



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

**ANGLICAN FUNDS GRAFTON DIOCESE BOARD MEETING**  
**Thursday 28<sup>th</sup> November 2019**  
**AGENDA**

1. **9am** - Opening Prayer
2. Acknowledgement of Country  
We, the Board of Anglican Funds Grafton Diocese, acknowledge the Bundjalung, Arakwal, Yaegl, Githabul, Gumbayngirr, Dunghutti and Birpai peoples, traditional custodians of these lands on which this Diocese is based; and we pay tribute and respect to the elders of these nations and peoples, past, present and emerging and acknowledge their connection with and care for this country.
3. Confirm attendees and apologies
4. Conflict of Interest Declarations  
Current standing register of interests:
  - Bishop Murray Harvey – various Diocesan boards and committees
  - David Ford – Chair of Bishop Druitt College Council; member of Bishop-in-Council
  - Ted Clarke – Agreement with Clarence Valley Anglican School
  - Chris Nelson – involved on various Diocesan boards and committees and Director of Anglican Insurance and Risk Services (AIRS)
  - Blaine Fitzgerald – Head of Anglican Funds South Australia
5. Confirmation of Minutes
  - Meeting of 26 September 2019
  - Flying Minute AFSA Service Agreement 9 October & 14 October 2019
  - Flying Minute Cheque Account Rate 14 October 2019
  - Special Meeting of 4 November 2019
6. Call for additional agenda items and close of agenda
7. Financial and performance reports
  - a) Finance reports
  - b) Audit update
8. Matters for discussion and/or decision
  - a) AFSA/AFGD Service Agreement
    - Client Update from Blaine Fitzgerald
    - Expanded Service Agreement item 7A. b. A consultation and work programme on the strategic plan will be developed by the Parties by 31 December 2019
  - b) Schools Update including 'growth of schools' discussion & 'AFGD Lending Policy'
  - c) Lending & Term Investment Rate Review
  - d) Draft 2020 Budget
  - e) Corporate Trustee resolution '*Request that the AFGD Board provides a cost-benefit analysis of the non-investment benefits provided by AFGD (see 1.6.1 of McGing report)*'
9. Matters for noting and status updates  
NIL

**10. Correspondence**

In:

- 24 September 2019 from CVAS to Chris Nelson Anglican Diocese of Grafton re 'Request for Meeting re Subordinated Debt'

Out:

- NIL

**11. Next meeting scheduled for 13 February 2020.**

**12. Meeting close**



**BOARD MEETING DATE:**

28/11/2019

**No 5 Confirmation of Minutes**

- Meeting of 28 September 2019
- Flying Minute AFSA Service Agreement 9 & 14 October 2019
- Flying Minute Cheque Account Rate 14 October 2019
- Special Meeting of 4 November 2019

**No of Pages. 9 incl Header**



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

**Minutes**  
**Thursday 26 September 2019**  
**By videoconference**

1. **Opening** Meeting opened at 9.12am.
2. **Attendees:** Mr David Ford (Chair), Mr Phil Crandon, Mr Ted Clarke, Mr Gary Boyd.  
Non-members: Mr Chris Nelson, Mr Blaine Fitzgerald (AFSA Head).
- Apologies:** Bishop Murray Harvey, Mr John Adlington.

**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 and Director of Anglican Insurance and Risk Services (AIRS)
- David Ford – Chair of Bishop Druitt College Council
- Ted Clarke – Agreement with Clarence Valley Anglican School
- Blaine Fitzgerald – Head of Anglican Funds South Australia

No new or changed declarations were required.

**4. Confirmation of Minutes**

*That the minutes of the meeting of 9 August 2019 be accepted as true and correct.*

**Moved:** Mr Gary Boyd  
**Seconded:** Mr Ted Clarke CARRIED

*That the minutes of the special meeting of 16 September 2019 be accepted as true and correct.*

**Moved:** Mr Phil Crandon  
**Seconded:** Mr David Ford CARRIED

**5. Call for additional Agenda items and close of Agenda**

The email from the Registrar to the Chair concerning resolutions from the Corporate Trustees meeting of 19 September 2019 was added to the business.

**6. Financial and Performance Reports**

**a. Finance reports**

Mr Blaine Fitzgerald spoke to the Finance Report. No items of concern in the income and expenditure versus budget.

*That the AFGD Board receives the financial reports for the period to 31 August 2019.*

**Moved:** Mr David Ford  
**Seconded:** Mr Ted Clarke CARRIED

## **b. Audit Update**

Mr Blaine Fitzgerald spoke to the Audit Update.

*That the AFGD Board receives the report updating the actions on improvements arising from previous financial audits.*

**Moved:** Mr David Ford

**Seconded:** Mr Ted Clarke CARRIED

## **7. Matters for Discussion and or Decision:**

### **a. Schools Update**

Mr Blaine Fitzgerald provided an update on Clarence Valley Anglican School (CVAS) and their progressive reduction of debt. Current level of debt is approximately \$1.75M plus a Line of Credit of \$850K. It is noted that CVAS is much less reliant on the Line of Credit facility.

Mr Ted Clarke reported that with CVAS' purchase of Farnworth now at 3 years, ownership is secure.

### **b. Interest Rate Management**

Mr Blaine Fitzgerald provided an analysis of AFGD's investment and loan rates in comparison to market and with regard to the margin between the rates. It was noted that AFGD's investment rates are now relatively high with comparison to the market and this could be exacerbated if the Reserve Bank makes further cuts in interest rates this year.

*The AFGD Board approves a reduction of 50bps for the advertised rates for each of the 3 months, 6 months and 12 months term investments effective immediately and will further review rates following the October 2019 Reserve Bank board meeting.*

**Moved:** Mr Ted Clarke

**Seconded:** Mr Phil Crandon CARRIED

### **c. Corporate Trustees' resolutions**

The Board discussed the Registrar's email advising of some relevant resolutions made by the Corporate Trustees on 19 September 2019 including:

- Acceptance of the proposed Expanded Service Agreement with Anglican Funds South Australia;
- Decision to maintain support to \$8 million of deposits with AFGD until a review in September 2020;
- The Corporate Trustees will look to use AFSA Endowment Fund for some of the deposits with AFGD;
- Requesting a review of the non-investment benefits of AFGD.

The Registrar will make a proposal to the November meeting regarding the evaluation of non-investment benefits of AFGD.

The Board, noting the advice from the insurer that the limitations of liability in the Expanded Service Agreement with Anglican Funds South Australia limited insurance covered, discussed whether this also exposed AFSA Board members to personal liability.

*That the AFGD Board asks the Registrar to seek clear legal advice on Board member's personal responsibility arising as a result of the Indemnity Clause of the proposed Expanded Service Agreement with Anglican Funds South Australia.*

**Moved:** Mr David Ford

**Seconded:** Mr Phil Crandon CARRIED

**8. Matters for noting and status updates**

Nil

**9. Correspondence**

In: Letter from SCAS re staff changes – 11 September 2019

Out: Nil

*That the inwards correspondence be received.*

**Moved:** Mr Gary Boyd

**Seconded:** Mr David Ford

CARRIED

**10. Next Meeting:**

28 November 2019

Being the final meeting of the year, the next meeting will be held in Grafton and be followed by lunch.

**11. Meeting Close**

The meeting closed with the saying of the Grace at 10.082am.

CONFIRMED as a true and correct record of proceedings of Anglican Funds Grafton Diocese Board meeting of 26 September 2019.

---

Chair – David Ford



Chris Nelson &lt;chris.nelson@graftondiocese.org.au&gt;

## Flying Minute - AFSA Service Agreement

Chris Nelson &lt;chris.nelson@graftondiocese.org.au&gt;

9 October 2019 at 09:43

To: David Ford <fordie@mac.com>, "j.adlington" <j.adlington@bigpond.com>, Gary Boyd <garyandcilla@outlook.com>, Philip Crandon <phil\_crandon@bigpond.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,

At Special AFGD Board meeting on 16 September 2019, the following resolution was made:

*"That the AFGD Board recommends that the Corporate Trustees of the Diocese of Grafton approve and sign the proposed Expanded Services Agreement with Anglican Funds South Australia and draws the Corporate Trustees' attention to the wording of Clause 19 Limitation of Liability which is not as originally desired by the AFGD Board."*

The above resolution was conveyed to the Corporate Trustees (with information on how insurance cover would be impacted) and the Corporate Trustees considered this at their 19 September 2019 meeting and resolved:

*"Having carefully considered the implications of Clause 19 of the agreement the Corporate Trustees approve and sign the proposed Expanded Services Agreement with Anglican Funds South Australia."*

On 26 September 2019; at the AFGD Board meeting concern was raised about how Board members may now be exposed to legal liabilities through the AFSA agreement. The Board resolved:

*"That the AFGD Board asks the Registrar to seek clear legal advice on Board member's personal responsibility arising as a result of the Indemnity Clause of the proposed Expanded Service Agreement with Anglican Funds South Australia."*

Consistent with the 26 September 2019 resolution, Jay Clowes of Fishburn Watson O'Brien Lawyers was approached and it was found that Jay was about to depart on 3 weeks holiday. This matter was then referred to Mr Tony McMinn by the firms Managing Partner, Mr John Watson. Tony's email advice is attached and the relevant portion is highlighted. Tony says "I do not consider that clause 19 has the effect of exposing the trustees of the AFGD to personal liability."

Could you please consider this and respond by Reply All email whether you support (or oppose) the following resolution?

**After consideration of advice on whether the directors of AFGD have a greater personal legal exposure with the signing of the Expanded Services Agreement with Anglican Funds South Australia, the Board confirms its 16 September 2019 recommendation that the agreement be signed.**

--

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.

**Advice re Director Exposure.pdf**  
69K



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

---

## Flying Minute - AFSA Service Agreement

---

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

14 October 2019 at 09:29

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

Dear AFGD Board Members,

This Flying Minute has been placed on hold while further research and discussions take place.

[Quoted text hidden]





Chris Nelson &lt;chris.nelson@graftondiocese.org.au&gt;

---

**AFGD Board Flying Minute - Cheque Account Rate**

---

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

14 October 2019 at 09:36

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

Dear AFGD Board Members,

For many years the interest rate given for AFGD cheque accounts has been a "nominal" 1%.

The Cash Management Interest Rates given to Parishes is set at RBA + 0.5% so that rate has dropped to 1.25%. As the margin between the Cash management Rate and the Cheque Account Rate is now only 0.25% we made an enquiry with AFSA as to their cheque account rate. AFSA reported that their cheque account rate is 0.25% which is 75 bps lower than the AFGD rate.

The AFSA rate appears more suitable for the current very low interest rate environment.

Could you please respond by Reply All email whether you support the following proposed resolution?

**That the AFGD Board approves a drop of 75 bps in the AFGD cheque account interest rate to 0.25% effective immediately.**

--

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.



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

**Minutes – Special Board Meeting  
Monday 4 November 2019  
Video Conference**

**1. Opening Prayer** - Meeting opened at 3.02pm. Prayers were led by Mr David Ford

**2. Attendees:** Mr David Ford (Chair), Mr Phil Crandon, Mr Ted Clarke,  
Mr Gary Boyd, Mr John Adlington.

Non-members: Mr Chris Nelson.

All participants were joined by Zoom video conference

**Apologies:** Bishop Murray Harvey.

**3. Business**

The meeting was called to discuss the proposed Expanded Service Agreement (ESA) between AFGD and Anglican Funds South Australia (AFSA) as amended.

It was reported to the meeting that the proposed agreement has been amended with respect to the Limitation of Liability which has been raised from “fees” to “\$1 million”.

The Board was advised that the limitation of liability clause will probably exclude insurance coverage for losses applicable to this clause.

Attempts have been made to negotiate a higher limit of liability but without success.

The Board discussed this situation including the risk faced by AFGD and how such a risk may eventuate, mitigations of the risks, the benefits of entering into an agreement of this type, and the alternatives to signing an agreement with AFSA.

*That the AFGD Board, noting that the amended Expanded Services Agreement with Anglican Funds South Australia has an improved Limit of Liability to \$1 million, and noting that although \$1 million is not sufficient to cover all potential risks, recommends that the Corporate Trustees proceed with signing of the amended Expanded Services Agreement.*

**Moved:** Mr Gary Boyd

**Seconded:** Mr Ted Clarke CARRIED

*That the AFGD Board requests the Registrar to seek modification of AFGD’s insurance coverage to meet its exposure beyond the Limitation of Liability under the Expanded Services Agreement with Anglican Funds South Australia.*

**Moved:** Mr Phil Crandon

**Seconded:** Mr David Ford CARRIED

**4. Next Meeting:**  
28 November 2019

**5. Meeting Close**

There being no further business, the meeting closed at 3.43am.

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

---

Chair – David Ford



**BOARD MEETING DATE:**

28/11/2019

**No 7 Financial and performance reports**

**Item: a**

**Title: Finance reports**

**No of Pages. 12 incl Header**

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

**Profit & Loss Statement**  
January to December 2019

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	YTD	Nov	Dec	Forecast	Budget	Variance
<b>4-0000</b>																
Income																
Interest Recd - Investments	10,440	20,851	15,828	19,943	12,085	10,083	12,400	12,852	15,524	13,336	143,342	12,833	12,837	169,012	154,000	15,012
Interest Recd - Borrowers	72,392	49,379	64,839	59,130	71,545	81,225	79,377	77,970	79,469	82,076	717,502	83,333	83,337	884,172	1,000,000	(38,890)
Sundry Income - Other Asset classes and Ser	29,490	29,490	72,782	29,490	29,490	83,097	29,497	17,128	91,642	18,044	430,150	27,573	86,192	643,915	564,920	(21,005)
Total Income	112,322	99,720	153,549	108,563	113,120	174,404	121,273	107,950	186,536	113,456	1,290,994	123,739	182,366	1,597,099	1,718,920	(41,378)
Cost Of Sales																
Total Interest Paid to Investors	62,930	54,652	59,547	58,244	58,199	60,894	68,571	67,125	65,230	63,640	619,033	67,333	67,337	753,703	808,000	54,297
Gross Profit	49,393	45,068	94,002	50,320	54,920	113,509	52,703	40,825	121,405	49,816	671,961	56,406	115,029	843,396	910,920	(67,524)
<b>6-0000</b>																
Expenses																
Total Employee Benefits	7,347	9,047	9,004	8,317	9,004	9,200	8,945	9,264	7,538	8,471	86,138	8,760	9,760	104,658	107,920	3,262
Total Professional fees	1,825	2,485	1,825	1,825	1,825	1,825	3,040	1,840	1,840	2,470	20,800	3,897	3,888	28,585	48,755	18,170
Total Banking and Indue Costs	15,309	14,024	13,781	28,338	13,977	11,977	16,618	21,025	17,680	15,987	168,716	17,966	17,969	204,651	220,695	15,944
Total insurance costs	677	620	673	658	673	656	676	678	663	713	6,688	1,741	1,739	10,168	20,890	10,722
Total General Operations costs	767	905	1,113	2,206	1,585	769	3,739	2,264	1,008	739	15,095	2,244	2,251	19,590	26,935	7,345
Total Expenses	25,924	27,080	26,396	41,344	27,064	24,427	33,019	35,072	28,729	28,381	297,436	34,608	35,607	367,651	423,095	55,444
Total Net Profit	23,468	17,988	67,606	8,976	27,857	89,083	19,684	5,753	92,676	21,435	374,525	21,798	79,422	475,745	487,825	(12,080)
<b>9-0000</b>																
Distribution to Diocese	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	146,000	14,600	14,400	175,000	175,000	-
Total Other Expenses	8,868	3,388	53,006	-5,624	13,257	74,483	5,084	-8,847	78,076	6,835	228,525	7,198	65,022	300,745	312,825	(12,080)
Net Profit/(Loss) after distribution																

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

**Profit & Loss Statement**

January to December 2019

	January	February	March	April	May	June	July	August	September	October	YTD	November	December	Forecast	Budget	Variance
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget			
<b>Income</b>																
4-0000																
4-1010	10,440	20,851	15,828	19,943	12,085	10,083	12,400	12,852	15,524	13,336	143,342	12,833	12,837	169,012	154,000	15,012
4-1011	0	4,739	16,193	12,513	24,127	36,002	33,737	33,067	37,214	38,973	256,984	83,333	83,337	423,654	1,000,000	(576,346)
4-1012	2,338	8,469	8,509	10,210	6,579	5,946	8,021	6,324	9,692	6,056	72,146	0	0	72,146	0	72,146
4-1013	6,081	10,145	4,789	7,310	4,884	3,875	4,199	6,242	5,984	6,717	60,225	0	0	60,225	0	60,225
4-1014	2,022	2,237	2,530	2,423	622	259	180	285	-151	563	10,971	0	0	10,971	0	10,971
4-1015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4-1020	20,419	19,437	15,828	19,943	12,085	10,083	12,400	12,852	15,524	13,336	143,342	12,833	12,837	169,012	154,000	15,012
4-1021	21,498	19,412	21,491	20,798	21,491	20,798	21,491	21,048	20,080	20,703	208,367	0	0	208,367	0	208,367
4-1022	30,475	25,229	27,255	25,819	25,926	24,425	24,592	23,855	22,176	22,400	252,151	0	0	252,151	0	252,151
4-1055	72,392	49,379	64,939	59,130	71,545	61,225	79,377	77,970	79,469	82,076	717,502	83,333	83,337	884,172	1,000,000	(115,828)
4-1056	4,527	4,527	4,462	4,527	4,527	4,811	4,527	2,735	5,554	3,631	43,829	4,527	4,527	52,893	54,324	(1,441)
4-1057	24,963	24,963	24,695	24,963	24,963	24,963	24,963	14,373	27,449	14,413	230,090	23,033	23,033	276,156	290,946	(14,790)
4-2000	0	0	0	0	0	0	0	0	0	0	-4,685	0	0	-4,685	0	(4,685)
4-2100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4-3000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Sundry Income</b>	29,490	29,490	72,782	29,490	29,490	83,097	29,497	17,128	91,642	18,044	430,150	27,573	86,192	543,915	564,920	(21,005)
<b>Total Income</b>	112,322	99,720	153,549	108,663	113,120	174,404	121,273	107,950	186,636	113,456	1,290,994	123,739	182,366	1,597,099	1,718,920	(121,821)
Interest Paid to Investors	62,930	54,652	59,547	58,244	58,199	60,894	68,571	67,125	65,230	63,640	619,033	67,333	67,337	763,703	808,000	(54,297)
<b>Total Cost Of Sales</b>	62,930	54,652	59,547	58,244	58,199	60,894	68,571	67,125	65,230	63,640	619,033	67,333	67,337	763,703	808,000	(54,297)
<b>Gross Profit</b>	49,393	45,068	94,002	50,320	54,920	113,509	52,703	40,825	121,405	49,816	671,961	56,406	115,029	843,396	910,920	(67,524)
<b>Expenses</b>																
6-0000																
6-1100	-1,355	462	462	-370	462	599	189	474	-1,516	-3,220	-3,812	0	0	-3,812	0	3,812
6-1200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-1300	7,964	7,840	7,800	7,946	7,800	7,655	8,000	8,028	8,299	10,734	82,266	8,000	8,000	98,266	96,000	(2,266)
6-1500	737	745	741	741	741	746	755	763	755	958	7,683	760	760	9,203	9,120	(83)
6-1600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-1700	7,347	9,047	9,004	8,317	9,004	9,200	8,945	9,264	7,538	8,471	86,138	8,760	9,760	104,658	107,920	3,262
6-4200	0	127	0	0	0	1,200	0	1,327	0	244	1,327	246	244	1,817	2,950	1,133
6-4300	1,825	1,825	1,825	1,825	1,825	1,825	1,840	1,840	1,840	1,840	18,310	2,409	2,406	23,125	28,905	(5,780)
6-4360	0	533	0	0	0	0	0	0	0	630	1,163	1,242	1,238	14,900	11,257	3,643
6-4400	1,825	2,485	1,825	1,825	1,825	1,825	3,040	1,840	1,840	2,470	20,800	3,897	3,888	28,585	46,765	18,170
6-4402	469	498	502	523	540	538	480	508	552	505	5,116	560	564	6,240	6,724	484
6-4410	138	14	54	23	15	37	38	76	26	191	612	49	47	708	586	(122)
6-4412	2,333	2,333	2,333	19,033	2,333	2,333	0	0	0	0	30,700	4,300	4,300	39,300	51,600	12,300
6-4414	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6-4440	868	292	0	0	0	0	0	0	0	0	1,160	0	0	1,160	0	(1,160)
6-4442	2,500	2,500	2,500	121	2,000	685	1,600	1,600	1,600	135	15,242	2,500	2,500	20,242	30,000	9,758
6-4445	0	0	0	0	0	0	0	2,924	417	417	3,756	417	413	4,588	5,000	412
6-4450	9,000	8,387	8,392	8,637	9,088	8,383	14,500	15,917	15,084	14,739	112,129	10,140	10,145	132,414	121,685	(10,729)
<b>Total Banking Costs</b>	15,309	14,024	13,781	28,338	13,977	11,977	16,618	21,025	17,680	15,987	168,716	17,966	17,969	204,651	226,595	15,944
Insurance - Workers Comp	118	115	115	117	115	115	115	120	122	155	1,209	134	128	1,471	1,602	131
6-4510	559	505	559	541	559	541	559	541	541	559	5,479	1,607	1,611	6,697	19,288	10,591
6-4530	677	620	673	658	673	656	676	678	663	713	6,688	1,741	1,739	10,366	20,890	10,722
6-4425	0	0	0	123	123	123	123	123	123	123	1,230	68	68	1,366	816	(550)
6-4600	0	0	0	0	18	9	0	0	20	0	47	70	72	189	842	653
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 6-4700	0	95	82	88	79	92	53	77	83	77	726	173	177	1,076	2,080	1,004
6-4800 6-4800	140	8	50	842	7	10	1,089	0	18	0	2,173	179	176	2,538	2,145	(363)
6-4900 6-4900	433	433	433	433	433	433	433	433	433	433	4,333	433	437	5,203	5,200	(3)
6-5000 6-5000	0	0	0	0	0	0	0	0	0	0	0	33	37	70	400	330
6-5100 6-5100	193	187	179	100	270	102	99	106	109	97	1,443	199	201	1,843	2,390	547
6-5200 6-5200	0	182	0	619	654	0	1,779	630	0	0	3,885	890	886	5,641	10,676	5,035
6-5300 6-5300	0	0	0	0	0	0	0	894	222	0	1,116	146	144	1,405	1,750	344
6-5310 6-5310	0	0	0	0	0	0	163	0	0	0	163	53	53	269	636	367
Total General Operations costs	767	905	1,113	2,206	1,585	769	3,739	2,264	1,008	739	15,085	2,244	2,251	19,590	26,935	7,345
Total Expenses	25,924	27,080	26,396	41,344	27,064	24,427	33,019	35,072	28,729	28,381	297,436	34,608	35,607	367,651	423,685	55,444
Total Net Profit	23,468	17,968	67,606	8,976	27,857	89,083	19,684	5,753	92,676	21,435	374,525	21,798	79,422	475,745	487,825	(12,080)
Contribution to Diocese	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	146,000	14,600	14,400	175,000	175,000	175,000
Total Other Expenses	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	14,600	145,000	14,600	14,400	175,000	175,000	0
Net Profit/(Loss) after distribution	8,868	3,368	53,006	-5,624	13,257	74,483	5,084	-8,847	78,076	6,835	228,525	7,198	65,022	300,745	312,825	(12,080)

## Anglican Funds Grafton Diocese

Level 1 - 50 Victoria Street  
Grafton 2460  
NSW

## Balance Sheet

As of October 2019

Account No.				
1-0000	Assets			
1-1000	Current Assets			
1-1105	WBC 032537 247819 Operating Ac	\$23,452.28		
1-1110	WBC 032537 120455 Client Chq	\$173,649.07		
1-1130	AFSA Float SAV00000202	\$766.59		
1-1131	AFSA MIA SAV00041173	\$3,631,748.13		
1-1137	Daily Txns Unproc'd in Phoenix	(\$439,475.53)		
1-1160	WBC 032537 163017 Cash Managem	\$174,406.23		
1-1165	Melb DIF 30 day term	\$5,000,000.00		
1-1170	Accrued Int Receivable Investm	\$34,119.59		
1-1171	Ord Min List Accrued Int Rec	(\$7,561.25)		
1-1172	Ord Min U/List Accrued Int Rec	\$14,413.00		
1-2700	Furniture & Fixtures			
1-2710	Furniture & Fixtures Orig Cost	\$4,852.56		
1-2720	Furniture & Fixtures Accum Dep	(\$1,740.72)		
1-2800	Plant & Equipment			
1-2810	Computer Hardware	\$26,730.39		
1-2820	Acc Deprn Computer Hardware	(\$26,133.25)		
1-2900	Intangible Assets			
1-2910	Computer Software	\$60,500.00		
1-2920	Acc Deprn - Complr Software	(\$60,500.00)		
1-3000	Financial Assets - Current			
1-3114	AFSA Term Investment	\$1,000,000.00		
1-3120	AFSA Security Dep SAV00000203	\$251,075.92		
1-3130	WBC Term Invested Funds	\$100,000.00		
1-3145	Ord Minnett-Listed Investments	\$1,155,251.37		
1-3147	Ord Minnett-Global Cash Trust	\$20,001.50		
1-3148	Ord Minn-Global Investments	\$4,608,650.00		
1-3150	Loan Assets			
1-3155	Line of Credit - O/D	\$10,242,580.87		
1-3160	Loan Advances	\$4,482,013.64		
1-3170	Loan Advances - P & I	\$4,947,778.60		
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			\$35,416,578.99
2-0000	Liabilities			
2-1000	Current Liabilities			
2-1004	Audit Costs	\$18,730.00		
2-1100	Accrued Interest payable			
2-1101	2243130 Access Acc INT PAY	\$71.57		
2-1102	2243131 Inst Acc INT PAY	\$214.98		
2-1104	2243133 Parish Prov INT PAY	\$104.78		
2-1200	Accounts payable		\$721.30	
2-1221	2243310 Term 90 Days INT PAY		\$22,095.92	
2-1222	2243320 Term 180 days INT PAY		\$82,845.65	
2-1223	2243330 Term 365 days INT PAY		\$122,094.76	
2-1700	Investor Funds Fin Liab Curren			
2-1710	2103300 Access Accounts	\$108,163.14		
2-1715	2103310 Institution Access	\$136,716.29		
2-1725	2103330 Parish Provider Access	\$4,618.50		
2-1730	2103350 Interest Free Deposits	\$8,814.15		
2-1735	2103370 Chq Acc Parishes	\$999,519.29		
2-1740	2103380 Chq Acc Ministry	\$1,668,029.12		
2-1745	2103400 Anglican Affiliates	\$2,779,214.96		
2-1750	139 Parishes CMA	\$651,725.60		
2-1755	2183310 Term Inv 90 days	\$6,891,766.47		
2-1756	2103420 Clergy Access Account	\$241,802.77		
2-1760	2183320 Term Inv 180 days	\$10,944,309.68		
2-1765	2183330 Term Inv 365 days	\$9,087,670.68		
2-1900	Other Current Liabilities			
2-1910	Accrued Annual Leave	\$1,555.70		
2-1911	Accrued Long Service Leave	\$9,488.20		
2-1915	Accrued Expenses	\$16,333.00		
2-3030	GST from purchases		(\$548.13)	
2-9999	Westpac Unknown transactions		\$223.68	
	Total Liabilities			\$33,796,282.06
	Net Assets			\$1,620,296.93
3-0000	Equity			
3-7000	Revaluation Financial Assets		(\$48,737.59)	
3-8000	Retained Earnings	\$1,440,509.90		
3-9000	Current Earnings	\$228,524.62		
	Total Equity			\$1,620,296.93



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

**Balance Sheet [Multi-Period]**

January 2019 To October 2019

Account No.	Account Name	January	February	March	April	May	June	July	August	September	October
<b>Assets</b>											
<b>Current Assets</b>											
		1,075,297	1,290,336	1,287,869	1,240,029	311,482	270,754	253,619	1,935,737	337,942	317,103
		11,470,780	9,060,173	7,465,838	6,243,028	3,734,830	3,503,432	8,438,041	6,129,712	5,299,769	8,618,521
		7,509,199	7,509,199	7,502,323	7,502,323	7,502,323	7,496,156	7,496,156	5,796,156	5,763,901	5,763,901
		27,518	26,072	17,401	44,461	24,507	15,065	13,347	16,534	25,683	40,971
<b>Fixed Assets</b>											
		4,939	4,939	4,570	4,447	4,324	4,201	4,078	3,955	3,832	3,709
<b>Loan Assets</b>											
		14,271,797	14,739,617	16,354,357	17,059,329	20,921,029	24,959,892	20,535,097	22,551,090	25,261,090	20,672,373
		0	0	0	0	0	0	0	0	0	0
<b>Total Assets</b>		<b>34,359,531</b>	<b>32,630,335</b>	<b>32,832,358</b>	<b>32,093,618</b>	<b>32,498,496</b>	<b>36,249,500</b>	<b>36,740,338</b>	<b>36,433,183</b>	<b>36,692,218</b>	<b>35,416,579</b>
<b>Liabilities</b>											
<b>Current Liabilities</b>											
		46,209	42,493	48,417	29,716	24,582	26,798	29,379	50,829	36,742	35,784
		86	169	256	343	435	0	96	203	304	391
		201,967	188,112	207,987	195,691	198,272	215,156	228,152	255,170	246,671	227,036
<b>Investor Funds Fin Liab Current</b>		<b>7,998,130</b>	<b>6,271,934</b>	<b>6,138,343</b>	<b>5,705,890</b>	<b>6,595,435</b>	<b>4,697,225</b>	<b>5,826,176</b>	<b>5,540,624</b>	<b>6,202,144</b>	<b>6,598,604</b>
		24,658,258	24,669,031	24,734,147	24,664,932	24,166,686	29,723,697	29,065,255	29,002,855	28,578,474	26,923,747
<b>Sundry Liabilities</b>											
		13,403	13,731	12,214	11,676	14,459	14,996	14,568	15,637	14,197	10,496
		224	224	224	224	224	224	224	224	224	224
<b>Total Liabilities</b>		<b>32,918,277</b>	<b>31,185,694</b>	<b>31,141,587</b>	<b>30,608,471</b>	<b>31,000,092</b>	<b>34,678,096</b>	<b>35,163,850</b>	<b>34,865,542</b>	<b>35,078,756</b>	<b>33,796,282</b>
<b>Net Assets</b>		<b>1,441,253</b>	<b>1,444,641</b>	<b>1,490,771</b>	<b>1,485,147</b>	<b>1,498,404</b>	<b>1,571,405</b>	<b>1,576,488</b>	<b>1,567,641</b>	<b>1,613,462</b>	<b>1,620,297</b>
<b>Total Equity</b>		<b>1,441,253</b>	<b>1,444,641</b>	<b>1,490,771</b>	<b>1,485,147</b>	<b>1,498,404</b>	<b>1,571,405</b>	<b>1,576,488</b>	<b>1,567,641</b>	<b>1,613,462</b>	<b>1,620,297</b>

## Anglican Funds Grafton Diocese

Level 1 - 50 Victoria Street

Grafton 2460

NSW

## Balance Sheet [Multi-Period]

January 2019 To October 2019

Account No.	Account Name	January	February	March	April	May	June	July	August	September	October
<b>Assets</b>											
<b>Current Assets</b>											
1-1105	WBC 032537 247819 Operating Ac	8,743	14,510	7,865	7,258	15,966	10,203	24,275	774	58,747	23,452
1-1110	WBC 032537 120455 Client Chq	158,441	142,963	169,848	122,616	135,170	76,123	129,343	112,730	159,194	173,649
1-3130	WBC Term Invested Funds	900,000	1,100,000	1,100,000	1,100,000	100,000	100,000	100,000	100,000	100,000	100,000
1-3147	Ord Minnett-Global Cash Trust	8,113	32,863	10,156	10,156	60,347	84,427	0	1,722,234	20,002	20,002
		<b>1,075,297</b>	<b>1,290,336</b>	<b>1,287,869</b>	<b>1,240,029</b>	<b>311,482</b>	<b>270,754</b>	<b>253,619</b>	<b>1,935,737</b>	<b>337,942</b>	<b>317,103</b>
1-1130	AFSA Float SAV00000202	7,325	1,797	876	948	93	133	59	-343	1,073	767
1-1131	AFSA MIA SAV00041173	5,001,781	3,727,715	4,068,415	3,084,906	2,142,207	2,396,809	4,890,353	1,873,149	1,482,938	3,631,748
1-1137	Daily Txns Unproc'd in Phoenix	-116,754	-178,363	-28,619	-1,388,465	44,916	100,896	-646,321	2,655	11,200	-439,476
1-1160	WBC 032537 163017 Cash Managem	330,234	260,466	176,202	296,283	297,882	255,532	443,594	503,652	53,725	174,406
1-1165	Melb DIF 30 day term	6,000,000	5,000,000	3,000,000	4,000,000	1,000,000	500,000	3,500,000	3,500,000	3,500,000	5,000,000
1-3120	AFSA Security Dep SAV00000203	248,194	248,559	248,964	249,357	249,732	250,062	250,356	250,598	250,833	251,076
		<b>11,470,780</b>	<b>9,060,173</b>	<b>7,465,838</b>	<b>6,243,028</b>	<b>3,734,830</b>	<b>3,503,432</b>	<b>8,438,041</b>	<b>6,129,712</b>	<b>5,299,769</b>	<b>8,618,521</b>
1-3145	Ord Minnett-Listed Investments	1,192,879	1,192,879	1,179,040	1,179,040	1,179,040	1,180,298	1,180,298	1,180,298	1,155,251	1,155,251
1-3148	Ord Minn-Global Investments	6,316,320	6,316,320	6,323,283	6,323,283	6,323,283	6,315,858	6,315,858	4,615,858	4,608,650	4,608,650
		<b>7,509,199</b>	<b>7,509,199</b>	<b>7,502,323</b>	<b>7,502,323</b>	<b>7,502,323</b>	<b>7,496,156</b>	<b>7,496,156</b>	<b>5,796,156</b>	<b>5,763,901</b>	<b>5,763,901</b>
1-1170	Accrued Int Receivable Investm	32,203	26,520	13,544	25,519	26,826	12,848	19,565	28,436	25,124	34,120
1-1171	Ord Min List Accrued Int Rec	-8,989	-4,462	0	4,527	-4,811	0	-8,289	-5,554	0	-7,561
1-1172	Ord Min U/List Accrued Int Rec	-616	-402	0	11,098	-265	0	413	-7,448	0	14,413
1-1400	Prepaid Insurance	4,920	4,416	3,857	3,316	2,758	2,217	1,658	1,099	559	0
		<b>27,518</b>	<b>26,072</b>	<b>17,401</b>	<b>44,461</b>	<b>24,507</b>	<b>15,065</b>	<b>13,347</b>	<b>16,534</b>	<b>25,683</b>	<b>40,971</b>
<b>Fixed Assets</b>											
1-2710	Furniture & Fixtures Orig Cost	4,853	4,853	4,853	4,853	4,853	4,853	4,853	4,853	4,853	4,853
1-2720	Furniture & Fixtures Accum Dep	-1,401	-1,401	-1,503	-1,537	-1,571	-1,605	-1,639	-1,673	-1,707	-1,741
1-2810	Computer Hardware	26,730	26,730	26,730	26,730	26,730	26,730	26,730	26,730	26,730	26,730
1-2820	Acc Depn Computer Hardware	-25,243	-25,243	-25,510	-25,599	-25,688	-25,777	-25,866	-25,955	-26,044	-26,133
1-2910	Computer Software	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
1-2920	Acc Depn - Complr Software	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500	-60,500
	<b>Fixed Assets</b>	<b>4,939</b>	<b>4,939</b>	<b>4,570</b>	<b>4,447</b>	<b>4,324</b>	<b>4,201</b>	<b>4,078</b>	<b>3,955</b>	<b>3,832</b>	<b>3,709</b>
<b>Loan Assets</b>											
1-3114	AFSA Term Investment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1-3155	Line of Credit - O/D	2,259,905	2,891,022	4,663,249	5,543,780	9,546,986	13,785,171	9,487,814	11,657,680	14,625,778	10,242,581
1-3160	Loan Advances	4,558,070	4,555,984	4,558,064	4,557,370	4,558,064	4,557,370	4,557,620	4,557,620	4,481,390	4,482,014
1-3170	Loan Advances - P & I	6,453,822	6,292,611	6,133,044	5,958,179	5,815,980	5,617,350	5,489,662	5,335,789	5,153,922	4,947,779
	<b>Loan Assets</b>	<b>14,271,797</b>	<b>14,739,617</b>	<b>16,354,357</b>	<b>17,059,329</b>	<b>20,921,029</b>	<b>24,959,892</b>	<b>20,535,097</b>	<b>22,551,090</b>	<b>25,261,090</b>	<b>20,672,373</b>
1-3199	Financial Assets Current - Adj	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496	-15,104,496
1-4110	Financial Assets Non Current	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496	15,104,496
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Assets</b>	<b>34,359,531</b>	<b>32,630,335</b>	<b>32,632,358</b>	<b>32,093,618</b>	<b>32,498,496</b>	<b>36,249,500</b>	<b>36,740,338</b>	<b>36,433,183</b>	<b>36,692,218</b>	<b>35,416,579</b>
<b>Liabilities</b>											
<b>Current Liabilities</b>											
2-1004	Audit Costs	23,715	25,540	5,895	7,720	9,545	11,370	13,210	15,050	16,890	18,730
2-1200	Accounts payable	10,994	2,953	26,022	10,996	2,364	2,359	69	17,579	52	721
2-1915	Accrued Expenses	11,500	14,000	16,500	11,000	12,673	13,069	16,100	18,200	19,800	16,333
		<b>46,209</b>	<b>42,493</b>	<b>48,417</b>	<b>29,716</b>	<b>24,582</b>	<b>26,798</b>	<b>29,379</b>	<b>50,829</b>	<b>36,742</b>	<b>35,784</b>
2-1101	2243130 Access Acc INT PAY	17	32	43	55	68	0	17	36	54	72
2-1102	2243131 Inst Acc INT PAY	39	76	122	166	213	0	51	110	164	215
2-1104	2243133 Parish Prov INT PAY	31	61	90	121	153	0	28	57	86	105
		<b>86</b>	<b>169</b>	<b>256</b>	<b>343</b>	<b>435</b>	<b>0</b>	<b>96</b>	<b>203</b>	<b>304</b>	<b>391</b>
2-1221	2243310 Term 90 Days INT PAY	18,134	15,351	28,098	23,857	13,686	25,625	26,659	31,970	25,000	22,096
2-1222	2243320 Term 180 days INT PAY	53,722	68,709	63,536	56,708	62,883	60,139	63,600	66,009	69,581	82,846
2-1223	2243330 Term 365 days INT PAY	130,110	104,052	116,353	115,127	121,703	129,392	137,893	137,191	152,090	122,095
		<b>201,967</b>	<b>188,112</b>	<b>207,987</b>	<b>195,691</b>	<b>198,272</b>	<b>215,156</b>	<b>228,152</b>	<b>255,170</b>	<b>246,671</b>	<b>227,036</b>
<b>Investor Funds Fin Liab Current</b>											
2-1710	2103300 Access Accounts	115,186	104,147	92,529	90,433	88,932	102,407	129,032	111,906	110,257	108,163
2-1715	2103310 Institution Access	118,882	126,448	137,093	130,709	135,893	144,994	147,246	160,657	135,589	136,716
2-1725	2103330 Parish Provider Access	4,614	3,916	5,211	4,539	4,938	4,397	4,808	5,426	3,956	4,619
2-1730	2103350 Interest Free Deposits	8,874	8,844	8,222	8,124	8,257	8,553	8,631	8,662	9,364	8,814
2-1735	2103370 Chq Acc Parishes	862,557	819,096	795,470	797,810	837,806	814,942	900,184	870,789	920,562	999,519
2-1740	2103380 Chq Acc Ministry	3,636,377	2,864,729	2,565,341	2,793,792	3,497,545	1,846,847	2,319,837	2,409,004	1,608,773	1,668,029
2-1745	2103400 Anglican Affiliates	2,436,365	1,563,922	1,727,809	1,065,036	1,182,763	928,292	1,487,015	1,122,774	2,534,597	2,779,215

2-1750	139 Parishes CMA	572,582	581,551	605,604	604,944	618,239	627,060	604,950	641,701	660,451	651,726
2-1756	2103420 Clergy Access Account	242,693	199,281	201,063	210,503	221,062	219,732	224,474	209,706	218,594	241,803
	<b>Investor Funds Fin Liab Current</b>	<b>7,998,130</b>	<b>6,271,934</b>	<b>6,138,343</b>	<b>5,705,890</b>	<b>6,595,435</b>	<b>4,697,225</b>	<b>5,826,176</b>	<b>5,540,624</b>	<b>6,202,144</b>	<b>6,598,604</b>
2-1755	2183310 Term Inv 90 days	5,722,725	6,863,031	7,024,676	7,018,475	5,615,889	9,527,330	9,494,167	9,322,128	9,274,074	6,891,766
2-1760	2183320 Term Inv 180 days	8,944,669	8,885,722	8,790,737	8,768,912	9,770,676	11,173,363	10,555,675	10,748,168	10,292,690	10,944,310
2-1765	2183330 Term Inv 365 days	9,990,864	8,920,279	8,918,734	8,877,545	8,780,120	9,023,004	9,015,413	8,932,559	9,011,710	9,087,671
		<b>24,658,258</b>	<b>24,669,031</b>	<b>24,734,147</b>	<b>24,664,932</b>	<b>24,166,686</b>	<b>29,723,697</b>	<b>29,065,255</b>	<b>29,002,855</b>	<b>28,578,474</b>	<b>28,923,747</b>
	<b>Sundry Liabilities</b>										
2-1910	Accrued Annual Leave	4,013	4,475	4,937	4,567	5,029	5,629	5,818	6,292	4,776	1,556
2-1911	Accrued Long Service Leave	9,488	9,488	9,488	9,488	9,488	9,488	9,488	9,488	9,488	9,488
2-3030	GST from purchases	-98	-232	-2,211	-2,380	-58	-121	-738	-143	-67	-548
	<b>Sundry Liabilities</b>	<b>13,403</b>	<b>13,731</b>	<b>12,214</b>	<b>11,676</b>	<b>14,459</b>	<b>14,996</b>	<b>14,568</b>	<b>15,637</b>	<b>14,197</b>	<b>10,496</b>
2-9999	Westpac Unknown Transactions	224	224	224	224	224	224	224	224	224	224
		<b>224</b>	<b>224</b>	<b>224</b>	<b>224</b>	<b>224</b>	<b>224</b>	<b>224</b>	<b>224</b>	<b>224</b>	<b>224</b>
	<b>Total Liabilities</b>	<b>32,918,277</b>	<b>31,185,694</b>	<b>31,141,587</b>	<b>30,608,471</b>	<b>31,000,092</b>	<b>34,678,096</b>	<b>35,163,850</b>	<b>34,865,542</b>	<b>35,078,756</b>	<b>33,796,282</b>
	<b>Net Assets</b>	<b>1,441,253</b>	<b>1,444,641</b>	<b>1,490,771</b>	<b>1,485,147</b>	<b>1,498,404</b>	<b>1,571,405</b>	<b>1,576,488</b>	<b>1,567,641</b>	<b>1,613,462</b>	<b>1,620,297</b>
	<b>Equity</b>										
3-7000	Revaluation Financial Assets	-8,125	-8,125	-15,001	-15,001	-15,001	-16,483	-16,483	-16,483	-48,738	-48,738
3-8000	Retained Earnings	1,440,510	1,440,510	1,440,510	1,440,510	1,440,510	1,440,510	1,440,510	1,440,510	1,440,510	1,440,510
3-9000	Current Earnings	8,868	12,256	65,262	59,638	72,895	147,377	152,461	143,614	221,690	228,525
	<b>Total Equity</b>	<b>1,441,253</b>	<b>1,444,641</b>	<b>1,490,771</b>	<b>1,485,147</b>	<b>1,498,404</b>	<b>1,571,405</b>	<b>1,576,488</b>	<b>1,567,641</b>	<b>1,613,462</b>	<b>1,620,297</b>

<b>Capital Adequacy (4.4.2):</b> (Target > 10% of Risk Weighted Assets)					
Assets	Weighting	Asset Value	RWA		
Cash (Govt. Securities, A Rated Aust. Banks)	10%	\$ 10,396,932	\$ 1,039,693		
Cash (Other Aust. Banks, ADI's)		\$ -			
Rating AAA to AA-	20%	\$ -	\$ -		
Rating A+ to BBB-	50%	\$ -	\$ -		
Rating BB+ to B-	100%	\$ -	\$ -		
Rating CCC to D	200%	\$ -	\$ -		
Unrated	400%	\$ -	\$ -		
Internal Loans - Unsecured	100%	\$ -	\$ -		
Internal Loans		\$ -			
Secured Commercial	75%	\$ 32,219,792	\$ 24,164,844		
Secured Residential	50%	\$ -	\$ -		
External Loans - Secured Residential Property	75%		\$ -		
External Loans - Secured Commercial property	125%		\$ -		
Other Investments (excluding Equities) with claims on Australian and International counter parties:			\$ -		
Rating AAA to AA-	20%		\$ -		
Rating A+ to BBB-	50%	\$ 5,760,767	\$ 2,880,384		
Rating BB+ to B-	100%		\$ -		
Rating CCC to D	200%		\$ -		
Unrated	400%		\$ -		
Other Investments/assets and Equities	400%		\$ -		
<b>Total Assets</b>		<b>48,377,491</b>	<b>\$ 28,084,921</b>		
<b>Risk Concentration:</b>					
To the extent an External loans exceeds 5% of Total Assets					
	Limit	5%	Total Assets:	Limit Amount:	Number
	Loans > 5% of TA		\$ 48,377,491	\$ 2,418,875	
				\$ -	400%
				\$ -	\$ -
To the extent an Internal loans exceeds 30% of Total Assets					
	Limit	30%	Total Assets:	Limit Amount:	
	Loans > 30% of TA		\$ 48,377,491	\$ 14,513,247	
					200%
				\$ -	\$ -
			<b>Total Risk Weighted Assets</b>		<b>\$ 28,084,921</b>
			8% of risk weighted assets		\$ 2,246,794
			+ 2.5% Buffer		\$ 702,123
			<b>Required Capital 10.5%</b>		<b>\$ 2,948,917</b>
<b>Equity:</b>					
			Accumulated Funds		\$ 1,669,035
			Asset Reserves		-\$ 48,738
			<b>Total Equity</b>		<b>\$ 1,620,297</b>
			"Surplus" Capital		-\$ 1,328,619
			<b>Actual Capital Adequacy ratio</b>		<b>5.77%</b>
Comments should actual Capital Adequacy ratio be < 10.5%					

Note: includes undrawn facility limits  
Note Adelaide utilise drawn facilities only.

<b>Liquidity (4.1):</b> (> 10% of Total Assets):					
Total Assets:				\$ 48,377,491	
<b>Minimum Liquidity requirement</b>		<b>10%</b>			<b>\$ 4,837,749</b>
<b>Actual position:</b>					
Cash				\$ 10,396,932	
Undrawn Bank OD Facility				\$ 1,000,000	
Total Actual Liquidity					\$ 11,396,932
"Surplus" Liquidity					\$ 6,559,183
<b>Actual Liquidity Ratio</b>					<b>23.6%</b>
Comments should actual Liquidity ratio be < 10%					

<b>4.3 Depositors in excess of 5% of Liabilities</b>					
Total depositors in excess of 5% of Liabilities		\$ 17,843,643		\$ 17,843,643	53.2%
Total liabilities				\$ 33,522,351	
<b>Comments on large depositors</b>					
The number of accounts/clients with balances in excess of 5% is:	<b>1</b>	<b>Corporate Trustees</b>			

<b>Capital Adequacy (4.4.2):</b> (Target > 10% of Risk Weighted Assets)					
Assets	Weighting	Asset Value	RWA		
Cash (Govt. Securities, A Rated Aust. Banks)	10%	\$ 10,396,932	\$ 1,039,693		
Cash (Other Aust. Banks, ADI's)		\$ -			
Rating AAA to AA-	20%	\$ -	\$ -		
Rating A+ to BBB-	50%	\$ -	\$ -		
Rating BB+ to B-	100%	\$ -	\$ -		
Rating CCC to D	200%	\$ -			
Unrated	400%	\$ -			
Internal Loans - Unsecured	100%	\$ -			
Internal Loans		\$ -			
Secured Commercial	75%	\$ 19,672,373	\$ 14,754,280	<b>Note: excludes available for re-draw &amp; undrawn facility limits</b>	
Secured Residential	50%	\$ -	\$ -		
External Loans - Secured Residential Property	75%		\$ -	<b>Note Adelaide utilise drawn facilities only.</b>	
External Loans - Secured Commercial property	125%		\$ -		
Other Investments (excluding Equities) with claims on Australian and International counter parties:			\$ -		
Rating AAA to AA-	20%		\$ -		
Rating A+ to BBB-	50%	\$ 5,760,767	\$ 2,880,384		
Rating BB+ to B-	100%		\$ -		
Rating CCC to D	200%		\$ -		
Unrated	400%		\$ -		
Other Investments/assets and Equities	400%		\$ -		
<b>Total Assets</b>		<b>35,830,072</b>	<b>\$ 18,674,357</b>		
<b>Risk Concentration:</b>					
To the extent an External loans exceeds 5% of Total Assets					
		Total Assets:	Limit Amount:	Number	
Limit	5%	\$ 35,830,072	\$ 1,791,504		
Loans > 5% of TA			\$ -	400%	\$ -
					\$ -
To the extent an Internal loans exceeds 30% of Total Assets					
		Total Assets:	Limit Amount:		
Limit	30%	\$ 35,830,072	\$ 10,749,022		
Loans > 30% of TA				200%	\$ -
					\$ -
				<b>Total Risk Weighted Assets</b>	<b>\$ 18,674,357</b>
				8% of risk weighted assets	\$ 1,493,949
				+ 2.5% Buffer	\$ 466,859
				<b>Required Capital 10.5%</b>	<b>\$ 1,960,807</b>
<b>Equity:</b>					
			Accumulated Funds		\$ 1,669,035
			Asset Reserves		-\$ 48,738
			<b>Total Equity</b>		<b>\$ 1,620,297</b>
			"Surplus" Capital		-\$ 340,510
			<b>Actual Capital Adequacy ratio</b>		<b>8.68%</b>
<b>Comments should actual Capital Adequacy ratio be &lt; 10.5%</b>					

<b>Liquidity (4.1):</b> (> 10% of Total Assets):					
Total Assets:				\$ 35,830,072	
<b>Minimum Liquidity requirement</b>		<b>10%</b>			<b>\$ 3,583,007</b>
<b>Actual position:</b>					
Cash				\$ 10,396,932	
Undrawn Bank OD Facility				\$ 1,000,000	
Total Actual Liquidity					\$ 11,396,932
"Surplus" Liquidity					\$ 7,813,924
<b>Actual Liquidity Ratio</b>					<b>31.8%</b>
<b>Comments should actual Liquidity ratio be &lt; 10%</b>					

<b>4.3 Depositors in excess of 5% of Liabilities</b>					
Total depositors in excess of 5% of Liabilities	\$ 17,843,643			\$ 17,843,643	53.2%
Total liabilities				\$ 33,522,351	
<b>Comments on large depositors</b>					
The number of accounts/clients with balances in excess of 5% is:	<b>1</b>	<b>Corporate Trustees</b>			

Loan Book Data		Loan Balance	Unsecured	Limits	Utilised/Not Drawn	Rate	Open Date	Amount Borrowed	Loan Expiry Date
COM 730	436032770 Secondary Campus Stage 2	\$ 1,767,672.55				6.10%	10/05/2005	\$ 1,756,979.66	31/12/2037
COM 730	436040020 Stage 3 Building Loan	\$ 114,024.54				5.41%	30/04/2013	\$ 257,533.50	30/04/2022
COM 730	436040021 Stage 4 Building Loan	\$ 1,150,904.57				5.41%	30/04/2013	\$ 1,672,479.06	30/04/2025
COM 730	436040019 Stage 2 Building Loan	\$ 144,248.93				5.41%	30/04/2013	\$ 405,163.30	30/04/2021
COM 730	436040173 Construction Learning Spaces	\$ 752,673.75				4.19%	23/11/2018	\$ 750,000.00	23/11/2034
COM 730	436040136 Stanley St Unit Purchase	\$ 552,489.30				5.34%	25/01/2017	\$ 550,000.00	25/01/2047
COM 731	436040139 Refinance 10 Cotswold Close	\$ 9,841.28				4.85%	19/04/2017	\$ 174,000.00	19/04/2037
COM 731	436040059 6 McLean St, Coff's Harbour NSW	\$ 59,323.16				4.85%	01/12/2015	\$ 194,000.00	01/12/2031
COM 731	436040052 Refinance of Solar Panel Loan	\$ 4,793.06				7.10%	01/08/2014	\$ 146,000.00	01/02/2021
COM 731	436040125 Administration & Classrooms	\$ 2,191,562.21				5.55%	03/01/2017	\$ 2,500,000.00	03/01/2032
COM 731	436040059 Principal and interest loan	\$ 13,956.98				5.55%	18/12/2014	\$ 1,200,000.00	18/12/2026
COM 731	436040113 Rectory Loan	\$ 126,476.95				4.85%	23/08/2016	\$ 157,534.35	23/08/2031
COM 731	436040011 Middle School Stage 4	\$ 415,523.70				4.98%	02/04/2013	\$ 1,003,682.80	02/05/2023
COM 731	436040012 Stage 5	\$ 194,740.12				4.98%	02/04/2013	\$ 432,369.82	02/11/2023
COM 731	436040013 Stage 6	\$ 565,518.69				4.98%	02/04/2013	\$ 1,209,360.63	02/03/2024
COM 731	436040015 Building Loan Stage 7	\$ 625,902.32				4.98%	02/04/2013	\$ 959,563.76	10/12/2027
COM 731	436040014 Admin Building Stage 6b 1	\$ 483,263.40				4.98%	02/04/2013	\$ 786,588.41	02/01/2027
COM 731	436040165 CCELC Purchase	\$ 151,577.68				4.98%	05/08/2018	\$ 1,777,000.00	05/03/2026
COM 731	436040146 Clergy Car Loan	\$ 26,253.30				5.85%	22/08/2017	\$ 43,532.00	22/08/2022
COM 731	436040170 Ridge Clergy Car Loan	\$ 17,464.69				5.85%	04/10/2018	\$ 21,680.00	04/10/2023
COM 731	436040148 Clergy Car Loan	\$ 7,398.54				5.85%	28/11/2017	\$ 13,450.00	28/11/2021
COM 731	436040071 Clergy Car Loan	\$ 3,647.20				6.00%	15/01/2016	\$ 20,000.00	15/02/2021
COM 731	436040145 Clergy Car Loan	\$ 464.90				5.85%	19/10/2017	\$ 7,000.00	19/10/2020
COM 731	436040143 Clergy Car Loan - Jenks	\$ 22,844.56				5.85%	13/06/2017	\$ 40,000.00	13/06/2022
COM 731	436040145 Clergy Car Loan	\$ 21,748.98				5.85%	11/08/2017	\$ 36,000.00	11/08/2022
OD 535	438040007 Annual Insurance Premium Fundi	\$ 5,455.88				5.85%	06/02/2018	\$ 11,662.00	06/02/2021
OD 535	438040004 Line of Credit	\$ 1,161.57	\$ 450,000.00	\$ 450,000.00					
OD 535	438040015 Working Capital & Residual Fun	\$ 848,838.43	\$ 850,000.00	\$ 848,838.43					
OD 535	438040010 Working Capital	\$ 200,000.00	\$ 3,100,000.00	\$ 3,100,000.00					
OD 535	438040008 Line of Credit	\$ 4,255,090.72	\$ 200,000.00	\$ 200,000.00					
OD 535	438040017 Line of Credit	\$ 190,000.00	\$ 8,000,000.00	\$ 8,000,000.00					
OD 535	438040018 Line of Credit	\$ 3,378,535.40	\$ 190,000.00	\$ 190,000.00					
OD 535	438040025 Working Capital Requirements	\$ 3,115,199.67	\$ 6,000,000.00	\$ 2,621,464.60					
OD 535	438040026 Working Computer Technology	\$ 2,774.95	\$ 3,450,000.00	\$ 334,800.33					
		\$ 19,672,373.11	\$ 550,000.00	\$ 547,225.05					
		\$ 32,218,792.24	\$ 22,790,000.00	\$ 12,547,419.13					
		\$ 9,425,792.24							
		\$ 10,242,580.87							

**Largest exposure**  
**St Columba Anglican School**  
**Includes full OD limit**  
**\$ 10,436,545.91**  
**Balance of OD only**  
**\$ 6,181,455.19**

Facility Limit	Annual Line Fee \$	Rate	Line Fee %
\$ 450,000.00	\$ -	4.85%	0.00%
\$ 6,000,000.00	\$ 80,000.00	3.29%	1.00%
\$ 190,000.00	\$ -	5.53%	0.00%
\$ 850,000.00	\$ 4,250.00	6.10%	0.50%
\$ 200,000.00	\$ 1,000.00	5.00%	0.50%
\$ 3,100,000.00	\$ 23,250.00	3.44%	0.75%
\$ 6,000,000.00	\$ 66,000.00	2.6278%	1.10%
\$ 5,450,000.00	\$ 54,500.00	4.36%	1.00%
\$ 550,000.00	\$ 5,500.00	4.36%	1.00%
\$ 24,790,000.00	\$ 234,900.00	3.56%	0.99%
	<b>Average return</b>	<b>3.398%</b>	<b>4.39%</b>

# ORD MINNETT

## PORTFOLIO VALUATION

Portfolio Details as at: 31 October 2019

Corp Trustees of Diocese of Grafton GDIF

Code	Security Name	Quantity	Cost Price	Cost Base	Market Price	Market Value	Assets		Est. Annual Income	Est. Yield %	Est. Franking %	Est. Franking Credits	Est. Gross Yield %
							%	%					
<b>INTEREST RATE SECURITIES</b>													
AU3FN0032710	AAI LTD FRN 06/10/2022 - 2042 BBSW+3.20%	2,000,000	1.0605	2,120,940.00	1.045	2,089,900.00	36.02		80,768.00	2.52			2.52
AU3FN0033668	BENDIGO FRN 09/12/2021-2026 BBSW+2.80%	1,000,000	1.0319	1,031,930.00	1.029	1,029,390.00	17.74		38,079.00	2.29			2.29
AU3FN0037917	AMPAUS FRN 01/12/2022 - 2027 BBSW+1.80%	500,000	1.0045	502,260.00	0.974	487,020.00	8.39		13,800.00	3.62			3.62
AU3FN0039426	CHALLENGER LIFE CO LTD FRN 24/11/2022-2042 BBSW+2.10%	500,000	1.0000	500,000.00	1.011	505,500.00	8.71		15,321.00	2.65			2.65
AU3FN0048716	AUSWIDE BANK LTD FRN 12/06/2024 - 2029 BBSW+3.2%	500,000	1.0000	500,000.00	1.006	502,970.00	8.67		21,100.00	3.99			3.99
<b>Sub Total</b>				<b>4,655,130.00</b>		<b>4,614,780.00</b>	<b>79.53</b>		<b>169,068.00</b>				
<b>HYBRID SECURITIES</b>													
AYUHB	AUSTRALIAN UNITY LTD	11,437	101.4317	1,160,074.15	100.200	1,145,987.40	19.75		51,389.87	4.48			4.48
<b>Sub Total</b>				<b>1,160,074.15</b>		<b>1,145,987.40</b>	<b>19.75</b>		<b>51,389.87</b>				
<b>CASH</b>													
PERSHING_AUD	PERSHING AUSTRALIAN DOLLARS	41,834	1.0000	41,833.50	1.000	41,833.50	0.72						
<b>Sub Total</b>				<b>41,833.50</b>		<b>41,833.50</b>	<b>0.72</b>						
<b>TOTAL PORTFOLIO</b>							<b>100.00</b>		<b>220,457.87</b>	<b>3.80</b>			<b>3.80</b>

Adviser Name: Alison Perrott  
 Location: ADELAIDE  
 Phone No: (08) 8203 2500  
 Account No: 1146256

Note: Estimate information based on rolling 12 months actual data.

Ord Minnett Limited AFS Licence 237121 ABN 86 002 733 048 A Market Participant of the Australian Stock Exchange Limited  
 While Ord Minnett believes that the information contained herein is reliable, no warranty is given as to its accuracy or the accuracy of information or material from other sources and persons who rely on it do so at their own risk. Accordingly you should satisfy yourself as to the correctness or otherwise of the statements contained herein.



**BOARD MEETING DATE:**

28/11/2019

**No 7      Financial and performance reports**

**Item: b**

**Title: Audit update**

**No of Pages. 2 incl Header**



**Status of Issues from the Financial Audit of Anglican Funds Grafton Diocese Year Ended 31/12/2017 & Year Ended 31/12/2018**

Reference / Meeting Date	Issue	Issue Detail / Assessment of Action Taken	Risk Assessment	Comments and/or Status	Proposed Action / Responsibility
Audit YE 31/12/2017	Accounting Policies	Accounting policy and procedure manual still in its draft stage undergoing review	Low	From discussions with management, we anticipate the accounting policy to be finalised in 2019 and we will review and consider during the 2019 audit	Accountant - Terence Luce
Audit YE 31/12/2017	Risk Management Framework	Draft Risk Management Framework has been prepared but not yet finalised. Implementation of this recommendation was delayed until the Board confirmed the Fund's strategic direction.	Moderate	We have been advised that the AFGD Board and Corporate Trustees have adopted a new operating model "Enhanced Services Agreement" with Anglican Funds South Australia. This matter will be considered during the 2019 year.	<b>Review &amp; update to be conducted with consultation as part of AFSA Expanded Service Agreement</b>
Audit YE 31/12/2017	Clergy Loans	We recommend that the Credit Policy be updated to include expectations for lending to clergy and other individuals not covered by the existing Policy Statement.	Moderate	No further action required. At the AFGD Board Meeting on 09/08/2019 'Loans to Clergy' was discussed & the following motion carried "That the AFGD Board confirms that it will wind down its facility for providing property loans to clergy and will not offer new loans of this type".	
Audit YE 31/12/2017	Liquidity Management	* This matter has not yet been addressed. The Fund still has a maturity mismatch in place. The development of a policy has been delayed until the Board confirm the Fund's strategic direction. * We will monitor the progress of the Board's review of the strategic direction of the Fund and will re-assess the implementation of this recommendation once a decision has been reached.	High	We have been advised that the AFGD Board and Corporate Trustees have adopted a new operating model "Enhanced Services Agreement" with Anglican Funds South Australia. This matter will be considered during the 2019 year.	<b>Review &amp; update to be conducted with consultation as part of AFSA Expanded Service Agreement</b>
Audit YE 31/12/2017	Capital Adequacy	* Further information has been requested from the General Synod Diocesan Financial Advisory Task Force to progress this matter. * The Board should develop a strategy to lift capital to a level that is commensurate to the risk of its loan portfolio.	Moderate	We have been advised that the AFGD Board and Corporate Trustees have adopted a new operating model "Enhanced Services Agreement" with Anglican Funds South Australia. This matter will be considered during the 2019 year.	<b>Review &amp; update to be conducted with consultation as part of AFSA Expanded Service Agreement</b>
Audit YE 31/12/2018	Information Technology (IT) Policies and Procedures	* Our review of the IT environment noted the following: - the Fund does not have defined and documented procedures in place to manage information security or to manage changes to the IT environment; and - there are no written policies on computer usage within the IT environment, including usage of the accounting package, internet and email applications. * Lack of defined IT policies and procedures may result in inconsistent or ineffective practices to appropriately safeguard information resources. * We recommend management develop policies and procedures in relation to IT as appropriate for its size. Particular focus should be made on defining user roles and responsibilities across the Fund and the Diocese to safeguard information assets. This should include acceptable usage of information resources (internet, email etc) and responsibilities to safeguard system user accounts (for example safeguarding passwords).	Moderate	A review of policies and procedures for information technology will be conducted. The relevant policies and procedures for Anglican Funds South Australia (AFSA) and Data Action (DA) will be included in this review. Policies and procedures will be developed where important gaps are identified.	Annette Dent, AFGD Customer Support Officer to determine relevant AFSA and DA policies and procedures - by 30 September 2019  Registrar to organise a IT policy and procedure review and establish a program for addressing important gaps in policy and procedure suite. Review to be completed by 30 November 2019. Priority procedures in place by 31 March 2020.
Audit YE 31/12/2018	IT Disaster Recovery Plan	* An IT Disaster Recovery Plan (DRP) is used to capture the knowledge and procedures required to restore core IT services and data in a timely manner after a disaster or disruption event. The Fund does not currently have a documented Disaster Recovery Plan (DRP). * The absence of a documented IT DRP may increase the risk of the Fund being unable to recover IT services in a timely and effective manner after a disaster or disruption event and may hinder the ability to continue critical business functions. * The Fund should formalise an IT disaster recovery plan. The plan should provide sufficient detail to: • present an orderly course of action for restoring each of the Fund's critical IT capabilities; • set criteria for making decisions to implement appropriate plans; • implement an organisational structure for carrying out the plan; • provide information concerning personnel that will be required to carry out the plan and expertise required; and • identify the equipment, floor plan, procedures and other items necessary to execute the recovery. The Fund should also consider obtaining assurances from Anglican Funds South Australia (AFSA) around the adequacy of the DRP processes and procedures they have in place in relation to the core banking system.	High	The lack of a Disaster Recovery Plan (DRP) is noted. AFGD management will develop suitable plans for the disaster scenarios with the greatest potential. Anglican Funds South Australia (AFSA) and Data Action (DA) will be contacted to ascertain their Disaster Recovery Plans relative to AFGD information and services.	Annette Dent, AFGD Customer Support Officer to obtain information from AFSA and DA regarding their DRP relative to AFGD information and services. By 30 September 2019.  Registrar to organise a Registry-wide Disaster Recovery Planning session. DRP to be written as an output of that planning. Planning session to be completed by 30 November 2019. DRP written by 29 February 2020.



**BOARD MEETING DATE:**

28/11/2019

**No 8 Matters for discussion and/or decision**

**Item: a**

**Title: AFSA/AFGD Service Agreement**

**Client Update from Blaine Fitzgerald**

**No of Pages. 3 incl Header**

<b>Date:</b>	18/11/19
<b>Entity:</b>	Anglican Funds Grafton Diocese (AFGD)
<b>Location:</b>	Level 1 50 Victoria Street, Grafton NSW 2460
<b>Attendees:</b>	N/A
<b>Purpose:</b>	<p><b>Agreement for signing.</b></p> <ul style="list-style-type: none"> <li>• Formal Agreement to be signed by Adelaide 20/11/19 completing the agreement.</li> <li>• Next step by 31/12/19 Working committee to provide briefing paper of potential structures for review by respective parties.</li> </ul> <p><b>Administrative and leave support</b> Annette's annual leave support was completed with Linda and Chris covering most areas. Some support from Adelaide was utilised through the leave period.</p> <p><b>Knowledge share –</b> Sharepoint, Teams, emails and phone are methods currently being used.</p> <p><b>Communications:</b> Now the Agreement has been signed do we want to re-visit and issue an update to stakeholders?</p> <p><b>Discuss Cash flow and treasury management operations timelines including 2020 operating budget</b> Annette with minor assistance for Adelaide completed the assumptions paper and first draft budget for the 1/1/20 to 31/12/20 AFGD operating budget for discussion 28/11/19.</p> <p><b>Ord Portfolio</b> Maturity Forecast and reporting completed for budget. There is a maturity coming up in December 2020. I've requested Alison at Ord prepare a cost benefit paper.</p> <p><b>CT's fund migration to AFSA Endowment Fund.</b> This process will need to be managed in consultation with the Trustees included St Cuthbert's RLC sale proceeds and funds set aside for Professional Standards.</p> <p><b>Other:</b> <b>Interest Rate Risk Management.</b> <b>Investor Interest rate review:</b> Investor Interest rate requests for changes and some assistance with supporting analytics was provided by Adelaide to stay on top of the current volatility in investor rates.</p> <p><b>Lending Interest Rate review:</b> Review completed refer Board papers 28/11/19</p>

	<p><b>Anglicare North Coast (ANC)</b> No further requests have been received from Estelle Graham for information.</p> <p><b>Clergy Car Loans</b> No update for this paper</p> <p><b>Parish Insurance renewal Loans</b> No update for this paper</p>
<p><b>Key dates and agreed next steps:</b></p>	<p>28/11/19 – AFGD Board meeting 31/12/19 – Scoping paper on merge AFSA/AFGD.</p>



**BOARD MEETING DATE:**

28/11/2019

**No 8 Matters for discussion and/or decision**

**Item: a**

**Title: AFSA/AFGD Service Agreement**

**Expanded Service Agreement 7A.b. 'Work Programme'**

**No of Pages. 2 incl Header**

### AFGD and AFSA Consultation and Work Programme

Timing	Action
By 7 February 2020	AFGD and AFSA submit an outline of "Desired Outcomes"; "Downsides to Avoid" and possible models relative to the prospect of combining the two funds
w/c 9 March 2020	Representatives meet to work through outlines submitted in February to determine areas of agreement, areas of difference and agree upon work and investigations to take place.
14-17 April 2020	Representatives meet (video-conference?) to consider results of investigation and attempt to expand upon areas of agreement
w/c 11 May 2020	Further meeting (video-conference?) as above, if required
May 2020	Joint report drafted by AFSA Head and Grafton Registrar
By 12 June 2020	Representatives discuss (video-conference) draft of joint report.
By 26 June 2020	Representatives finalise joint report and recommendations
By 30 June 2020	Report submitted to governing bodies of AFGD and AFSA for consideration
By 31 August 2020	Formal responses of governing bodies available



**BOARD MEETING DATE:**

28/11/2019

**No 8 Matters for discussion and/or decision**

**Item: b**

**Title: Schools Update**

**No of Pages. 4 incl Header**

<b>Date:</b>	15/11/19
<b>Entity:</b>	Lindisfarne Anglican Grammar School (LAGS)
<b>Location:</b>	Senior Campus, Mahers Lane, Terranorra – Tweed Heads NSW
<b>Attendees:</b>	LAGS: Brett Dinsdale Business Manger & AFGD: Blaine Fitzgerald AFSA Head  Method: Phone and email
<b>Purpose:</b>	<p>Discuss new master Plan and capital funding requirements next 36 months.</p> <p>Current master planning funding remains a requirement however a new priority at Mahers lane has emerged, to purchase a block of land that sits between the existing campus and the new Juniors campus that it will provide better access to the school. It is 5 acres in total and is zoned Residential</p> <p>Cost has been agreed at 3.1m.</p> <p><b>Other information</b></p> <p>31/10/19 Management results will be received shortly.          Updated 5 yr projection including P&amp;L and Balance Sheet including time banded construction funding on an annual basis has also been provided.</p> <p>Brett has requested the three parties work together to come up with the most appropriate funding mix.</p> <p>Significant work required to put this together.</p>
<b>Key dates and agreed next steps:</b>	The two financiers Westpac and AFGD have agreed to work together on the funding split. Discussions and feedback to Brett by 1/12/19 with an indication that LAGS can proceed with the purchase is required.
<b>Head of AFSA</b>	Blaine Fitzgerald



<b>Date:</b>	18/11/19
<b>Entity:</b>	Emmanuel Anglican College (EAC)
<b>Location:</b>	Horizon Avenue – Ballina NSW
<b>Attendees:</b>	<p>Peter Weingarth – Finance Manager            AFGD: Blaine Fitzgerald AFSA Head</p> <p>Method: Phone and email</p>
<b>Purpose:</b>	<p>Discuss</p> <p><b>Existing facilities review:</b></p> <p>Peter has requested a number of options be provided for existing facilities to assist finance committee planning for the 2020 year and beyond.</p> <p>(Refer to email provided for supporting commentary.)</p> <p><b>Multi Purpose Centre \$6m</b></p> <p>Local Government Approval has now been received. It is anticipated construction will commence in April 2020.            Tenders have been issued and once successful tenderer has been appointed greater clarity on funding timelines will be known.</p> <p><b>Other information</b></p> <p>Management results to 30/9/19 have been received. College financial performance remains sound.            Review process and re-structure to be completed once feedback received from the College.</p>
<b>Key dates and agreed next steps:</b>	<p>19/11/19 Response received by Peter requesting updated offer by 26/11/19.            22/11/19 Document to issue.</p>

<b>Date:</b>	21/11/19
<b>Entity:</b>	Bishop Druitt College (BDC)
<b>Location:</b>	Coffs Harbour NSW
<b>Attendees:</b>	BDC : Shane Oxley Business Manager AFGD: Blaine Fitzgerald AFSA Head  Via phone and email
<b>Purpose:</b>	General school update. <ul style="list-style-type: none"> <li>• Strategic Land Purchase for adjoining residential property to be utilised for overseas student accommodation whilst on exchange and a permanent residence for supervisor in Coffs Harbour.</li> <li>• Purchase Price in the vicinity of \$840K plus additional \$160K for refit to accommodate more students.</li> <li>• Budget and cash flow analysis will provide sufficient income to cover interest cost of holding this property.</li> <li>• Borrowings sought \$1m.</li> <li>• Troy Mountain -Westpac and Blaine Fitzgerald AFSA to discuss Pari Passu ceiling lift and best way forward.</li> <li>• Core debt land bank for AFGD is attractive and it should seek to secure 100% of the funding.</li> <li>• Interim financial data to assist discussions has been provided by Shane Oxley – Business Manager BDC.</li> </ul>
<b>Key dates and agreed next steps:</b>	Teleconference 22/11/19 – Shane Oxley Business Manager Blaine Fitzgerald AFSA Head Troy Mountain Westpac
<b>Head of AFSA</b>	Blaine Fitzgerald



**BOARD MEETING DATE:**

28/11/2019

**No 8 Matters for discussion and/or decision**

**Item: c**

**Title: Lending & Term Investment Rate Review**

**No of Pages. 7 incl Header**



**Briefing Paper**

Confidential  Urgent

Date: 21/11/2019

File number:

To: AFGD

From: AFSA

CC:

Subject: Interest Rate Risk Management

**Background**

Supporting papers have been provided as an overview and comparison between the two business units lending and deposit/investor interest rates.

Table below is a slightly different way of comparing margins.

	Grafton		Adelaide	
	Rate	FUM	Rate	FUM
Savings	0.848%	\$5,540,624	0.733%	\$10,125,994
Investments	2.199%	\$29,002,855	2.248%	\$21,605,530
<b>Cost of Deposits</b>	<b>1.950%</b>	<b>\$34,543,479</b>	<b>1.765%</b>	<b>\$31,731,524</b>
Loans	5.355%	9,893,409	4.518%	\$2,397,821
Overdrafts (incl Line fee	4.385%	11,657,681	4.712%	\$784,900
<b>Return on Funds</b>	<b>4.810%</b>	<b>21,551,089</b>	<b>4.566%</b>	<b>\$3,182,720</b>
<b>Operating Margin</b>	<b>2.860%</b>		<b>2.801%</b>	

**Deposit/Investor rates – refer overleaf**

- This is a comparison of the fixed investment book compared with Adelaide’s rates and the market as the majority of each funds core holding is in fixed investments.

**Recommendation –**

- Keep an eye on Grafton’s 180 day rate as it may have slipped below market and need to be adjusted upwards.

**Lending – refer overleaf**

- Business Reference rate there is a disparity, but not considered material.
- Grafton with high exposure to education sector prices each client individually based on risk profile and comparable market rates.
- Parish reference rates are comparable.

**Recommendation –**

- 1/1/2020 AFGD may want to consider passing on a further 20bps reduction on the variable rate.

**Blaine Fitzgerald – Head of AFSA**

Term (months)	1	2	3	6	12
WESTPAC					
ST GEORGE					
BANK OF MELBOURNE					
BANK SA					
NAB	0.85	1.05	1.45	1.50	1.45
SUNCORP BANK					
AMP BANK	1.15	1.25	1.65	1.90	1.65
MACQUARIE					
ING Direct - Middle Market					
ING Direct - Adviser					
BENDIGO&ADELAIDE BANK	0.90	1.15	1.45	1.47	1.40
BANK OF QLD	1.10	1.15	1.40	1.50	1.40
ME BANK	1.10	1.35	1.70	1.85	1.65
<b>Average</b>	1.02	1.19	1.53	1.64	1.51
<b>Median</b>	1.10	1.15	1.45	1.50	1.45
Current	0.85	1.05	1.45	1.85	1.65
Difference	0.17	0.14	0.08	0.21	0.14
New	0.85	1.05	1.45	1.85	1.65
Std Dev	0.14	0.11	0.14	0.21	0.13
Movement	-	-	-	-	-
From Max	0.30	0.30	0.25	0.05	-

**Comparison Rate**

1.25% Monthly rate  
1.26% Annualised compound rate

**Security Float**

1.61% 1,124,000  
1.92% 281,000  
1.67% 1,405,000

For ALCO Report

Average	1.02	1.19	1.53	1.64	1.51
Median	1.10	1.15	1.45	1.50	1.45
Standard Deviation	0.14	0.11	0.14	0.21	0.13
<b>AFSA Current Rates</b>	<b>0.85</b>	<b>1.05</b>	<b>1.45</b>	<b>1.85</b>	<b>1.65</b>

<b><u>AFSA Monthly Lending Rates</u></b>	
<b>Nov-19</b>	
<b>AFSA Business Reference Rate (ABRR)</b>	<b>6.60%</b>
<b>AFSA Parish Reference Rate (APRR)</b>	<b>4.60%</b>
<b>Parish Legacy Rate</b>	<b>3.33%</b>
<b>RBA Cash Rate</b>	<b>0.75%</b>

rate change is less than 1

AFSA Monthly Lending Rates Calculation - Inputs

	%
RBA Cash rate <a href="http://www.rba.gov.au/statistics/cash-rate/">http://www.rba.gov.au/statistics/cash-rate/</a>	0.750%
AFMA 3 monthly BBSW (3M Mid rate) <a href="http://www.asx.com.au/prices/asx-benchmark-rates.htm">http://www.asx.com.au/prices/asx-benchmark-rates.htm</a>	0.930%
NAB Business Options Prime interest rate + Liquidity Margin <a href="http://www.nab.com.au/business/interest-rates-fees-and-charges">http://www.nab.com.au/business/interest-rates-fees-and-charges</a>	4.850%
	prime rate margin
	1.260%
Westpac Business Loan interest rate <a href="http://www.westpac.com.au/business-banking/business-loans/tools-calculators-rates/business-loans-interest-rate/">http://www.westpac.com.au/business-banking/business-loans/tools-calculators-rates/business-loans-interest-rate/</a>	6.020%
ANZ Business Mortgage Index variable rate (Business Finance → ANZ Bus. Variable Rates) <a href="http://www.anz.com/aus/RateFee/InterestRates/Rates.asp?section=SBS">http://www.anz.com/aus/RateFee/InterestRates/Rates.asp?section=SBS</a>	6.850%
Commonwealth Bank BetterBusiness Loan Variable rate <a href="https://www.commbank.com.au/business/rates-fees.html">https://www.commbank.com.au/business/rates-fees.html</a>	7.430%
NAB Loan pricing (ASX 3M Mid Rate+ NAB Funding Cost + NAB Margin 2.00%) <a href="http://www.asx.com.au/prices/asx-benchmark-rates.htm">http://www.asx.com.au/prices/asx-benchmark-rates.htm</a>	2.930%

This worksheet is password protected  
"loan"

Month  
Prepared By

1/11/19  
Leon Varghese

**AFSA Business Reference Rate (ABRR)**

**Nov-19**

Based on struck on the first business day of each month based on the higher of:

1. That day's BBSY plus 300bp; or
2. The mean Business Lending Rates advertised by each of the four major banks on that day.

Provided that the result in the net interest margin is not less than 150bp above AFSA marginal cost of capital.

		<u>rate</u>	
1 BBSY		0.930%	
		<u>3.000%</u>	
			3.930%
2 Business Lending Rates:			
	CBA	7.430%	
	Westpac	6.020%	
	NAB	6.110%	
	ANZ	<u>6.850%</u>	
Mean			6.603%
<u>Floor:</u>			
Marginal Cost of Capital		2.93%	
Margin		<u>1.50%</u>	
			4.43%
<b>ABRR</b>			<u><u>6.60%</u></u>

Prepared by:

Leon Varghese  
21/11/19



**AESA Parish Reference Rate (APRR)**

**Nov-19**

Based on struck on the first business day of each month based on the lesser of:

1. The average cost of funds reported to ALCO Committee for the previous month plus 200bp, or
2. The mean Business Lending Rates advertised by each of the four major banks on that day, minus 200bp.

Provided that the result is not less than the floor value of the marginal cost of capital plus 100bp, otherwise the APRR shall be set to this floor value.

	<u>rate</u>	
1 Cost of funds (90-day rate on Commercial Advance Facility)	2.93%	
	<u>2.00%</u>	
		4.930%
2 Business Lending Rates:		
	CBA	7.43%
	Westpac	6.02%
	NAB	6.11%
	ANZ	<u>6.85%</u>
Mean		6.60%
Less 200bp		<u>-2.00%</u>
		4.60%
<u>Floor:</u>		
Marginal Cost of Capital		2.93%
Margin		<u>1.00%</u>
		3.93%
<b>APRR</b>		<u><b>4.60%</b></u>

Prepared by:

Leon Varghese  
21/11/19



**BOARD MEETING DATE:**

28/11/2019

**No 8 Matters for discussion and/or decision**

**Item: d**

**Title: Draft 2020 Budget**

**No of Pages. 3 incl Header**

**Notes**

Draft	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Totals		
<b>AFGD Budget 2020 -</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Full Year</b>	
4-1000 · Interest revenue															<b>Average rate</b>
<b>1</b> 4-1010 · Interest Received - Investment	13,655	11,496	9,772	9,861	4,941	4,589	10,338	7,341	6,607	10,355	9,000	5,000	102,954	<b>1.500%</b>	
<b>2</b> 4-1020 · Interest Received - Borrowers	32,091	33,648	38,019	44,816	54,691	65,145	54,545	55,272	62,594	51,782	51,183	51,183	594,970	<b>3.700%</b>	
<b>3</b> 4-1056 Ord Minnett -	16,577	16,577	16,577	16,577	16,577	16,577	16,577	16,577	16,577	16,577	16,577	16,577	198,930	<b>3.500%</b>	
<b>Loss on sale of matured securities</b>															
<b>4</b> Line Fees on overdrafts	19,542	19,542	19,542	19,542	19,542	19,542	19,542	19,542	19,542	19,542	19,542	19,542	234,500	recommend monthly accrual	
refer calculation sheet														0 to smooth out P&L	
														0	
<b>Total Income</b>	<b>81,865</b>	<b>81,263</b>	<b>83,911</b>	<b>90,797</b>	<b>95,751</b>	<b>105,853</b>	<b>101,002</b>	<b>98,732</b>	<b>105,319</b>	<b>98,256</b>	<b>96,302</b>	<b>92,302</b>	<b>1,131,354</b>		
		163,128	247,039	337,835	433,586	539,440	640,442	739,174	844,493	942,749	1,039,051	1,131,354			
<b>5</b> 5-2100 · Interest Paid to Investors	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>600,000</b>	<b>2.000%</b>	
<b>Gross Profit</b>	<b>31,865</b>	<b>31,263</b>	<b>33,911</b>	<b>40,797</b>	<b>45,751</b>	<b>55,853</b>	<b>51,002</b>	<b>48,732</b>	<b>55,319</b>	<b>48,256</b>	<b>46,302</b>	<b>42,302</b>	<b>531,354</b>		
<b>6-1000 · Employee benefits expense</b>	<b>8,909</b>	<b>8,909</b>	<b>9,309</b>	<b>8,909</b>	<b>8,909</b>	<b>9,909</b>	<b>8,909</b>	<b>8,909</b>	<b>9,309</b>	<b>8,909</b>	<b>8,909</b>	<b>9,909</b>	109,707		
6-1100 · Provision for Annual Leave	-	-	-	-	-	-	-	-	-	-	-	-	0	?	
6-1200 · Provision for Long Service Leave	-	-	-	-	-	600	-	-	-	-	-	600	1,200	?	
6-1300 · Salaries and Wages	8,136	8,136	8,136	8,136	8,136	8,136	8,136	8,136	8,136	8,136	8,136	8,136	97,632		
6-1500 · Superannuation	773	773	773	773	773	773	773	773	773	773	773	773	9,275		
6-1600 · Staff Training			400			400			400			400	1,600		
6- 1700 Fund Manager Vehicle	0	0	0	0	0	0	0	0	0	0	0	0	0		
<b>6-4000 · Other expenses</b>													0		
6-4200 · Advertising	200	200	200	200	200	200	200	200	200	200	200	200	2,400		
6-4300 · Audit Fees	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,823	21,920		
6-4360 · Legal Fees	333	333	333	333	333	333	333	333	333	333	333	337	4,000		
6-4400 · WBC Bank charges	560	560	560	560	560	560	560	560	560	560	560	560	6,720		
6-4440 · WBC Line of Credit Charges	0	0	0	0	0	0	0	0	0	0	0	0	0		
6-4445 · AFSA Line of Credit Charges	417	417	417	417	417	417	417	417	417	417	417	413	5,000		
6-4402 · Indue Fees	49	49	49	49	49	49	49	49	49	49	49	47	586		
6-4442 · Ord Minnett Brokerage & Advisor Fees	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	15,840		
6- 4410 · Consultancy Fees	833	833	833	833	833	833	833	833	833	833	833	837	10,000		
6- 4425 · Depreciation	123	123	123	123	123	123	123	123	123	123	123	123	1,476	?	
6-4412 · Donations	0	0	0	0	0	0	0	0	0	0	5,000	0	5,000		
<b>8</b> 6-4450 · AFSA Service Agreement Fees	15,085	15,085	15,085	15,085	15,085	15,085	15,085	15,085	15,085	15,085	15,085	15,086	181,026		
6-4510 · Insurance/Workers Comp	136	136	136	136	136	136	136	136	136	136	136	130	1,626		
6-4530 · Insurance General Provision	893	893	893	893	893	893	893	893	893	893	893	893	10,716		
6-4600 · Meeting expenses	70	70	70	70	70	70	70	70	70	70	70	72	842		
6-4610 · Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0		
6-4700 · Postage	99	99	99	99	99	99	99	99	99	99	99	95	1,184		
6-4800 · Printing & stationery	215	215	215	215	215	215	215	215	215	215	215	206	2,571		
6-4900 · Rent Victoria Street	433	433	433	433	433	433	433	433	433	433	433	437	5,200		
6-5000 · PC Maint & Repairs	250	250	250	250	250	250	250	250	250	250	250	250	3,000		
6-5100 · Telephone	110	110	110	110	110	110	110	110	110	110	110	110	1,320		
6-5200 · Travel & Accommodation - Board	750	750	750	750	750	750	750	750	750	750	750	750	9,000		
6-5300 · Travel & Accommodation - AFGD	200	200	200	200	200	200	200	200	200	200	200	200	2,400		
6-5310 · AFGD Staff Expenses Other	53	53	53	53	53	53	53	53	53	53	53	53	636		
6-XXXX · Registry Support	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,856	22,305	<b>NEW - 10% Chris &amp; Darrin</b>	
<b>Total Expenses</b>	<b>34,724</b>	<b>34,724</b>	<b>35,124</b>	<b>34,724</b>	<b>34,724</b>	<b>35,724</b>	<b>34,724</b>	<b>34,724</b>	<b>35,124</b>	<b>34,724</b>	<b>39,724</b>	<b>35,706</b>	<b>424,475</b>		
<b>Net Operating Profit</b>	<b>-2,859</b>	<b>-3,461</b>	<b>-1,214</b>	<b>6,072</b>	<b>11,027</b>	<b>20,129</b>	<b>16,278</b>	<b>14,008</b>	<b>20,195</b>	<b>13,532</b>	<b>6,578</b>	<b>6,596</b>	<b>106,879</b>		
<b>6-2000 · Contrib to Dio of Gtn</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,725</b>	<b>12,720</b>	<b>152,695</b>	<b>\$175k less 'Registry Support'</b>	
<b>Net Surplus post distribution</b>	<b>-15,584</b>	<b>-16,186</b>	<b>-13,939</b>	<b>-6,653</b>	<b>-1,698</b>	<b>7,404</b>	<b>3,553</b>	<b>1,283</b>	<b>7,470</b>	<b>807</b>	<b>-6,147</b>	<b>-6,124</b>	<b>-45,816</b>		
		-31,771	-45,710	-52,362	-54,061	-46,657	-43,104	-41,822	-34,352	-33,545	-39,692	-45,816			

Notes

Draft Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20 Jul-20 Aug-20 Sep-20 Oct-20 Nov-20 Dec-20 Totals Notes

Assumptions	AFGD Budget 2020 -	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
1 Interest Received Investments (cash holdings only)	FUM	\$ 10,923,775	\$ 9,196,807	\$ 7,817,736	\$ 7,889,094	\$ 3,962,832	\$ 3,671,090	\$ 8,270,384	\$ 5,872,448	\$ 5,285,208	\$ 8,284,079	\$ 7,200,000	\$ 4,000,000	
	Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	
	Income	\$ 13,655	\$ 11,496	\$ 9,772	\$ 9,861	\$ 4,941	\$ 4,589	\$ 10,338	\$ 7,341	\$ 6,607	\$ 10,355	\$ 9,000	\$ 5,000	\$ 102,954

2019 Actual		Income	2,270	26,533	28,805	7,967	10,779	24,060	5,682	3,981	15,162	4,340	3,760	3,760	137,100
	FUM	13,654,718	11,496,009	9,772,171	9,861,367	4,941,040	4,588,862	10,337,980	7,340,560	6,606,510	10,355,098	9,000,000	5,000,000		

2 Interest Received Borrowers	FUM	\$ 10,407,924	\$ 10,912,818	\$ 12,330,599	\$ 14,635,024	\$ 17,737,588	\$ 21,128,137	\$ 17,690,252	\$ 17,926,144	\$ 20,300,622	\$ 16,794,065	\$ 16,600,000	\$ 16,600,000	
	Rate	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	
	Income	\$ 32,091	\$ 33,648	\$ 38,019	\$ 44,816	\$ 54,691	\$ 65,145	\$ 54,545	\$ 55,272	\$ 62,594	\$ 51,782	\$ 51,183	\$ 51,183	\$ 594,970

2019 Actual		Income	72,392	49,379	64,939	59,130	71,545	81,225	79,377	77,970	79,469	82,076	86,000	86,000	889,502
	FUM	13,271,797	13,739,617	15,354,357	16,059,329	19,921,029	23,959,892	19,535,097	21,551,090	24,261,090	19,672,373	20,000,000	20,000,000		

3 Interest received Ord Minnett	FUM	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	\$ 5,683,700	
	Rate	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
	Income	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 16,577	\$ 198,930

Ord Management  
Fee is in the budget.  
\$ 896,854  
\$ 1,342,001

2019 Actual		Income	39,094	24,750	24,293	40,093	23,963	24,081	37,367	22,234	20,002	33,024	5,000	21,500	315,399
	FUM	7,513,528	7,537,588	7,512,479	7,521,928	7,538,491	7,580,584	7,480,251	7,505,299	5,835,206	5,802,601	5,800,000	5,800,000		

2020 Asset classes proposed	FUM	\$ 27,015,398	\$ 25,793,325	\$ 25,832,035	\$ 28,107,818	\$ 27,374,120	\$ 30,482,927	\$ 31,644,336	\$ 29,482,292	\$ 31,269,531	\$ 30,761,843	\$ 29,483,700	\$ 26,283,700	
2019 Asset classes actual	FUM	\$ 34,440,043	\$ 32,773,214	\$ 32,839,006	\$ 33,442,624	\$ 32,400,560	\$ 36,129,338	\$ 37,353,328	\$ 36,396,949	\$ 36,702,806	\$ 35,830,072	\$ 34,800,000	\$ 30,800,000	

5 Interest Paid Investors	FUM	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	
	Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
	Income	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 600,000

2019 Actual		Income	62,930	54,652	59,547	58,244	58,199	60,894	68,571	67,125	65,231	63,640	63,000	63,000	745,034
	FUM	32,656,388	30,940,965	30,872,490	30,370,822	30,762,120	34,418,101	34,891,431	34,543,479	34,780,618	33,522,351	33,000,000	33,000,000		

Loan Portfolio Break up

Term Loans end	FUM	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	
New loans	BDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EAC	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	LAGS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	CVAS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	SCAS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 10,300,000	\$ 10,300,000	\$ 10,300,000	\$ 10,300,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	
Monthly P&I reductions		\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	
Balance		\$ 8,600,000	\$ 8,600,000	\$ 8,600,000	\$ 10,100,000	\$ 10,100,000	\$ 10,100,000	\$ 10,100,000	\$ 8,600,000	\$ 8,600,000	\$ 8,600,000	\$ 8,600,000	\$ 8,600,000	\$ 8,600,000	

4 Line of Credit utilisation																Line Fee income	Rate	Line Fee	
Anglican Diocese of Grafton	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			4.85%	0.00%
St Columba Anglican School Council Incor	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	80,000	3.29%	1.00%	
Camfar Properties Pty Ltd	\$ 190,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		5.53%	0.00%	
Clarence Valley Anglican School	\$ 850,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,250	6.10%	0.50%	
Anglicare North Coast	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,000	5.00%	0.50%	
Emmanuel Anglican College	\$ 3,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	23,250	3.44%	0.75%	
BDC	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	60,000	4.36%	1.00%	
Lindisfarne Anglican School	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	66,000	2.63%	1.10%	
<b>Limit utilisation</b>	<b>\$ 24,790,000</b>	<b>\$ 1,807,924</b>	<b>\$ 2,312,818</b>	<b>\$ 3,730,599</b>	<b>\$ 4,435,024</b>	<b>\$ 7,637,588</b>	<b>\$ 11,028,137</b>	<b>\$ 7,590,252</b>	<b>\$ 9,326,144</b>	<b>\$ 11,700,622</b>	<b>\$ 8,194,066</b>	<b>\$ 8,000,000</b>	<b>\$ 8,000,000</b>	<b>\$ 234,600</b>	charged quarterly \$58,625			<b>0.99%</b>	
		7%	9%	15%	18%	31%	44%	31%	38%	47%	33%	32%	32%	\$ 19,541.67	per month				
																		<b>Average return 3.39%</b>	<b>4.39%</b>

7 Total Liabilities School portfolio	\$ 31,390,000	\$ 31,390,000	\$ 31,390,000	\$ 32,890,000	\$ 32,890,000	\$ 32,890,000	\$ 32,890,000	\$ 31,390,000	\$ 31,390,000	\$ 31,390,000	\$ 31,390,000	\$ 31,390,000	\$ 31,390,000	
2019 OD usage	\$ 2,259,905	\$ 2,891,022	\$ 4,663,249	\$ 5,543,780	\$ 9,546,986	\$ 13,785,171	\$ 9,487,814	\$ 11,657,680	\$ 14,625,778	\$ 10,242,581	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	
		9%	12%	19%	22%	39%	56%	38%	47%	59%	41%	40%	40%	

8 AFSA Fee	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 108,000
Expanded Service Agreement	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 5,833	\$ 70,000
Total	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 15,085	\$ 181,026



**BOARD MEETING DATE:**

28/11/2019

**No 8 Matters for discussion and/or decision**

**Item: e**

**Title: Corporate Trustee Resolution – AFGD Response**

**No of Pages. 4 incl Header**

**THE DIOCESE OF GRAFTON  
 ANGLICAN FUNDS GRAFTON DIOCESE  
 Item Paper**

<b>AGENDA ITEM NO</b>	<b>SUBJECT:</b>	<b>PREPARED BY:</b>	<b>DATE:</b>
	Response to Corporate Trustees Resolution	Mr Chris Nelson Registrar	28 November 2019

**PURPOSE:**

To propose a response to a Corporate Trustees resolution concerning the non-financial benefits of the AFGD operations.

**BACKGROUND:**

Since early 2018, the AFGD Board has been in communication with the Corporate Trustees regarding the Strategic Options for the future of AFGD. This has led to the signing of an Extended Services Agreement with Anglican Funds South Australia (AFSA) and a commitment to further explore options with AFSA.

Also in 2019, the Corporate Trustees commissioned McGing Advisory & Actuarial to conduct a review on its investment practices and investment policy as the Corporate Trustees were aware that their current investment approach was yielding sub-optimal returns.

In both, AFGD Board's consideration of its Strategic Options and in the Corporate Trustees investment review, it was recognised that the Corporate Trustees support of AFGD through the placement of funds with AFGD has a financial opportunity cost.

After considering the McGing review, the Corporate Trustees made a multi-part resolution that included the following:

*2. With regard to AFGD:*

*a. Maintain support for AFGD by retaining not less than \$8 million in investments in AFGD and allocate those funds for investment in the AFSA Endowment Fund to the extent that AFSA provides replacement support to AFGD;*

*b. In September 2020, review the extent of support provided for AFGD;*

*c. Request that the AFGD Board provides a cost-benefit analysis of the non-investment benefits provided by AFGD (see 1.6.1 of McGing report);*

**DISCUSSION:**

Items a. and b. of the resolution excerpt above are outside of the scope of this paper.

With respect to item c. many of the benefits cited in discussions on the importance of continuing AFGD operations are benefits for the customer group such as welcoming the AFGD staff support, and the ability to obtain or maintain finance in the absence of AFGD.

The best way to 'hear their voices' and to test those assumptions would be to survey the AFGD client group.

The following survey questions are proposed.

It is proposed to use SurveyMonkey or similar and send the survey to each individual account holder, the Treasurer and Churchwarden of each parish, the Principal and

Business Manager of each School, the CEO and Administration Manager of Anglicare North Coast, the treasurer or equivalent of each other organisation, Registry finance team, and members of Bishop-in-Council, Corporate Trustees and AFGD Board.

1. What is your relationship with AFGD? (Select all that apply)
  - I have a personal account or joint account with AFGD
  - I am an officer of a parish that has an account with AFGD
  - I am an officer of a school that has an account with AFGD
  - I am an officer of an organisation (except parish or school) that has an account with AFGD
  - I participate in Parish Provider through AFGD
  - I consider myself to be a member of the Anglican Church
  - I am a member of Bishop-in-Council, The Corporate Trustees or AFGD Board
  - None of the above apply to me
2. AFGD provides good customer service
  - Strongly agree
  - Somewhat agree
  - Neither agree nor disagree
  - Somewhat disagree
  - Strongly disagree
  - No answer (not applicable; unwilling or unable to answer)
3. AFGD provides deposits at competitive rates
  - Strongly agree
  - Somewhat agree
  - Neither agree nor disagree
  - Somewhat disagree
  - Strongly disagree
  - No answer (not applicable; unwilling or unable to answer)
4. AFGD provides loans at competitive rates and terms
  - Strongly agree
  - Somewhat agree
  - Neither agree nor disagree
  - Somewhat disagree
  - Strongly disagree
  - No answer (not applicable; unwilling or unable to answer)
5. AFGD provides good support for complex matters relating to deposits and loans
  - Strongly agree
  - Somewhat agree
  - Neither agree nor disagree
  - Somewhat disagree
  - Strongly disagree
  - No answer (not applicable; unwilling or unable to answer)
6. The existence of AFGD is beneficial to the Diocese of Grafton
  - Strongly agree
  - Somewhat agree
  - Neither agree nor disagree
  - Somewhat disagree
  - Strongly disagree
  - No answer (not applicable; unwilling or unable to answer)

Include field for respondents to provide comments on their answer to 6.

7. If my organisation was permitted to deposit with another financial institution instead of AFGD, it would choose to continue business unchanged with AFGD

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree
- No answer (not applicable; unwilling or unable to answer)

Include field for respondents to provide comments on their answer to 7.

8. If my organisation was permitted to obtain finance from another financial institution instead of AFGD, it would choose to continue business unchanged with AFGD

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree
- No answer (not applicable; unwilling or unable to answer)

Include field for respondents to provide comments on their answer to 8.

9. The continued operation of AFGD is important to me personally and/or the organisation of which I am an officer.

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree
- No answer (not applicable; unwilling or unable to answer)

Include field for respondents to provide comments on their answer to 9.

#### **RECOMMENDATION:**

It is recommended that the AFGD Board makes the following resolution:

**That the AFGD Board approves of the proposed survey of clients and stakeholders and requests the Registrar and AFGD Senior Customer Support Officer to implement this survey as soon as practicable.**





**BOARD MEETING DATE:**

28/11/2019

**No 10 Correspondence**

In

**Title: 24/09/19 from CVAS to Chris Nelson/Anglican  
Diocese of Grafton**

**No of Pages. 2 incl Header**



**Clarence Valley**  
ANGLICAN SCHOOL

**Clarence Valley  
Anglican School**  
ABN 23 341 979 287  
PO Box 500  
GRAFTON NSW 2460

**Cathedral Campus**  
39 Victoria Street  
GRAFTON NSW 2460  
T. 02 6642 2011  
F. 02 6642 2144

[jsreception@cvas.nsw.edu.au](mailto:jsreception@cvas.nsw.edu.au)

**Clarenza Campus**  
74 Centenary Drive  
GRAFTON NSW 2460  
T. 02 6642 8205  
F. 02 6642 8203

[ssreception@cvas.nsw.edu.au](mailto:ssreception@cvas.nsw.edu.au)

24 September 2019

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

Dear Chris

**REQUEST FOR MEETING RE SUBORDINATED DEBT**

I refer to the informal meeting held in your office on Wednesday 18 September 2019 involving you, me, Greg Jenks (Deputy Chair, Clarence Valley Anglican School Council Inc), Martin Oates (Principal) and Ian Morris (Business Manager) regarding the subordinated debt owed by the School to the Corporate Trustees of the Diocese of Grafton.

Thank you for taking the time to meet with us and to explain the background to the debt. Thank you too for subsequently providing us with another copy of the *Deed of Subordination* dated 29 January 2016 and a copy of the *Deed of Gift and Indemnity* dated 30 April 2010. (We were not aware of the latter document but it is opportune to receive it as it sets-out the interested parties to the subordinated debt.)

As discussed, School Council is concerned about the uncertainty of the possible timing and quantum of subordinated debt having to be repaid and the impact it is already having on the ability to make key financial decisions affecting the School's borrowing capacity and ability to fund major projects e.g. the proposed Performance Centre, currently subject to an AISNSW BGA capital funding application. Going forward, there appears to be three options i.e. forgive the subordinated debt, extend the subordinated debt non-payment period or agree a suitable subordinated debt repayment arrangement.

During our discussions, it was felt that it would be helpful to hold a meeting between representatives of the interested parties i.e. Bishop of Grafton, Anglican Funds Grafton Diocese, Clarence Valley Anglican School Council Inc and Bishop-in-Council. (I understand that the Board of St Cuthbert's Retirement Living Complexes Inc is no longer an interested party as St Cuthbert's no longer exists.) I would be most grateful if you please would arrange such a meeting as soon as possible with a view to a mutually satisfactory outcome being agreed and documented before the end of 2019.

Feel free to contact me, the Principal or Business Manager if you have any queries or require any additional information for the purposes of enabling meaningful dialogue during the requested meeting.

Yours sincerely

Kieran McAndrew  
**CHAIR**  
**CLARENCE VALLEY ANGLICAN SCHOOL COUNCIL**

**Copies:** Clarence Valley Anglican School Council Inc; Principal; Business Manager