & BSB -
032/474

Mobile 0417 664516

Phone +61 2 65893071

Fax +61 2 6583 4390
lmurray@westpac.com.au



For all general service enquiries please email our dedicated local Service Excellence Team at ServiceSupportNSWRegionalNorth@westpac.com.au

Additional Westpac contacts:

Westpac Live Support: 1300 655 505

Corporate Online: 1300 134 291

Telephone Banking: 132032

Merchant Enquiries: 1800 029 749

Commercial Cards Support: 1300 650 107

Personal Credit Cards: 1300 651 089

International Trade Support: 1800 632 308 **International Payments:** 1300 139 152

Fraud: 1300 364 294 or email digitalfraud@westpac.com.au

Confidential communication
Westpac Banking Corporation (ABN 33 007 457 141)
Westpac Institutional Bank is a division of Westpac Banking Corporation

2 attachments



COLUMBA 102687284 Deed of Release (INDUSTRY WIDE) Company signing clause....pdf
182K



10268728 - LOV_BFA.docx -.pdf
205K

Release and Undertaking to Amend Registration

Secured Party: THE CORPORATE TRUSTEES OF THE DIOCESE OF GRAFTON INVESTMENT FUND
ABN 42489753905 ("we" or "us")

Grantor: ST COLUMBA ANGLICAN SCHOOL COUNCIL INCORPORATED ABN 42149714015
43-53 MAJOR INNES ROAD
PORT MACQUARIE NSW 2444
("you")

Security Interest: Any security interest (including a "security interest" as defined under the *Personal Property Securities Act 2009* (Commonwealth)) held by the Secured Party in respect of the Released Property.

Date: __/10/2018

Released Property: 2018 Performing Arts Centre fitout incorporating Design, Consultancy, Engineering, Structural Construction, and Certification for the Gantry System and Walkways

The Released Property is released from the Security Interest on the date of this deed.

If the Security Interest is registered on the Personal Property Securities Register established under the *Personal Property Securities Act 2009* (Commonwealth) ("PPSA") which specifically described the Released Property (in whole or part), we will register a financing change statement in respect of the Released Property to reflect this release within 10 Business Days (as defined under the PPSA).

Nothing in this deed or any related financing change statement under the PPSA releases, terminates or otherwise affects any debts or liabilities of the Grantor or any other person secured by the Security Interest to the extent such debts or liabilities remain outstanding at the date of this deed or arise after the date of this deed.

Executed by the Secured Party as a deed poll

SIGNED SEALED and DELIVERED on behalf of THE
CORPORATE TRUSTEES OF THE DIOCESE OF
GRAFTON INVESTMENT FUND ABN 42489753905 by
its duly constituted Attorney under Power of
Attorney dated in the presence of:



Signature of Power of Attorney
Title:

Signature of Witness

Name of Witness (Block letters)

Address of Witness

Secured Party Contact Details

Phone Number:

Email address:

Reference

Number:

Regional North, NSW, Commercial
Banking
Suites 3 & 4, 28 Gore Street, Port
Macquarie, 2444, NSW, Australia

Telephone: 0417 664516
Facsimile: (02) 6583 4390
Our Ref : 56006491
Your Ref: 10268728

The Director
ST Columba Anglican School Council Incorporated
43-53 Major Innes Road, Port Macquarie NSW 2444

12 October 2018

Dear Sir/Madam,

Re: Business Finance Agreement - Letter of Variation.

Thank you for the opportunity to discuss your finance requirements. I wish to advise the variation(s) to your finance arrangements as contained in this letter. Full details regarding your existing Facilities are documented in your Business Finance Agreement dated 28 June 2016 (as varied) (the "Agreement").

Details of the variations can be found in the following section(s) of this letter:

- **DETAILS OF VARIATION** **Page 1**
This displays the variations to your existing finance arrangements.

- **ACKNOWLEDGEMENT & ACCEPTANCE** **Page 7**
This section must be signed and returned to accept this finance offer.

General Conditions Schedule

The General Conditions Schedule contains terms and conditions that apply to all borrowers.

For definitions of terms used in this letter please refer to the General Conditions Schedule.

However, the General Conditions Schedule does not apply to Invoice Finance. This Agreement is a pricing agreement for the purposes of the Invoice Finance Agreement.

All other terms and conditions remain unchanged. The security described in the Business Finance Agreement extends to cover the new or varied Facilities unless otherwise stated.

Would you kindly sign and return the duplicate of this letter to accept this offer.

If you have any questions about any aspect of your finance or the attached documentation, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Les Murray', with a stylized flourish above the 'y'.

Les Murray
Senior Relationship Manager
0417 664516

Details of Variation

Borrower's Name	ST COLUMBA ANGLICAN SCHOOL COUNCIL INCORPORATED ABN: 42149714015
------------------------	---

Your Facility details are varied as follows:

Facility A	Westpac Equipment Finance - Revolving Limit	
Existing Limit	\$ 500,000.00	The terms and conditions including any security details for this Facility have been provided to you separately.
Change in Limit	\$ 900,000.00	
Resultant Limit	\$ 1,400,000.00	

The following table indicates the changes being made to the security for Facilities offered to ST COLUMBA ANGLICAN SCHOOL COUNCIL INCORPORATED ABN: 42149714015. All other security listed in the Agreement remains unchanged and continues to secure the Facilities as outlined in the Agreement.

The security for your Facilities has been varied as follows:-	
Status	Details
Held	Mortgage by ST COLUMBA ANGLICAN SCHOOL COUNCIL INCORPORATED ABN 42149714015 over the property known as "Columba Cottage Early Learning Centre" and located at 1 Iona Avenue, Port Macquarie, NSW 2444 and over the property known as "ST Columba Anglican School " and located at 3 Iona Avenue, Port Macquarie, NSW 2444
Held	General Security Agreement by ST COLUMBA ANGLICAN SCHOOL COUNCIL INCORPORATED ABN 42149714015 over all existing and future assets and undertakings.
Held	Pari Passu Deed between THE CORPORATE TRUSTEES OF THE DIOCESE OF GRAFTON, OPERATING AS THE ANGLICAN FUNDS GRAFTON DIOCESE, ST COLUMBA ANGLICAN SCHOOL COUNCIL INCORPORATED ABN 42149714015 and us

Where the security is a guarantee from a company to secure the Facilities of a shareholder of that company:

You should obtain your own tax advice in relation to this guarantee.

What happens if there is a change in law?

Whenever we determine that as a result of a Change in Law any of the following occurs in connection with our commitment to provide any Facility (subject to the terms of this Agreement) or in connection with financial accommodation provided or to be provided under any Facility or this Agreement:

- our costs are increased;
- an amount received or receivable by us is reduced; or
- our return on capital or other effective return is reduced (including because more capital needs to be allocated to any Facility and cannot be used elsewhere),

we may notify you. You must pay us on demand the amounts certified by us to be necessary to compensate us for the increase or reduction. That certificate will give an outline of the calculation of the amount demanded and will be conclusive and bind you in the absence of manifest error.

You must pay us whether or not the increase or reduction could have been avoided by restructuring, re-documenting, re-booking or otherwise modifying a Facility or this Agreement. However, at your request, we agree to consider ways of minimising any increase or reduction.

A **Change in Law** is the introduction of, or a change in, any law, official directive, ruling or request or a change in its interpretation or application. If it does not have the force of law, it must be one with which responsible Australian banks would comply. It includes any with respect to capital adequacy, special deposit, liquidity, reserve, prime assets, tax or prudential requirements (except a change in tax on overall net income).

Terms of Offer

What do I need to do before this variation becomes effective?

This offer is subject to the following conditions. You need to:

- accept this offer (See “When does this variation take effect?”).
- satisfy our insurance requirements set out in the General Conditions Schedule (or, in the case of Invoice Finance, the Invoice Finance Agreement).
- complete and sign any new security documentation, and any other documents we ask you to sign, to our satisfaction including, in the case of Invoice Finance, the Invoice Finance Agreement.
- give us all other documents and information we’ve reasonably requested.

and we need to:

- be satisfied with the results of all searches and enquiries we and our consultants have done in connection with you, any property and any works.

We need not provide any finance to you, unless we are satisfied that no Default Event (as defined in the General Conditions Schedule or, in the case of Invoice Finance, the Invoice Finance Agreement) is continuing, or would result from the finance being provided.

Do I have to provide security?

This is not an agreement to provide Security. However, unless a Facility is stated as unsecured in the Details of Variation, we will not provide any variation to your financial arrangements until you do so.

What should I know about interest rates, margins and Term Premium for Facilities other than Commercial Bill Line Facilities?

Where an interest rate applies to a Facility:

- interest accrues and will be calculated on the daily balance owing in the loan account from the first day of drawing to the date of repayment
- where either monthly interest is specified in the Finance Details or where no interest charge frequency is specified in the Finance Details (and the Borrower has not otherwise paid interest only in advance for the relevant period), interest is payable on the last Business Day of each calendar month
- quarterly interest (where applicable) will be payable on the last Business Day of March, June, September and December
- half yearly interest (where applicable) will be payable on the last Business Day of March and September
- interest may be debited to the loan account without notice to you.

You agree to pay:

- interest on each Facility at the overall rate stated in the Finance Details (see the “Resultant Rate”). The Resultant Rate is made up of the Rate or base rate plus any margins and any Term Premium stated in the Finance Details
- interest on overdue amounts including excesses above Facility limits at the *Unarranged Lending Rate* (as determined by the Lender from time to time).

Where there is a "Rate" specified in the Finance Details it is based upon BBSY determined as set out in the General Conditions Schedule (unless we notify you before you enter into the facility that it is based on another external reference rate). Where there is a "base rate" named in the Finance Details it is as defined in the General Conditions Schedule.

Where the rate or base rate is variable we will notify you of variations to our current rates (other than rates linked to an external reference rate such as BBSY), either by advertisement appearing in a national newspaper or in writing to you, or any other method allowed under any applicable law or code. (See General Conditions Schedule.). Details of the *Unarranged Lending Rate* are available on request.

Any Business One Margin or Business Loan Margin incorporated in your Resultant Rate is determined by taking into account the term of the Facility, our internal and external funding costs (without including our costs of the external reference rate or market linked rate applying to your Facility) and any other matter we consider relevant adopting commercially reasonable procedures and is calculated daily and is payable with any interest.

Any Margin Rate incorporated in your Resultant Rate is calculated on the balance outstanding of your facility and is payable with any interest.

We may vary any margin at any time (See General Conditions Schedule). If you have paid Interest Only in Advance any change to the Margin Rate will take effect at the conclusion of the Interest Only in Advance period. We will notify you of the amount of the change either by advertisement appearing in a national newspaper or in writing to you or any other method allowed under any applicable law or code. (See "Variations" in the General Conditions Schedule.)

Any change in a rate, base rate, or margin means your Resultant Rate changes. You can call us at any time to find out your current Resultant Rate.

Any Term Premium incorporated in your Resultant Rate will be based upon the term of your Facility. It is calculated on the balance outstanding of your Facility and applies in addition to the fixed or variable rate and is payable with any interest.

Details of our current interest rates are available on our website or on request.

Can the amount of my fees and charges change?

Fees and charges quoted in the Finance Details are based on the finance product selected. Any changes to amount outstanding, or to terms and conditions, may result in a change to the amount of those fees. See "How are the ongoing Fees and Charges on my Facilities calculated?" (or, in the case of Invoice Finance, the Invoice Finance Agreement) for more details.

We may vary the fees and charges payable, or introduce new fees and charges, as explained in the General Conditions Schedule (or, in the case of Invoice Finance, the Invoice Finance Agreement).

Goods and services tax (GST) is a tax payable in respect of taxable supplies (as defined in the GST law).

Some fees and charges may be varied as a result of GST in the manner outlined above.

Where, as provided in the General Conditions Schedule (or, in the case of Invoice Finance, the Invoice Finance Agreement) you have to:

- indemnify us against an amount; or
- pay or reimburse us for an amount we will pay or have paid to someone else (a Supplier) and the cost to us includes GST payable to the Australian Tax Office by the Supplier,

the amount you will pay us, or that we may charge to any of your accounts, will include any GST or other tax paid or payable by us or the Supplier.

However, to the extent that we are entitled to claim an input tax credit or a reduced input tax credit in respect of any supply which is paid or reimbursed by you, and the benefit of that credit is not reflected in the amount you have paid, it will be passed on to you later.

Are my Facilities repayable on demand?

Yes, unless otherwise stated in the Details of Variation.

How often will I receive statements of account?

We will send you a statement of your loan account every six months or more frequently as agreed between us.

Does the Code of Banking Practice apply?

If any one borrower is a small business as defined by the Code:

Yes.

The relevant descriptive information referred to in the Code of Banking Practice is set out in our terms and conditions for deposit accounts.

These terms and conditions include the following information:

- our account opening procedures;
- our obligations regarding the confidentiality of your information;
- complaint handling procedures;
- general descriptive information regarding bank cheques;
- a recommendation that you inform us promptly if you are in financial difficulty; and
- a recommendation that you carefully read the terms and conditions applying to the relevant banking service (which in relation to your business finance means you should carefully read your Business Finance Agreement Letter of Variation before signing it).

Copies of terms and conditions are available on request.

Each relevant provision of the Code of Banking Practice will apply to this Facility from the date we adopt that provision.

If none of the borrowers are a small business as defined by the Code:

No.

When does this variation take effect?

You have 30 days from the date of this offer to accept it, unless we extend the date.

You will need to complete, sign, date and return the second copy of this letter to this office. When we receive your acceptance, the variations to finance arrangements will commence. If a signed copy is not received by us, these changes will become effective 30 days from the date of this letter, provided our requirements listed under "What do I need to do before this variation becomes effective?" have been satisfied.

We may withdraw this offer at any time before you accept it, if we become aware of anything we consider changes the basis on which the offer was made.

If you do not draw any Facility (except for Overdraft or Line of Credit Facilities) within 3 months after you accept this offer, we may cancel that Facility unless we have agreed otherwise.

Signed for and on behalf of Westpac Banking Corporation by:



Les Murray
Senior Relationship Manager
Regional North, NSW, Commercial Banking

0417 664516



BOARD MEETING DATE:

25/10/2018

No 7 Matters for discussion and/or decision

Item: a) ii.

Title: Activation of finance to EAC for Multi Purpose Centre

No of Pages. 2 incl Header



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

request for finance Multi Purpose Centre from AFGD

1 message

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

16 October 2018 at 20:14

To: Kelley Malaba <kmalaba@eac.nsw.edu.au>

Cc: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <fordie@mac.com>, Annette Dent

<annette.dent@afgd.com.au>

Hi Kelley,

I am sending this preliminary response through being conscious of timing for EAC's next College Council meeting.

I can confirm AFGD's commitment to assist with funding of the Multi purpose Centre proposal on the following terms:

"AFGD advise Emmanuel Anglican College that it will support its Multi Purpose Centre proposal with finance of \$6 million as requested under the usual conditions for lending to diocesan schools but also:

- 1. Clarification that the College is not planning any other major capital expenditure project prior to 2024;**
- 2. Post-construction and commencing in 2021, a minimum of \$1 million per annum in permanent reduction of total College debts and line of credit facilities to enable debt ratios to return to more acceptable levels; and**
- 3. AFGD reserving the right to partner with another suitable financier on this finance during the term of the loan if such action is expedient for Anglican Funds Grafton Diocese.**

Other

That the existing loan currently undrawn in 2018 be reduced from \$1,500,000 to \$750,000."

The Board of AFGD next meet on 25/10/18 where a Loan Offer setting out all terms of existing and proposed new finance will be signed for distribution.

In the interim if you have any questions or concerns I would be only to happy to discuss.

Thank you for the opportunity to be involved with this exciting project.

kind regards

Blaine Fitzgerald

Mobile: **0450 924 448**

Email: **blaine.fitzgerald@afgd.com.au**

#####

I believe the advice and information herein to be accurate and reliable, but no warranty of accuracy or reliability is given. Unless otherwise specified, to the extent there is any advice contained within this message, such advice is general advice and not personal advice nor a recommendation.

This email and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the sender. Although reasonable precautions have been taken to ensure no viruses are present in this email, no responsibility is accepted for any loss or damage arising from the use of this email or attachments. If you no longer want to receive emails from Blaine Fitzgerald, simply reply to this email requesting to be unsubscribed from future communications.

#####



BOARD MEETING DATE:

25/10/2018

No 7 Matters for discussion and/or decision

Item: a) iii.

Title: Report on Lindisfarne Anglican Grammar School

No of Pages. 7 incl Header

Purpose of advices:

Half yearly review with the benefit of 31/12/2017 audited results and 30/06/2018 management results. Further an update of recent developments are summarised below:

History/Background

Visited the school 2/8/18 on the way down to Ballina from Brisbane whilst attending the Diocesan Schools Network Meeting. Met with retiring Business Manager Graham Jones and was introduced to the new Business Manager Brett Dinsdale.

Spent the afternoon with Brett working through the relationship between the school the Diocese and AFGD and the integral part AFGD plays as one of the schools financiers.

The relationship of the Pari Passu agreement involving the school, Westpac and AFGD.

The school continued to discuss its significant infrastructure projects that align with its new master plans. Two immediate needs will require actioning from August through to the end of September.

1. Approval of sale of part allotment for the town water tower for minor consideration circa \$330K to the school without debt reduction at AFGD or Westpac. B-i-C recently approved the release.
2. A letter of support to be submitted with the schools application for a major infrastructure grant funding that sits outside of BGA (Block Grant Authority). Letter of support duly signed by AFGD Chair David Ford was provided to the school.

Other:

After a successful career as Business Manager at Lindisfarne, Graham Jones officially retired. He has accepted a non-executive role on the GASC (Grafton Anglican Schools Commission).

Financial data update:

- All financial data required has been received by AFGD to assess the proposal
 - 31/12/2017 audited results held
 - 30/6/18 budget to actual held
 - 31/12/18 school council approved budget held
 - 5 yr rolling forecast from 2017 to 2021 held.

Financial Performance Summary: -

2011 to 2018 Audited results:

- From 2013 to 2017 overall borrowings were well controlled resulting in improved balance sheet and profitability of the school.
- This improvement in governance and financial position has led the school to be in the sound financial position that it finds itself today.
- From 2016 and since the appointment of Stuart Marquart as Principal the school has moved forward with re-shaping its culture, purpose and now plans are underway to embark on major infrastructure projects.
- Middle school campus construction as well as learning space upgrades at the junior and senior campus are projects planned to occur over the next 36 months.
- In 2017 the council approved a negative operating budget to allow the school to re-structure its staffing levels to enable it to position itself for the growth in student numbers that has commenced.
- Students numbers continue to grow as the schools reputation for excellence is acknowledged by the community.

Lindisfarne Anglican Grammar School (LAGS)

Date: 30/08/2018

Page No:

Credit Memorandum
Financial Performance Summary: -
Audited results to 31/12/2017

LAGS (\$000's)	2015 Audited	2016 Audited	2017 Audited	31-12-2018 Budget	
Student Numbers *	959	953	980	1070	
Staff FTE*	88	88	93	93	
Non Teaching	36	36	38	40	
					Guestimate
Current Assets	\$ 443	\$ 665	\$ 664	\$ 500	
Cash	\$ 165	\$ 206	\$ 190	\$ 200	
Trade	\$ 206	\$ 266	\$ 363	\$ 200	
other	\$ 72	\$ 193	\$ 111	\$ 100	
Non-Current Assets	\$ 25,336	\$ 25,235	\$ 28,550	\$ 28,000	
Property P&E	\$ 25,336	\$ 25,235	\$ 28,550	\$ 28,000	
Total Assets	\$ 25,779	\$ 25,900	\$ 29,214	\$ 28,500	
Current Liabilities	\$ 4,365	\$ 4,222	\$ 10,538	\$ 9,300	
Trade	\$ 998	\$ 903	\$ 1,246	\$ 800	
Borrowings	\$ 1,544	\$ 1,201	\$ 6,969	\$ 6,500	
Other	\$ 1,823	\$ 2,118	\$ 2,323	\$ 2,000	
Non- Current Liabilities	\$ 3,426	\$ 2,813	\$ 63	\$ 120	
Borrowings	\$ 3,289	\$ 2,745	\$ -	\$ -	
other	\$ 137	\$ 68	\$ 63	\$ 120	
Non Interest Loan Diocese					
Net Asset/Total equity	\$ 17,988	\$ 18,865	\$ 18,613	\$ 19,080	
Net Assets Ex Loans	\$ 22,821	\$ 22,811	\$ 25,582	\$ 25,580	
Income					
Fees	\$ 7,304	\$ 7,313	\$ 7,678	\$ 8,166	
Gov Grants	\$ 10,468	\$ 10,102	\$ 10,857	\$ 12,121	
Govt Subsidy - Interest on borrowings					
Capital Grants					
Preschool Fees	\$ 352	\$ 419	\$ 442	\$ 578	
Interest Income					
Other	\$ 298	\$ 325	\$ 356	\$ 380	
Other Revenue	\$ 273	\$ 231	\$ 363	\$ 676	
Donations -	\$ 49	\$ 182	\$ 111	\$ 62	
Total Revenue	\$ 18,744	\$ 18,572	\$ 19,807	\$ 21,983	
Expenses					
Staff Costs Teaching and Support	\$ 12,231	\$ 12,765	\$ 13,951	\$ 13,659	
Restructure to achieve 75% of RI					
Other staff costs super etc				\$ 2,320	
Other operating costs	\$ 3,075	\$ 3,497	\$ 4,568	\$ 4,068	
Depreciation	\$ 1,076	\$ 1,181	\$ 1,234	\$ 1,345	
Interest & leasing charges	\$ 358	\$ 252	\$ 306	\$ 441	
Total Expenses	\$ 16,740	\$ 17,695	\$ 20,059	\$ 21,833	
Operating Surplus	\$ 2,004	\$ 877	-\$ 252	\$ 150	
	\$ 1,955	\$ 695	-\$ 363	\$ 150	
EBIT	\$ 2,313	\$ 947	-\$ 57	\$ 591	
EBITDA	\$ 3,438	\$ 2,128	\$ 1,177	\$ 1,936	
Ratio Analysis					Benchmarks
Return on Investment	8.6%	3.0%	-1.4%	0.6%	> 5%
Interest Cover (EBITDA/Interest)	9.6	8.4	3.8	4.4	>2.0x
Debt EBITD	1.4	1.9	5.9	3.4	< 6.5x
Net Operating Margin	19.1%	12.1%	6.2%	9.2%	> 10%
Debt per student	\$ 5.0	\$ 4.1	\$ 7.1	\$ 6.1	<\$10K
Fee Income per student	\$ 10.9	\$ 10.6	\$ 11.1	\$ 7.6	\$8K
Teachers Salary per student	\$ 12.8	\$ 13.4	\$ 14.2	\$ 14.9	
Students/Staff	10.9	10.8	10.5	8.0	>11
Salaries/Net Income %	65.25%	68.73%	70.43%	72.69%	< 75%
Salaries/Total Expenses %	73.06%	72.14%	69.55%	73.19%	as above

Lindisfarne Anglican Grammar School (LAGS)

Date: 30/08/2018

Page No:

Credit Memorandum

Management results to 30/06/18 and extrapolated projections to 31/12/2018

LAGS (\$000's)	2018		Variance	2018		Variance
	Management 30-06-2018	2018 YTD Budget as at 30-06-2018		Management Extrapolated.	2018 Budget as at 31-12-2018	
Student Numbers *	1095	1070		1095	1070	
Staff FTE*	93	93		93	93	
Non Teaching	40	40		40	40	
Current Assets	\$ 717	\$ 500		\$ 717	\$ 500	
Cash	\$ 91	\$ 200		\$ 91	\$ 200	
Trade	\$ 562	\$ 200		\$ 562	\$ 200	
other	\$ 64	\$ 100		\$ 64	\$ 100	
Non-Current Assets	\$ 28,859	\$ 28,000		\$ 28,859	\$ 28,000	
Property P&E	\$ 28,859	\$ 28,000		\$ 28,859	\$ 28,000	
Total Assets	\$ 29,576	\$ 28,500		\$ 29,576	\$ 28,500	
Current Liabilities	\$ 10,640	\$ 9,300		\$ 10,640	\$ 9,300	
Trade	\$ 966	\$ 800		\$ 966	\$ 800	
Borrowings	\$ 7,217	\$ 6,500		\$ 7,217	\$ 6,500	
Other	\$ 2,457	\$ 2,000		\$ 2,457	\$ 2,000	
Non- Current Liabilities	\$ 163	\$ 120		\$ 163	\$ 120	
Borrowings	\$ -	\$ -		\$ -	\$ -	
other	\$ 163	\$ 120		\$ 163	\$ 120	
Non Interest Loan Diocese						
Net Asset/Total equity	\$ 18,773	\$ 19,080		\$ 18,773	\$ 19,080	
Net Assets Ex Loans	\$ 25,990	\$ 25,580		\$ 25,990	\$ 25,580	
Income						
Fees	\$ 4,108	\$ 4,051	\$ 57	\$ 8,216	\$ 8,166	\$ 50
Gov Grants	\$ 6,257	\$ 6,048	\$ 209	\$ 12,514	\$ 12,121	\$ 393
Govt Subsidy - Interest on borrowings	\$ 27	\$ 27	\$ -	\$ 54		\$ 54
Capital Grants			\$ -	\$ -		\$ -
Enrolment Fees	\$ 341	\$ 249	\$ 92	\$ 682	\$ 578	\$ 104
Interest Income			\$ -	\$ -		\$ -
Other	301	278	\$ 23	602	380	\$ 222
Other Revenue	\$ 483	\$ 320	\$ 19	\$ 966	\$ 676	\$ 74
Diocesan Support or Donations	\$ 46	\$ 36	\$ 10	\$ 92	\$ 62	\$ 30
Total Revenue	\$ 11,563	\$ 11,009	\$ 554	\$ 23,126	\$ 21,983	\$ 1,143
				0		
Expenses						
Staff Costs Teaching	\$ 6,778	\$ 6,607	\$ (171)	\$ 13,556	\$ 13,659	\$ 103
Staff Costs Non Teaching	\$ 1,268	\$ 1,252	\$ (16)	\$ 2,536	\$ 2,320	\$ (216)
Other staff costs super etc			\$ -	\$ -	\$ -	\$ -
Other operating costs	\$ 2,528	\$ 2,273	\$ (255)	\$ 5,056	\$ 4,068	\$ (988)
Depreciation	\$ 665	\$ 660	\$ (5)	\$ 1,330	\$ 1,345	\$ 15
Interest & leasing charges	\$ 165	\$ 187	\$ 22	\$ 330	\$ 441	\$ 111
Total Expenses	\$ 11,404	\$ 10,979	\$ (425)	\$ 22,808	\$ 21,833	\$ (975)
Surplus	\$ 159	\$ 30	\$ 129	\$ 318	\$ 150	\$ 168
Operating Surplus	\$ 113	\$ 6	\$ 119	\$ 226	\$ 88	\$ 138
EBIT	\$ 278	\$ 181	\$ 97	\$ 556	\$ 529	\$ 27
EBITD	\$ 943	\$ 841	\$ 102	\$ 1,886	\$ 1,874	\$ 12
Ratio Analysis			Benchmarks			Benchmark
Return on Investment	0.4%	-0.02%	> 5%	0.9%	0.34%	> 5%
Interest Cover (EBITD/Interest)	5.7	4.5	>2.0x	5.7	4.2	>2.0x
Debt EBITDA	7.7	7.7	< 6.5x	3.8	3.5	< 6.5x
Net Operating Margin	2.6%	8.1%	> 10%	2.6%	8.9%	> 10%
Debt per student	\$ 6.6	\$ 6.1	<\$10K	\$ 6.6	\$ 6.1	<\$10K
Fee income per student	\$ 3.8	\$ 3.8	\$8K	\$ 7.5	\$ 7.6	\$8K
Teachers Salary per student	\$ 6.2	\$ 6.2		\$ 12.4	\$ 12.8	
Students/Staff	11.8	11.5	>11	11.8	11.5	>11
Salaries/Net income %	69.58%	71.39%	< 75%	69.58%	72.69%	< 75%
Salaries/Total Expenses %	70.55%	71.58%		70.55%	73.19%	

Credit Memorandum

Capacity to service/repay - Historical audited results

Capacity to pay - Actual debt	2015 Audited	2016 Audited	2017 Audited	2018 Budget
Operating surplus	\$ 1,955	\$ 695	-\$ 363	\$ 150
Plus addbacks				
Depreciation	\$ 1,076	\$ 1,181	\$ 1,234	\$ 1,345
Interest	\$ 358	\$ 252	\$ 306	\$ 441
Other -				
EBITDA	\$ 3,389	\$ 2,128	\$ 1,177	\$ 1,936
Less Commitments				
Loan Liabilities as per balance sheet	\$ 4,833	\$ 3,946	\$ 6,969	\$ 6,500
Interest cost based on average rate over 5 ye	\$ 314	\$ 256	\$ 453	\$ 423
Annual amortisation required Parri Passu	\$ 342	\$ 450	\$ 450	\$ 450
	\$ 656	\$ 706	\$ 903	\$ 873
Net Surplus/Deficit	\$ 2,733	\$ 1,422	\$ 274	\$ 1,064
Capacity to pay - sensitised total liabilities	\$ 3,389	\$ 2,128	\$ 1,177	\$ 1,936
EBITDA				
Less Commitments				
\$12,000,000 @ 7.00% P&I 15 yrs	\$ 1,294	\$ 1,294	\$ 1,294	\$ 1,294
Net Surplus/Deficit	\$ 2,095	\$ 834	-\$ 117	\$ 642

Comments:

- Capacity to service is evident based on an average rate calculation of 6.5% utilising actual debt as at 31/12/17 audited results.
- A Small deficit is evident based on borrowing cap of \$12m at 7.00% sensitised rate calculations. Position is considered a one off. Debt whilst increasing through the 2017 lan acquisition and the school investing in its teaching structure the Board approved a deficit operating budget impacting this calculation.

Capacity to service/repay – Management results to budget 2018

Capacity to pay	30-06-2018	30-06-2018	Management Extrapolated.	31-12-2018
Operating surplus	\$ 159	-\$ 6	\$ 318	\$ 88
Plus addbacks				
Depreciation	\$ 665	\$ 660	\$ 1,330	\$ 1,345
Interest	\$ 165	\$ 187	\$ 330	\$ 441
Other -				
	\$ 989	\$ 841	\$ 1,978	\$ 1,874
Less Commitments				
Loan Liabilities current outstandings				
Interest cost based on average rate 7.50%	\$ 271	\$ 244	\$ 541	\$ 488
Annual amortisation required Westpac	\$ 225	\$ 225	\$ 450	\$ 450
Based on 6 months debt servicing				
	496	469	991	938
Net Surplus/Deficit	\$ 493	\$ 372	\$ 987	\$ 937
Total Finance Commitments	647	647	1294	1294
sensitised Average rate of 7.50% 15yrs				
Net Surplus/Deficit	\$ 342	\$ 194	\$ 684	\$ 580

Comments:

- Capacity to service on actual and sensitised rates for the current period under review can be clearly demonstrated.
- The small deficit position in 2017 appears to have rectified and is consistent with College Council's commentary.

Security/Safety Assessment

Lindisfarne Anglican Grammar School (LAGS)

Date: 30/08/2018

Page No:

Credit Memorandum

LAGS consolidated Security Assessment sheet as at 31/12/17				
Description	Status	FMV	Extension Ratio	XTV
Registered Mortgage over the property situated at 86 Mahers Lane, Terranora NSW 2486 Folio 2/1018747 Lot 2 in deposited plan 1018747	Held	\$28,555,625	50%	14,277,813
Registered Mortgage over the property situated at Sunshine Avenue Tweed Heads NSW 2486 Folio 1/615053 Lot 1 in deposited plan 615053	Held			-
Registered Mortgage over the property situated at 34 Mahers Lane, Terranora NSW 2486 Folio 1/218380 Lot 1 in deposited plan 218830	Held		50%	-
Registered fixed and floating charge (ie: equitable mortgage) over the school's assets	Held			
Pari Passu Deed between Lindisfarne Anglican Grammar School ABN 91 552 839 641 Westpac Banking Corporation ABN 33 007 457 141 and The Corporate Trustees of the Diocese of Grafton ABN 88 144 942 068.	Held			
Total Liabilities proposed split 50/50 between Westpac & AFGD. Security cover indicator		\$ 12,000,000 119%		
Total		28,555,625	50%	14,277,813

Indicative Risk Grade:

	Risk Grade	Security Cover indicator	
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
Emerging Corporate entity	6	F	20% - 39% Cover
High Risk Corporate entity	7	G	0% - 19% Cover

Insurance Confirmation:

- The 2018 schedule is in place with cover provided by the ANIP scheme.
- The Diocese Finance Department can confirm the level of cover in place.

Credit Memorandum

Covenants/ongoing monitoring requirements

- No additional Capex outside budgets presented.
- You agree and acknowledge to maintain the following minimum Group loan reductions:-
 - a minimum \$400,000 per annum in permanent reduction of School Debts / or line of credit facilities. Confirmation of loan facility reductions to be provided, and to be to the lender's satisfaction
- Transaction Banking is to remain with Westpac/AFGD as is the case now.
- Half Yearly reviews by 31/3 and 30/9. Specific review requirements are details below.
- Debt/EBIT multiple is to be at all times <6.5x and ongoing, This will be tested half yearly on a rolling 12 month basis.
- EBIT/ICR ratio is to be >2.0 times. This will be tested half yearly on a rolling 12 month basis.
- Plus any agreed Westpac covenants for alignment under Pari Passu.

Further conditions:

- "the Bishop-in-Council will not approve the application of church trust property to a first call mortgage by an external financial provider unless Anglican Funds Grafton Diocese is unable or unwilling to provide finance."
 - Approval obtained for joint funding proposal. Refer to correspondence dated **March 17**.
- "by the end of 2014 all Diocesan organisations will be required to conduct transactional banking with Anglican Funds Grafton Diocese unless authorised to bank with an external financial provider by the Bishop –in –Council"
 - Approval obtained for joint funding proposal. Refer to correspondence dated **March 17**.

Recommendation

- Approval of extension of facilities for a further period as documented above.

Blaine Fitzgerald

For and on behalf of Anglican Funds Grafton Diocese

Disclaimer

This document has been prepared by Blaine Fitzgerald (ABN 98 966 145 256) for general information purposes only. Before acting on any information within this document, you should consider the appropriateness of it having regard to your own particular circumstances, objectives, financial situation and needs. I believe the information contained in this report was correct at the time the report was compiled. However, I do not warrant the accuracy or the reliability of the information contained in this report, and to the maximum extent permitted by law, I disclaim all responsibility and liability for any direct or indirect loss or damage suffered by any recipient of the report where the recipient has relied on anything contained in, or omitted from this report.



BOARD MEETING DATE:

25/10/2018

No 7 Matters for discussion and/or decision

Item: b)

Title: Audit Strategy 2018

No of Pages. 11 incl Header



AUDIT STRATEGY

Anglican Diocese of Grafton Group - Year ending 31 December 2018

Issued 23 August 2018

www.tnr.com.au

TNR[®]
Thomas
Noble &
Russell

Accountants | Auditors | Business Advisers

AUDIT OF THE FINANCIAL REPORTS OF THE ANGLICAN DIOCESE OF GRAFTON GROUP FOR THE YEAR ENDING 31 DECEMBER 2018

We are currently in the process of planning our audit of the financial reports for the year ending 31 December 2018 of the Anglican Diocese of Grafton Group which comprises the:

- Anglican Diocese of Grafton;
- Anglican Funds Grafton Diocese (AFGD); and
- Corporate Trustees of the Diocese of Grafton.

Australian Auditing Standards issued by the Auditing and Assurance Standards Board require us to communicate with “those charged with governance” of the Group in relation to some aspects of our audit.

Auditing Standard ASA 260 defines “Those charged with governance” as “...the person(s) or organisation(s) ... with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. This includes overseeing the financial reporting process”.

Those charged with governance may involve management personnel.

ASA 260 defines “management” as those with “executive responsibility for the conduct of the entity’s operations”.

We advise that we will communicate matters of governance interest arising from our audit with:

- (i) the respective Governing Bodies (Bishop-in-Council, the Anglican Funds Grafton Diocese Board, and the Corporate Trustees of the Diocese of Grafton);
- (ii) the Audit Committee of the Diocese of Grafton; and/or
- (iii) management

as we consider appropriate in relation to each matter to be communicated.

Ordinarily, we will initially discuss audit matters of governance interest with management.

In particular, any management letter we issue will be addressed to the Audit Committee after it has been discussed with management.

Some of these matters will be communicated orally and some in writing. All matters will be communicated on a timely basis.

1. Auditor’s Responsibilities

We are responsible for forming and expressing an opinion on the financial reports that will be prepared by management with the oversight of those charged with governance. Our audit of the financial reports does not relieve management or those charged with governance of their responsibilities.

2. Scope of Our Audit

The purpose of providing you with details of the planned scope of the audit is to assist you in better understanding the consequences of our work and to help identify any areas in which you may request us to undertake additional procedures.

Should there be any matters outlined in this letter that are not consistent with your understanding of the engagement, please contact us.

We will conduct our audits for the year ending 31 December 2018 for the Group in accordance with the terms of our most recent engagement letter dated 18 October 2017 and with Australian Auditing Standards to provide reasonable assurance as to whether the financial reports are free from material misstatement.

Our procedures will include examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial reports, and the evaluation of accounting policies and significant accounting estimates.

These procedures will be undertaken to form an opinion whether, in all material respects, the respective financial reports of the entities within the Group are in accordance with where applicable, the *Australian Charities and Not-for-profit Commission Act 2012*, and give a true and fair view of each entity's financial position at 31 December 2018 and of their performance for the year ended on that date; and complies with Australian Accounting Standards and other mandatory professional reporting requirements to the extent required and statutory requirements.

Significant Risks

A feature of our audit approach is to identify areas of significant risk of material misstatement in the financial statements. We then undertake our audit, giving special attention to those areas, whilst still ensuring that all other material areas in the financial statements are subject to audit examination.

Our planning procedures have identified the following significant risks and other areas of focus. We propose to address these risks of material misstatement as follows. Please note that the items noted below do not cover all risks subject to audit.

Significant Risks	Plan to Address
<p>Inappropriate Revenue Recognition*</p> <p>All Entities</p>	<ul style="list-style-type: none"> ▪ Obtain an understanding of and perform walkthrough tests over major revenue streams. ▪ Assess whether each entity is recognising revenue in accordance with generally accepted accounting principles. This will include assessing whether donations and bequests should be recognised as liabilities in the financial report. ▪ Perform detailed analytics and sample tests over revenue to ensure it is accurate, complete and recorded in the correct accounting period.
<p>Management Override of Controls*</p> <p>All Entities</p>	<ul style="list-style-type: none"> ▪ Test the appropriateness of journal entries. ▪ Review accounting estimates for bias. ▪ Determine whether there is a need to perform other audit procedures where there are specific additional risks of management override that are not covered by the procedures above.
<p>Recognition of Liabilities or Contingent Liabilities</p> <p>Anglican Diocese of Grafton</p>	<ul style="list-style-type: none"> ▪ The Anglican Diocese of Grafton 2017 financial report identified that there has been a number of claims relating to professional standards which have been settled however the Diocese is aware that further payments may be required under the National Redress Scheme. Our audit will consider the settlements that have been made during the year to ensure they have been recognised and disclosed in the financial report appropriately. The audit will also include processes to determine whether all material liabilities or contingent liabilities existing at balance date have been recognised and disclosed in the financial report.
<p>Asset Impairment</p> <p>Anglican Funds</p> <p>Diocese of Grafton</p>	<ul style="list-style-type: none"> ▪ We will review the entity's methodology for assessing, recognising and accounting for impaired loans.

* Australian Auditing Standards require the auditor to presume there is a risk of fraud relating to inappropriate revenue recognition as well as due to management's ability to override controls.

As these present a risk of material misstatement due to fraud, they are considered significant risks.

Please advise us if there are any areas where you consider we should conduct additional audit procedures.

We will agree with management the information required to be available for our audit.

Independence and Ethics

The Partner and all staff assigned to the Group audit engagement team for the year ending 31 December 2018 have confirmed that they are independent in accordance with the ethical requirements of Professional Standard APES 110: *Code of Ethics for Professional Accountants* and the *Australian Charities and Not-for-profit Commission Act 2012*. We also consider that the firm is independent of Group.

During the financial year to 31 December 2018 we expect to provide the following non-audit services to the Group:

- Assistance with the preparation of the annual financial statements for the entities within the Group

We consider that the provision of these services will not impair our independence.

The *Australian Charities and Not-for-profit Commission Act 2012* requires the independent auditor to make a declaration to those charged with governance regarding independence of the engagement team and others in the firm as appropriate. This declaration will be provided to those charged with governance at the appropriate time however does not need to be included in the financial report.

3. Significant Accounting Policies

We have been advised by management that there have been no changes in, and no new, significant accounting policies and practices that have, or could have, a material effect on the financial report.

4. Materiality

Our audit is designed to identify and assess the risk of material misstatement. The concept of materiality affects our audit planning and our consideration of matters arising from our audit. We take into account both qualitative and quantitative factors when assessing materiality.

Completion of initial audit procedures has resulted in the following preliminary materiality levels being established. These levels will be subject to reassessment throughout the audit, including the finalisation of the financial reports.

Entity	Basis for determining materiality	Planning Materiality \$	Scoresheet threshold \$
Anglican Diocese of Grafton	3% of 2017 expenditure	160,000	8,000
Anglican Funds Diocese of Grafton	3% of 2017 expenditure	50,000	2,500
Corporate Trustees of the Diocese of Grafton	3% of 2017 expenditure	135,000	6,750

Prior to the conclusion of our audit, we will advise of:

- All adjustments to the financial reports made as a result of our audit.
- Uncorrected misstatements identified during the audit which management determined were not material other than those that are clearly trivial.

5. Accounting Standards Update

This section provides you with a summary of the changes in accounting standards that will have an impact on the Group in this financial year.

AASB No.	Application Date	Comments	AASB No.	Application Date	Comments
AASB 9 Financial Instruments	Annual reporting periods beginning on or after 1 January 2018	<p>AASB 9 will replace AASB 139 and makes changes to a number of areas including:</p> <ul style="list-style-type: none"> Reducing the number of financial instrument classification categories Simplifying measurement choices impairment of financial assets will now be based on an expected loss model. <p>Management should review this standard and provide an assessment of the expected impacts to the Audit Committee and the Audit team prior to the interim audit visit to enable timely identification and resolution of potential issues.</p>	AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of NFP entities	Annual reporting periods beginning on or after 1 January 2019	<p>AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.</p> <p>AASB 1058 supersedes all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.</p>
			AASB 16 Leases	Annual reporting period beginning on or after 1 January 2019	<p>AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet.</p>

Accounting Standards Applicable to Future Reporting Periods

There are also certain new Accounting Standards which have been published that are not mandatory for the 2018 financial year. Management will need to keep abreast with these new pronouncements. We recommend management provide position papers to the Audit Committee and audit team on the approach to implementation and the expected financial and disclosure impacts on future financial reports.

6. Fraud

We have discussed with management their knowledge of any actual, suspected or alleged fraud affecting the Group within the period being audited and they have advised us that they are not aware of any such matters.

If you have knowledge of such matters, please let us know as soon as possible as this will affect the scope of our audit work.

Please let us know if you consider that there are specific areas of significant risk of fraud.

7. Additional Audit Work

Should you wish us to extend the scope of our audit work, or to work to a lower materiality level, please let us know.

8. Breaches of Laws & Regulations

Management has advised that they are not aware of any breaches of laws or regulations that may have a material effect on the financial reports. If this is not the case please let us know as soon as possible as this will affect the scope of our audit work.

9. Restrictions on Communication

The *Corporations Act 2001* imposes obligations of confidentiality on our personnel that restrict our communication of certain audit matters of governance interest.

In particular, Section 1317AE of the *Corporations Act 2001* restricts an auditor or member of an audit team from disclosing information about a contravention or possible contravention of the Act by your organisation or an officer or employee of your organisation, without the consent of the discloser of that information. If any such disclosure is made to a member of the audit team, the member to whom the disclosure is made will endeavour to obtain the consent of the discloser to sharing the information with an appropriate person.

10. Audit Quality

We strive to provide professional high quality, value for money auditing services to all of our clients by ensuring responsive and high quality service. To minimise any disruption to your work practice and ensure the greatest outcome from the audit, we encourage your assistance in the following areas:


- Provide clear, concise and accurate documentation.
- Ensure key staff availability.


- Provide necessary documentation in accordance with the timetable agreed.
- Respond to audit inquiries and issues in a timely manner.

To ensure we maintain our high standards we encourage you to discuss any feedback or comments on the services we provide with the engagement partner.

11. Engagement Team

Our aim is to provide the Group with audit resources at an appropriate skill mix, suited to the specialist requirements of your industry. These resources will be coordinated through Kevin Franey as the Engagement Partner, who will be responsible for the overall management and quality of the audit. He will be assisted by Jodie Carter who will be responsible for the day to day operations of the audit.

Office/Position	Role	Contact
Kevin Franey Engagement Partner 	Responsible for the audit opinion, the audit approach and execution, determining key risks and judgements, assigning staff to the engagement and monitoring their performance.	Email: kevin.franey@tnr.com.au Phone: 02 6626 3000 Mobile: 0416 218 544

Office/Position	Role	Contact
Jodie Carter Audit Manager 	Supports and reports to the Engagement Partner and is responsible for the day-to-day planning, coordination and execution of the audit.	Email: jodie.carter@tnr.com.au Phone: 02 6626 3000 Mobile: 0437 404 354

Activity	Responsibility	By
Audit Committee meeting	Audit Committee	9 April 2019
Bishop-in-Council meeting	Bishop-in-Council	To be advised
Corporate Trustees and AFDG Board meeting	Board	To be advised
Receipt of signed management representation letters	Management	To be determined
Audit report to be signed	TNR	April / May 2019
Synod		June 2019

12. Audit Timetable

The following timetable has been proposed in relation to financial audit process:

Activity	Responsibility	By
Position paper on the impacts of new Accounting Standards (AASB 9, 15 & 16) provided to audit team	Management	26 November 2018
Commence interim visit	TNR	3 December 2018
Interim audit management letter (if applicable)	TNR	25 January 2019
Commence year end visit	TNR	4 March 2019
Closing report and year-end audit management letter issued	TNR	2 April 2019

13. Audit Fees

The audit fee based on our planned audit approach is \$51,060 (exclusive of GST). The audit fee will be billed progressively based on work completed. The audit fee is allocated between the following components:

Financial Audit Components	Current Year Estimate \$	Prior Year Actual \$
Audit of Financial Reports		
Anglican Diocese of Grafton	10,270	10,000
Anglican Funds Grafton Diocese	17,460	17,000
The Corporate Trustees of the Diocese of Grafton	12,320	12,000

Financial Audit Components	Current Year Estimate \$	Prior Year Actual \$
Audit of Opening Balances for all entities	-	10,500
Establishment of financial report templates for all entities	-	5,500
Discount provided	-	(16,000)
Preparation of financial reports		
Anglican Diocese of Grafton	2,050	2,000
Anglican Funds Grafton Diocese	2,560	2,500
The Corporate Trustees of the Diocese of Grafton	2,050	2,000
Discount provided (\$500 per entity)	(1,500)	(1,500)
Out of Pocket Expenses	5,850	5,700
Additional cost recoveries - AFGD	-	5,000
Additional cost recoveries – Corporate Trustees	-	5,000
Total	51,060	59,700

- your achievement of key milestones within the agreed timeframes;
- the quality of working papers provided for audit; and
- availability of your key management and staff, and timeliness of response to audit issues.

Any anticipated variation of our fee will be discussed with management during the course of the audit.

Changes to our audit plan, such as the identification of other significant issues which impact on the nature and extent of planned audit procedures, have the potential to affect the audit fee.

Other matters that may have an impact on our fees include:



Disclaimer

An audit of a financial report is not designed to identify all matters that may be relevant to those charged with governance. Accordingly, our audit does not ordinarily identify all such matters. Our communication of matters of governance interest includes only those audit matters of governance interest that come to our attention as a result of the performance of our audit.

31 Keen Street, LISMORE, NSW, 2480
Tel +61 2 6626 3000 **Fax** +61 2 6621 9035

Suite 1401, Level 14, The Rocket
203 Robina Town Centre Drive, ROBINA QLD 4224
Tel +61 7 5556 3300 **Fax** +61 7 5556 3399



**Thomas
Noble &
Russell**

Accountants | Auditors | Business Advisers



	Anglican Diocese of Grafton	Corporate Trustees of the Diocese of Grafton	Anglican Funds Grafton Diocese
Audit	\$10,270	\$12,320	\$17,460
Preparation of Financial Statements	\$2,050	\$2,050	\$2,560
Discount	(\$500)	(\$500)	(\$500)
Out of Pocket Expenses	\$1,950	\$1,950	\$1,950
Totals	\$13,770	\$15,820	\$21,470



BOARD MEETING DATE:

25/10/2018

No 7 Matters for discussion and/or decision

Item: d) Strategic Options

Title: i. AFSA Response

No of Pages. 3 incl Header



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

AFSA information as discussed

1 message

Blaine Fitzgerald <afsahead@adelaideanglicans.com>
To: DJF <fordie@mac.com>, Chris Nelson <chris.nelson@graftondiocese.org.au>
Cc: Blaine Fitzgerald <blaine.fitzgerald@afgd.com.au>

8 October 2018 at 09:45

Hi David and Chris as discussed refer attached.

11. GRAFTON DIOCESE**11.1. Possible expansion of relationship with Anglican Funds Grafton Diocese**

The meeting with Grafton went well. AFGD has not appointed a Fund Manager following Mr Fitzgerald's resignation. It has approached AFSA to explore possibilities for closer collaboration. The Board indicated its preference for the development of a model which could be replicated for other possible opportunities, noting that there are several other small Anglican Funds which might also find an expanded service model attractive. The Head of AFSA is to prepare a paper outlining possible conceptual models, and recommending a preferred conceptual model for circulation by email prior to the November Board meeting. The paper is to include a cost/benefit analysis, such as the stabilisation of current risks as a result of the larger base, and impact on AFSA's key person dependency, and dependency on shared services provided by Diocesan Office. It was noted that this would also be included in the meeting papers for Diocesan Council's November meeting.

It was noted that additional preliminary due diligence and exploration of structures and governance constraints also needs to be undertaken.

It was moved that: **The Chair and the Head of AFSA are to take steps to develop a proposal for email circulation to the Board.**

CARRIED**11.2. Funding proposal 1: Line of Credit**

Subject to Diocesan Council approval for extra-territorial loans, the Board approves the application by the Diocese of Grafton for a line of credit for \$1million as outlined in the meeting papers.

CARRIED**11.3. Funding Proposal 2: Short term facility**

Subject to Diocesan Council approval for extra-territorial loans, and to AFGD providing a letter of undertaking as security for the facility, the Board approves the application by the Diocese of Grafton for a short term facility for \$4million as outlined in the meeting papers.

CARRIED

Diocesan Council – resolution. – approving action.

Dear Kevin

I am pleased to confirm that at its meeting on 26 September 2018, Diocesan Council passed the following resolution:

8.4 Anglican Funds

DC18/196 That Diocesan Council endorses AFSA Board's interpretation of the AFSA Credit Policy that 'other Anglican entities approved by the AFSA Board' includes the possibility that loans can be advanced from the AFSA Community Fund to Anglican entities outside the Diocese of Adelaide, provided that:

- the Credit Policy and Credit Management Rules are revised to clarify that it is permissible for the Community Fund to make loans to Anglican entities based anywhere in Australia and that it is permissible to take security over property situated outside the Diocese;
- the Credit Policy and Credit Management Rules are revised to require that the loan documentation and security documentation for loans that are to be made to Anglican entities based interstate are to be prepared and/or reviewed by a lawyer practising in the jurisdiction where the borrower and the secured property are situated; and
- there is no change to AFSA's risk appetite for lending activities.

This clarifies Adelaide's position.

Kind regards

Blaine Fitzgerald

Head of Anglican Funds South Australia

18 King William Road, North Adelaide SA 5006

P 08 8305 9371 | M 0452 137 740





BOARD MEETING DATE:

25/10/2018

No 7 Matters for discussion and/or decision

Item: d) Strategic Options

Title: ii. Response from other development funds

No of Pages. 4 incl Header



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

Discussion about Development Funds

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

14 October 2018 at 11:21

To: Stephen Phillips <StephenPhillips@newcastleanglican.org.au>

Hi Stephen,

Thank you. That is valuable feedback.

On 13 October 2018 at 07:10, Stephen Phillips <StephenPhillips@newcastleanglican.org.au> wrote:

Hi Chris,

I have just returned from some leave, and yes we held our Risk Management workshop just prior. This idea was raised for discussion however the view from the Board was this was not something that is likely to be considered in the near-medium term. While this does not represent a formal decision of the board, it is indicative of the likely decision if formally put.

I can discuss further if you wish next week but wanted to give you an early response in the meantime.

S.

Stephen Phillips
Diocesan Chief Executive
Newcastle Anglican Church Corporation
Level 3, 134 King Street
Newcastle NSW 2300
T: 02 4907 5706
E: stephenphillips@newcastleanglican.org
W: newcastleanglican.org.au

Sent from Mail for Windows 10

From: Chris Nelson
Sent: Friday, 12 October 2018 4:57 PM
To: Stephen Phillips
Subject: Re: Discussion about Development Funds

Hi Stephen,

I am following up on my email of 28 August.

I note that in that email I flagged the possibility of a meeting between 8th and 17th October. Obviously that is not going to happen in that timing.

Has Newcastle held its Risk Management Workshop? If so, can I ask whether the idea of the Newcastle and Grafton Development Funds coming together is considered a possibility that Newcastle would entertain?

I look forward to hearing from you so that I can advise the AFGD Board whether this remains as one of AFGD's options.

On 28 August 2018 at 16:59, Chris Nelson <chris.nelson@graftondiocese.org.au> wrote:

Hi Stephen,

Thank you for the conversation this afternoon and giving an off-the-cuff response to the idea of the Newcastle and Grafton Development Funds coming together.

I note that you have a Risk Management Workshop in late September and any discussion of this idea prior to the Workshop is premature.

If, after the Risk Management Workshop, Newcastle has some appetite to consider the proposal, we would hope that a meeting could take place between 8th and 17th October so that we can report back to the AFGD Board on 25 October.

Have a good night.

--

Regards,

Chris Nelson

General Manager/Registrar

Anglican Diocese of Grafton

This e-mail and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient or the person responsible for delivering the e-mail to the intended recipient, be advised that you have received this e-mail in error and that any use, dissemination, forwarding, printing or copying this e-mail or any file attachments is strictly prohibited. If you have received this e-mail in error, please immediately notify us by telephone at 02 6642 4122 or by reply e-mail to the sender.

--

Regards,

Chris Nelson

General Manager/Registrar

Anglican Diocese of Grafton

This e-mail and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient or the person responsible for delivering the e-mail to the intended recipient, be advised that you have received this e-mail in error and that any use, dissemination, forwarding, printing or copying this e-mail or any file attachments is strictly prohibited. If you have received this e-mail in error, please immediately notify us by telephone at 02 6642 4122 or by reply e-mail to the sender.

--

Regards,

Chris Nelson

General Manager/Registrar

Anglican Diocese of Grafton

This e-mail and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient or the person responsible for delivering the e-mail to the intended recipient, be advised that you have received this e-mail in error and that any use, dissemination, forwarding, printing or copying this e-mail or any file attachments is strictly prohibited. If you have received this e-mail in error, please immediately notify us by telephone at 02 6642 4122 or by reply e-mail to the sender.



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

Melbourne DIF and Anglican Funds Grafton Diocese

1 message

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

12 October 2018 at 16:49

To: "Ken A. Spackman" <kspackman@melbourneanglican.org.au>

Cc: Jonathon Zdilar <jzdilar@adfmelbourne.org.au>, David Ford <fordie@mac.com>

Hi Ken,

Thank you for setting up the 13 September meeting between Jonathon Zdilar of Melbourne DIF and David Ford and me representing AFGD.

I am wondering if Diocese of Melbourne has had any further thoughts about these prospects.

If you are able to send me an email on this topic next week it will help us to discuss options at the 25 October meeting of the AFGD Board.

Have a great weekend.

--

Regards,

Chris Nelson**General Manager/Registrar****Anglican Diocese of Grafton**

This e-mail and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient or the person responsible for delivering the e-mail to the intended recipient, be advised that you have received this e-mail in error and that any use, dissemination, forwarding, printing or copying this e-mail or any file attachments is strictly prohibited. If you have received this e-mail in error, please immediately notify us by telephone at 02 6642 4122 or by reply e-mail to the sender.



BOARD MEETING DATE:

25/10/2018

No 7 Matters for discussion and/or decision

Item: d) Strategic Options

Title: iii. TNR proposal

No of Pages. 4 incl Header



9 October 2018

Mr Chris Nelson
Registrar/ General Manager
Anglican Diocese of Grafton
PO Box 4
GRAFTON NSW 2460

Dear Chris,

Re Anglican Fund Grafton Diocese ("AFGD")

This letter is to confirm our understanding of the terms of the proposed engagement and the nature and limitations of the services that we provide. We propose that the terms set out in this letter constitute the costs agreement and terms of engagement of this matter.

Purpose, Scope and Output of the Engagement

This firm will provide Consulting Services (as outlined below). Only the Services are included within the scope of this engagement. If there is additional work that you wish us to undertake which is not listed below, please let us know and we will discuss with you the basis upon which additional work can be included in this engagement. If we agree to carry out additional services to you, we will provide you with a new or amended engagement letter.

We will provide the Services to you in accordance with relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB).

The extent of our procedures and services will be limited exclusively for this purpose only. As a result, no audit or review will be performed and, accordingly, no assurance will be expressed. Our engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may exist. However, we will inform you of any such matters that come to our attention.

AFGD has been undertaking a review of its strategic direction and a report has been prepared analysing a number of strategic options. To facilitate this process we have been approached to assist with this analysis and modelling of the options considered viable by the organisation (referred to as the "Services"). Our Services will comprise modelling the impact of the various options that are being considered by AFGD based on assumptions and parameters provided by AFGD. Our engagement does not include making any recommendations as to any preferred model or option.

There is no assumption of responsibility for any reliance on our Services by any person or entity other than AFGD. The Services shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, any document or report may include a disclaimer to this effect.

Period of Engagement

This engagement will start on the date this correspondence is signed.

31 Keen Street (PO Box 106)
Lismore NSW 2480

Email: enquiries@tnr.com.au
Phone: Business Services +61 (0)2 6621 8544
Audit & Assurance +61 (0)2 6626 3000

Website: www.tnr.com.au
Facsimile: +61 (0)2 6621 9035

Liability limited by a scheme approved under the Professional Standards Legislation.

Responsibilities

In conducting this engagement, information acquired by us in the course of the engagement, including any information relating to your affairs whether it belongs to you or not or is provided by you or not, is subject to strict confidentiality requirements. That information will not be disclosed by us to other parties except as required or allowed for by law, or with your express consent.

We wish to draw your attention to our firm's system of quality control which has been established and maintained in accordance with the relevant APESB standard. As a result, our files may be subject to review as part of the quality control review program of Chartered Accountants Australia & New Zealand (CAANZ) which monitors compliance with professional standards by its members. We advise you that by accepting our engagement you acknowledge that, if requested, our files relating to this engagement will be made available under this program.

We may collect Personal Information about you, your representatives, your clients and others when we provide services to you. If we do, you agree to work with us to ensure that we both meet the obligations that we each may have under the Privacy Act 1988 (Cth) (as amended) (Privacy Act). The obligations may include notifying the relevant person to whom the personal information relates who we are and how we propose to use their personal information. Where you have collected personal information, you confirm that you have collected the personal information in accordance with the Privacy Act, that you are entitled to provide this personal information to us and that we may use and disclose the personal information for the purpose/s we provide our services to you. We will handle personal information in accordance with the Privacy Act.

Involvement of Others

Where, as part of our engagement, the services of an external consultant or expert are required, an estimated cost and timeframe and involvement will be provided to you for your approval.

Fees

At this stage the scope and nature of the Services that will be required has not been fully defined. Accordingly we propose that any assistance we provide will be based upon an hourly charge basis. Our charge rates for the various levels of staff that may be required to assist in this assignment are:

	Hourly Rate (GST Inclusive)
Partner	\$350
Manager	\$242
Senior	\$187
Administration	\$160

We anticipate issuing a fee invoice monthly.

Limitation of Liability

Our liability is limited by a scheme approved under Professional Standards Legislation. Further information on the scheme is available from the Professional Standards Councils' website: <http://www.professionalstandardscouncil.gov.au>.

Ownership of Documents

All original documents obtained from you arising from the engagement shall remain your property. However, we reserve the right to make a reasonable number of copies of the original documents for our records.

We retain all copyright in any document prepared by us during the course of carrying out the engagement for you, except where the law specifically states otherwise.

The firm has a policy of exploring a legal right of lien over any client documents in our possession in the event of a dispute. The firm has also established dispute resolution processes.

Confirmation of Terms

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements. This letter will be effective for future years unless we advise you of any change.

If you require any additional information, please do not hesitate to contact the undersigned by phone (02 6621 8544) or by email (peter.morrow@tnr.com.au).

Yours faithfully
THOMAS NOBLE & RUSSELL

Per:



.....
P R MORROW (Partner)

Acknowledged on behalf of Anglican Fund Grafton Diocese ABN 42 489 753 905 by:

--	--	--

Name & Position

Signature

Date

31 Keen Street (PO Box 106) | **Email:** enquiries@tnr.com.au | **Website:** www.tnr.com.au
Lismore NSW 2480 | **Phone:** Business Services +61 (0)2 6621 8544 | **Facsimile:** +61 (0)2 6621 9035
Audit & Assurance +61 (0)2 6626 3000

Liability limited by a scheme approved under the Professional Standards Legislation.



BOARD MEETING DATE:

25/10/2018

No 8 Matters for noting and status updates

Item: a)

Title: Finalisation of unclaimed money

No of Pages. 2 incl Header



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

Unclaimed Money - Accounts now finalised.

1 message

Annette Dent <office@afgd.com.au>

16 October 2018 at 14:55

To: Chris Nelson <chris.nelson@graftondiocese.org.au>, David Ford <fordie@mac.com>

Hi Chris & David,

Yesterday I finalised the 'Unclaimed Accounts' via the NSW Government Office of State Revenue Unclaimed Money process.

After processing the required 'Returns file' online detailing the 55 accounts included in the lodgement, a cheque made payable to 'OSR Unclaimed Money' for a total of \$2,071.40 was posted to Unclaimed Money yesterday 15/10/2018.

Once the cheque payment is presented by OSR Unclaimed Money, the 'unclaimed' accounts that resulted from the 'Retail Non-Associate' client exit will be finalised.

I have on file all of the documentation in regards to this process for the auditors when they request it.

Also, I will ensure that this same process is followed for any accounts that become 'Unclaimed Money' from now on.

Please let me know if you have any questions.

Thanks
Annette

Annette Dent
Office Admin / Customer Service
Anglican Funds Grafton Diocese
Level 1, 50 Victoria Street GRAFTON NSW 2460
PO Box 4 GRAFTON NSW 2460
FreeCall 1800 810 919 (NSW Only)
Ph: 02 6642 4480 Fax: 02 6643 2391



Visit www.anglicanfundsgraftondiocese.com.au for details on our Investment Products,
Saver and Term Investment Accounts - currently paying up to 2.65% pa

The contents of this email are confidential. Any unauthorised use of the contents is expressly prohibited. If you have received this email in error, please advise by telephone (reverse charges) immediately and then delete/destroy the email and any printed copies. Thank you.



BOARD MEETING DATE:

25/10/2018

No 9 Correspondence - In

Title: ASIC – 5 October 2018 – Application for registration of an Identification Statement pursuant to ASIC Instrument 2016/813

No of Pages. 2 incl Header



ASIC
Australian Securities &
Investments Commission

**Australian Securities
and Investments Commission**

Level 7, 120 Collins Street,
Melbourne VIC 3000
GPO Box 9827,
Melbourne VIC 3001

Tel: +61 1300 935 075
Fax: +61 1300 729 000

www.asic.gov.au

Our Reference: ACR/18/2MLB/00005

The Corporate Trustees of the Diocese of Grafton
Investment Fund

Level 1, 50 Victoria Street
GRAFTON NSW 2450

C/- Emil Ford Lawyers

By email only: joseph.omara@emilford.com.au

5 October 2018

Dear Sirs

**THE CORPORATE TRUSTEES OF THE DIOCESE OF GRAFTON INVESTMENT FUND
ABN 42 489 753 905**

**APPLICATION FOR REGISTRATION OF AN IDENTIFICATION STATEMENT PURSUANT TO
ASIC INSTRUMENT 2016/813**

I refer to the application made by The Corporate Trustees of Grafton Investment Fund ABN 42 489 753 905 (**TCT**) for registration of the identification statement dated 4 October 2018 (received by ASIC on 5 October 2018), in relation to the offer and issue of debentures (**Identification Statement**).

I am pleased to advise that the application to register the Identification Statement pursuant to ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 (**Instrument**) has been accepted by ASIC.

I take this opportunity to remind TCT of its obligations under the Instrument. In particular, TCT has an obligation to ensure that the Identification Statement remains up to date.

Please note that the relief under the Instrument only applies from 5 October 2018 for so long as TCT continues to meet the requirements in subsection 5(3) of the Instrument and the conditions in section 7 of the Instrument.

Please contact me on (03) 9280 3221 or remziye.hussein@asic.gov.au if you wish to discuss the matter.

Yours faithfully

Remziye Hussein
Lawyer
Corporations



BOARD MEETING DATE:

25/10/2018

No 9 Correspondence - Out

Title: SCRLC – 17 October 2018 – CVAS Half Yearly Update

No of Pages. 3 incl Header

17/10/2018

Mr Lindsay Walker
 Chair St Cuthbert's Retirement Living Complexes Board of Management
 20 Banks Avenue
 Tweed Heads NSW 2485

Dear Lindsay,

**RE: Clarence Valley Anglican School Council (CVAS) – Half yearly update.
 Deed of Gift and Indemnity – Clause (h)**

Refer to the table below outlining the balances of the CVAS loans as at 16/10/2018.

Clarence Valley Anglican School				
Loan Balances and portfolio performance as at 16/10/2018				
Loan Account No.	Purpose	Date	Balance	Status
00040090	Working Capital	16-10-18	\$ 377,601.58	* Currently operating within maximum peak working capital guidelines. Limit approved \$850,000.
436032770	Secondary Campus	16-10-18	\$ 1,758,568.47	In order
436034254	Clarenza Campus 2nd Tranche	16-10-18	\$ 149,211.59	In order
436040050	Server upgrade loan	16-10-18	\$ -	Repaid in full
436040052	Solar Panel loan	16-10-18	\$ 58,470.83	In order
	Total		\$ 2,343,852.47	

Other information:

CVAS audited results to 31/12/2017 confirms \$6,572,191 is subordinated and interest free until 30/06/2021.

AFGD have completed a half yearly review of CVAS's financial position as at 30/09/18 based on its Management results YTD indicating the school can service its current financial commitments.

Consistent with our reporting requirements a further update will be provided as at 31/03/2019.

Further I can confirm AFGD has in place the following reporting covenants to ensure early warning signs are identified and mitigated.

The school must provide:

- Annual audited financial statements (latest held 31/12/2017)
- 1 year council approved operating budget to 2018 (held)
- Management results to 30/9/18 now held.
- * The working capital facility is blocked from available funds for CVAS. AFGD based on the cash flow projections provided by CVAS make the transfer to CVAS's operating account.

Please do not hesitate to contact me if you require any further information.

Yours sincerely



David Ford
Chair - Board of AFGD