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Minutes
Thursday 4 April 2019
Meeting by videoconference

1. **Opening Prayer** - Meeting opened at 9.01am with prayers by Mr Ted Clarke
2. **Attendees:** Mr John Adlington (Chair), Mr Ted Clarke, Mr Gary Boyd,
Mr Phil Crandon.
Non-members: Mr Chris Nelson, Mr Blaine Fitzgerald (for item 7a and
responded to questions relating to items 6a and 6b).

Apologies: Bishop Murray Harvey, Mr David Ford.

3. Conflict of Interest Declarations

The current standing register of interests as follows was noted:

- ▶ Bishop Murray Harvey - involved on various Diocesan boards and committees
- ▶ 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 new or changed declarations were required.

4. Confirmation of Minutes

That the minutes of the meeting of 27 February 2019 be accepted *as true and correct*

Moved: Mr Ted Clarke

Seconded: Mr Phil Crandon CARRIED

5. Call for additional Agenda items and close of Agenda

Response to question from Audit Committee (included in 6b)

AFGD Contribution for Diocese of Grafton 2020 Budget (new item 7e)

Apart from the above no further agenda items were requested.

6. Financial and Performance Reports

a. Finance reports

Balance Sheet and Profit & Loss reports for YTD 28 February 2019, Capital Adequacy and Liquidity, and Ord Minnett portfolio were considered. A small negative to budget and a better capital adequacy with good liquidity were noted. The improvement to capital adequacy is substantially due to the calculation using current loan obligations instead of loan commitments.

That the AFGD Board receives the *financial* reports for the period to 28 February 2019.

Moved: Mr Ted Clarke

Seconded: Mr Gary Boyd CARRIED

That the AFGD Board requests Mr Blaine Fitzgerald to clarify the Capital Adequacy report

Moved: Mr Ted Clarke

Seconded: Mr Phil Crandon CARRIED

b. Draft 2018 Financial Statements

The Board considered the draft 2018 Financial Statements noting that the audit process is not yet complete and changes are possible before the final statements are considered by the Board at 23 May 2019 meeting.

The Board considered the question raised by the Audit Committee concerning the draft note on Outstanding Loan Commitments.

That the AFGD Board notes the reported total loan commitments of about \$23.4 million and reports that this commitment is manageable considering the capital reduction payments of about \$1.5 million per annum, the timing of the expected usage of loan commitments for projects, the availability of about \$7 million in funds in Ord Minnett investments and the backup of the \$1 million AFSA line of credit facility.

AFGD will also be conducting a review of the line of credit facilities AFGD provides to various clients as a number of these now appear to be in excess of client requirements.

Moved: Mr Ted Clarke
Seconded: Mr Gary Boyd CARRIED

That the AFGD Board requests Mr Blaine Fitzgerald to provide a timeline of the use of loan commitments so the proper management of these commitments can be assured.

Moved: Mr John Adlington
Seconded: Mr Phil Crandon CARRIED

7. Matters for Discussion and or Decision:

a. Schools Update

Mr Blaine Fitzgerald joined the meeting at 9.30am to make a presentation on the status of schools and other major clients of AFGD. No matters of concern were reported however the Board was advised that there will be close liaison with Lindisfarne Anglican Grammar School about their funding needs and AFGD's potential involvement

That the AFGD Board receives Mr Blaine Fitzgerald's report on the status of schools and other major clients.

Moved: Mr Phil Crandon
Seconded: Mr John Adlington CARRIED

Mr Blaine Fitzgerald left the meeting at 9.59am

That the AFGD Board requests that as each school's audited annual financial report becomes available that Mr Blaine Fitzgerald submits those statements to the Board along with his analysis of their financial position.

Moved: Mr Ted Clarke
Seconded: Mr Gary Boyd CARRIED

b. Interest Rate Review

The Board reviewed information of AFGD interest rates in comparison with the rates being offered by other institutions.

On consideration of the relevant market comparisons, the AFGD Board has determined that no change in its advertised interest rates is necessary at this time.

Moved: Mr John Adlington
Seconded: Mr Ted Clarke CARRIED

c. Strategic Options

The Board noted that the requested analysis of 4 options from TNR is not yet available and did not consider it appropriate to discuss these options or the possibility of a proposal from AFSA for taking over AFGD.

The Board determined to meet on 9 May 2019 for a special meeting to discuss Strategic Options.

d. Corporate Trustees resolution 14 March 2019

The Board noted the Corporate Trustees concerns about reduced reporting and recognised that this is a consequence of operating without a Fund Manager. The Board also noted and welcomed the Corporate Trustees request to discuss Strategic Options at the joint meeting of 23 May 2019.

e. AFGD Contribution for Diocese of Grafton 2020 Budget

The Registrar advised that the 2020 budget for the Anglican Diocese of Grafton is being prepared.

That the AFGD Board advises the Bishop-in-Council Finance Committee that the 2020 budget for the Diocese of Gra on may be prepared on the basis of a \$175,000 contribution from AFGD to the Diocese.

Moved: Mr Gary Boyd

Seconded: Mr Ted Clarke

CARRIED

8. Matters for noting and status updates

Nil

9. Correspondence

In: Nil

Out: Signed acceptance of 15 February proposal from Thomas Noble & Russell - 4 March 2019

10. Next Meeting:

9 May 2019 special meeting to discuss Strategic Options

23 May 2019 includes meeting with auditor and meeting with Corporate Trustees

11. Meeting Close

The meeting closed at 10.23am.

CONFIRMED as a true and correct record of proceedings of Anglican Funds Grafton Diocese Board meeting of 4 April 2019.



Chair - David Ford