

A vibrant stained glass window featuring several figures in traditional robes. One central figure is holding a large sheaf of wheat. The background is filled with intricate patterns and colors, including red, blue, and gold.

A+DF

ANGLICAN INVESTMENT & DEVELOPMENT FUND

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# ANNUAL REPORT

2 0 2 3



# GUIDING PRINCIPLES

- † Prayer is essential for our common life.
- † Reading, teaching and living in response to the Scriptures is a first order priority.
- † Word and sacrament are the basis of worship.
- † As a diverse Diocese, we value different worship styles and we learn from each other.
- † Growing disciples by sharing the Gospel with friends and neighbours; baptising and nurturing new believers in order to transform God's world.
- † Alleviating human need and addressing injustice through advocacy, peace-building, reconciliation and loving service.
- † Safeguarding the integrity of creation through responsible stewardship.
- † Partnerships with other ministry agencies, Christian Churches and associations.
- † Governance that is effective and transparent.

# FOREWORD

## BY THE BISHOP



As I write these words the Diocese of Canberra and Goulburn, together with the rest of the Anglican Church of Australia, is preparing to engage our community with the good news of Jesus under the theme **Hope in an Uncertain World**.

There are many factors that make the future of our world uncertain – international conflict, climate change and cost of living pressures just to name a few. Christian hope does not mean denying or hiding from these realities. Rather, it is a settled confidence that God is committed to the future of His world, His Church and His mission and has demonstrated this commitment through the death and resurrection of the Lord Jesus.

The particular calling of the Anglican Investment & Development Fund (AIDF) is to match needs and opportunities so the sacrificial giving of God’s people might be invested wisely in initiatives that enable us to share our hope in Christ through words of faithful witness and deeds of loving service. By drawing together a team of diverse skills and experience, and by building connections between different aspects of the Diocese, the AIDF witnesses to the truth that in Christ the whole is truly greater than the sum of the parts.

I commend this report and in particular the tireless service of the AIDF Board and staff, including Chief Executive Officer (CEO), Mr Trevor Ament, and Chair, Ms Lorraine Lenthall. The year under review saw it fund exciting new initiatives through our Parishes and Schools; in all these circumstances the AIDF Team has served us and God well.

**The Right Reverend Dr Mark Short**

Bishop - Diocese of Canberra & Goulburn

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# REPORT BY THE CHAIR



Despite the challenges presented by the increases in the official interest rates during 2023, the AIDF was able to produce a strong result. The financial performance of the AIDF strengthened for 2023:

- Operating surplus of \$1,557,318 (2022: \$1,465,927); and
- Reserves increased to \$13,443,648 (2022: \$12,086,330).

The increase in the surplus represented a 6.23% increase from the previous year.

The strategy of growing and diversifying the investor base has continued with a total investment balance of \$108 million achieved at the end of 2023. A major attribute of an investment in the AIDF is that it represents an ethical and secure investment in the ministries of the Diocese.

Changes in bank policies regarding funders such as the AIDF, saw a significant restructure of the loan portfolio during 2023. Four Diocesan Schools established new relationships with Westpac after repaying their AIDF loan facilities. This resulted in a 20% decrease in the AIDF Loan Portfolio while also providing the capacity to fund other loans including Diocesan and Ministry unit projects and the ADS ICT rollout to Agencies. The AIDF was then able to retire the ANZ facilities, while retaining the existing Westpac \$10 million facility.

The Board continues to monitor market conditions closely as the interest rate environment has changed significantly, and other economic challenges emerge. During 2023 the RBA increased the cash rate on five occasions. The AIDF worked hard to limit the impact of rate rises on our borrowers by absorbing some of the RBA increases during 2023. In addition, the AIDF regularly increased interest rates for all of our saving and investment products in order to ensure a strong return for our investors. The Board continues to review every loan application, receives reviews of each loan annually as well as receiving regular updates from the Schools Commission regarding the financial position of the Schools.

The AIDF provide personalised service and tailored products to our customers, in line with the mission of the Diocese. I wish to acknowledge and thank my fellow Board members for their hard work throughout 2023 and for their dedication to the AIDF and the mission of the Diocese. We are indeed fortunate to have members of this calibre to oversee the operations of the AIDF. I also thank the management and staff of the AIDF for their commitment to the AIDF and for the professional support provided to our clients, the broader Diocese and to the Board in what proved to be another challenging year.

**Ms Lorraine Lenthall**  
Chair of AIDF Board

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# INTRODUCTION

## BY THE CEO



2023 was another successful and rewarding year for the AIDF, accompanied by its challenges. AIDF continued to experience growth and diversification in our investment portfolio, along with strong demand for loans to support various Diocesan and Ministry unit projects. As outlined in the Chair's Report, a change in bank policy required AIDF to undertake a significant restructure of the loan portfolio. While this was a challenging process, it had the benefit of providing the AIDF with the capacity to fund various other lending opportunities with strategic importance for the future.

During 2023, the Reserve Bank further increased interest rates with 5 increases totalling 1.25%. This pushed up borrowing rates to the highest level they have been at for 11 years. The AIDF understands the pressure this places upon our clients and is working closely with them to ensure they are in the best possible position to accommodate the changes.

For the 12 months to 31 December 2023, the AIDF achieved a comprehensive income surplus of \$1.557 million and its reserves increased to \$13.444 million.

The financial strength of the AIDF is demonstrated by:

- The ongoing strong financial performance of the AIDF;
- The growth of its Reserve (Net assets) to \$13.444 million;
- The financial performance of the Diocesan agencies and schools that AIDF support continues to strengthen;
- The external facilities of \$10 million are secured by direct mortgages on specific properties;
- The investments of the AIDF have continued to grow and diversify; and
- The guarantee of the fund by the Diocese.



Some of the many projects that AIDF funded during 2023 include the St Luke's Early Learning Centre at Chapman, new Outdoor Infrastructure Works for The Anglican School Googong (TASG), the ADS ICT rollout, funded through the Master Asset Finance Facility (MAFF), along with a number of Ministry unit projects. The AIDF is delighted to invest in Anglican education and ministry projects across our region in support of the mission of the Diocese.

At the beginning of 2024 the AIDF has been working to further build our borrowing capacity to satisfy the ongoing demand for funding. There continues to be new projects underway that investor funds can support – opportunities in our schools, in early learning, in social housing and for the development of local church facilities.

I would like to express my appreciation to all our clients for their continued support for the AIDF, to thank our very committed and talented staff members for all your efforts over 2023 and to the Board for their continuing expertise, oversight and support.

**Mr Trevor Ament**

AIDF Chief Executive Officer (CEO)

# OVERVIEW

The Anglican Investment & Development Fund (AIDF) receives funds from investors and provides loans to parishes and other diocesan agencies (e.g. schools) for building or other capital works projects.

The AIDF also provides housing and personal loans to clergy and other persons employed by the Diocese.

The AIDF provides associates with the opportunity to:

- invest in an ethical alternative;
- support the mission of the Diocese of Canberra and Goulburn;
- benefit the community through enhancing diversity and education options;
- encourage parishes to develop and grow;
- benefit from competitive interest rates & fee free services; and
- a safe & secure investment, guaranteed by the Diocese.

## OUR HISTORY

The AIDF was established in 1967 by a small group of dedicated finance professional lay parishioners along with the support of Bishop Warren and a \$1,000 loan. The purpose was to subsidise loans and to make grants to parishes and Diocesan agencies out of the profits.

The Fund has operated profitably every year since inception. Surpluses are retained and used to build reserves and make grants. The AIDF has voluntarily adopted capital adequacy guidelines as the appropriate standard for maintaining and increasing reserves each year. Reserves are invested in order to further support investors' funds. Today the fund has grown to have around \$120m in total assets and an annual surplus in the order of \$1.5m.

The AIDF was originally established by the Diocesan Development Fund Ordinance of 1966.

It is currently governed by the Anglican Investment and Development Fund Ordinance 2016 (the AIDF Ordinance).

### “Section 3.2

The purposes of the Fund are:

- a) to provide a means for the Diocese, Diocesan agencies and Ministry units to finance developments that promote, support and expand the mission of the Diocese;
- b) to provide parishioners, Diocesan agencies and others with an opportunity to support the mission of the Diocese by investing with and lending to the Fund on appropriate terms as to interest or otherwise but which will provide funds for the developments contemplated by the Diocese, Diocesan agencies or Ministry units.
- c) to provide a means whereby the Diocese may access funds from financial institutions so as to provide funds for the developments contemplated by the Diocese, Diocesan agencies or Ministry units.”



The AIDF's core purposes of being a strong and significant supporter of local parishes, including their community activities and buildings, aligns with the Investors' desires of not only receiving competitive and accessible accounts but also of supporting their own community. The AIDF investors are a fundamental reason for the success of the AIDF over its long history.

The AIDF provides fee-free accounts, including access (everyday accounts) and term investments paying consistently competitive interest rates. Our online "community saver account" provides a strong return to the investor and the AIDF will donate a percentage to your parish or favourite Diocesan entity.

The AIDF offers secure 'Online Transaction Services' functionality including BPay, MYOB, Banklink (accounting), Cemtex (business salary files) and third party payment functionality. The system provider is Data Action, who has many clients in the Credit Union sector. The AIDF also participates in the Bulk Electronic Clearing System (BECs), through Indue.

## OUR OFFICE

AIDF is located on Level 3 at 221 London Circuit, Canberra ACT.

Usual hours of operation are:

Monday to Friday;  
9:00am to 4:00pm.

Contact details:

Ph: (02) 6247 3744

Email: [aidf@aidf.com.au](mailto:aidf@aidf.com.au)

Web: [www.aidf.com.au](http://www.aidf.com.au)



## OUR PEOPLE

Below outlines AIDF's current team, as at June 2024:



**Trevor Ament**  
Chief Executive Officer



**Adam Wright**  
Relationship Manager



**Leila Cochrane**  
Operations Manager



**Sarah Henderson**  
Marketing & Client Services



**Andrew Guile**  
Risk & Compliance Director /  
Board Secretary



**Paul Brand**  
Chief Financial Officer

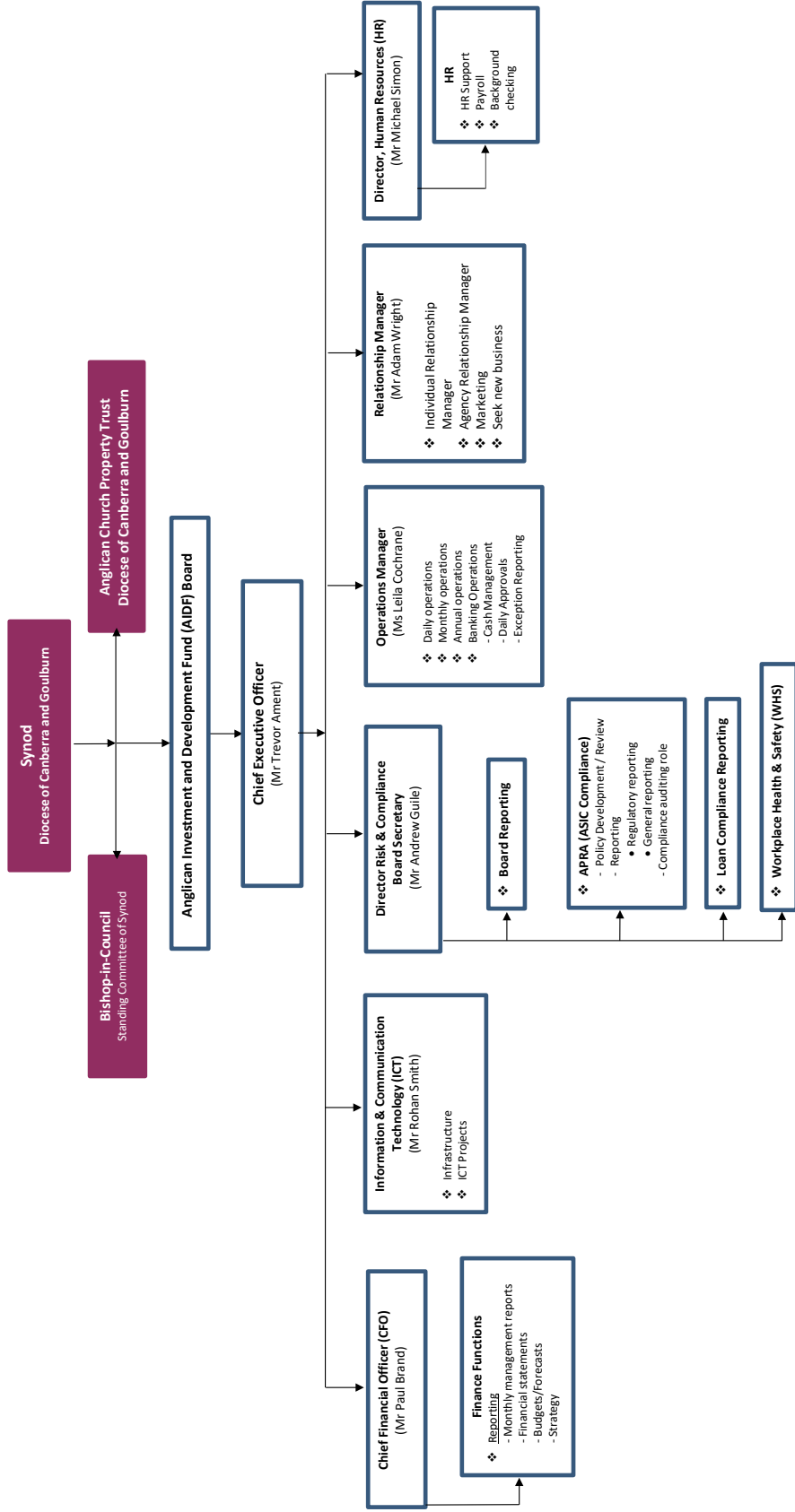


**Michael Simon**  
Human Resources Director



**Rohan Smith**  
Chief Information Officer

# ORGANISATION CHART



Anglican Investment & Development Fund



## TRUSTEE

The Trustee of the Trust is the Anglican Church Property Trust Diocese of Canberra and Goulburn (formerly the Church of England Property Trust Diocese of Goulburn), a body politic and body corporate constituted under the Church of England Trust Property Incorporation Act 1881 (NSW) and recognised as such under section 5 of the Anglican Church of Australia Trust Property Act 1917 (NSW) and the Anglican Church of Australia Trust Property Act 1917 (ACT). Pursuant to section 3 of Church of England Property Trust Change of Name Ordinance 1982 (Change of Name Ordinance), the name of the body politic and body corporate was declared, directed, ruled and ordained to be the 'Anglican Church Property Trust Diocese of Canberra and Goulburn' effective from 12 February 1982.

## GUARANTEE & INDEMNITY

The operations of the AIDF are guaranteed by the Diocese under section 22 of the AIDF Ordinance:

### “Section 22

22.1 The Fund shall be guaranteed by the Diocese.”

## RESERVE

Sub-clause 20.1 of the AIDF Ordinance provides that the Board is required to maintain a Reserve within the Fund which is to be managed as follows:

### “Section 20.1

- a) The Reserve will be available to meet any losses incurred by the Fund and in meeting the liability of the Diocese under Part 9.
- b) The Reserve will not fall below an amount as is at the time ascertained in accordance with a method determined by the Board with the approval of Bishop-in-Council.
- c) In making the determination referred to in paragraph (b), the Board shall have regard to good commercial practice for the management of investment funds and the requirements of any relevant regulatory agency.
- d) The Board shall meet all the obligations and requirements imposed by external lenders to the Fund.
- e) In each year, the Board shall, out of the profits of its operations in the preceding year, pay into the Reserve any amount determined by the Board necessary to ensure that the Reserve remains at the amount required under paragraph (b).
- f) The Board must pay as a grant to the Diocese from the surplus remaining after the payment referred to in paragraph (e), such amount as is determined by the Board to be prudent.
- g) The funds in the Reserve –
  - i) are funds of the Diocese and are to be invested by the Board for the purposes of paragraph (a); and
  - ii) shall be applied for the purposes of paragraph (a).
- h) The Board shall pay to the Diocese interest on the funds in the Reserve at such rate as is determined by the Board.
- i) Payments under paragraph (f) shall be deemed to be expenses incurred by the Board in operating the Fund.”

# MEMBERSHIP

## BOARD MEMBERS



**Lorraine Lenthall | Chair**  
(Appointed 2011)

Lorraine was appointed Chair of the AIDF by Bishop-in-Council in April 2020. Lorraine has had extensive experience in financial sector regulation and regulatory policy, both in Australia and overseas. She has a Bachelor of Arts from the University of Melbourne, majoring in Economics and Political Science and a Graduate Diploma in Legal Studies from the University of Canberra. (MAICD)



**Nick Symons | Deputy Chair**  
(Appointed 2015)

Nick was one of Canberra's leading property lawyers with 38-years experience in the Canberra region prior to his retirement in 2014. He was awarded Solicitor of the Year by the Real Estate Institute of the ACT in 1999, 2001, 2004 and 2005 together with the President's Award in 2003. Nick also specialised in commercial and business law. During his career as a lawyer, Nick was active in educational training with CIT, the Law Society of the ACT, the Legal Workshop (ANU) and the Real Estate Institute of the ACT.



**Mark Glover | Director**  
(Appointed 2011)

Mark was first appointed as an AIDF Director in 2011 and then as Deputy Chair in 2016. Up to March 2011 Mark was Director and Country Treasurer responsible for the funding and liquidity risk of the combined Bank of America Merrill Lynch Australian- group of entities. Mark is a qualified geologist with BSc (Hons) in Mining Geology from Leicester University and also has a Financial Diploma from the Australian Financial Markets Association. (MAICD)



**Tim McGhie | Director**  
(Appointed 1999)

Tim retired in 2012 after working in the private and public sectors in the ACT for nearly 40- years, including time as an Associate Director in the Economic Studies and Strategies Unit, Corporate Finance and Recovery for PwC, and as a Senior Policy Advisor to the ACT Legislative Assembly. Tim is a member of Bishop-in-Council as Chair of the Diocesan Finance Committee. Tim is an Associate of CPA Australia; he completed his Bachelor of Economics, majoring in Macro-Economics and Accounting, at the University of Tasmania. (MAICD)



**Eugene Kalenjok | Director**  
(Appointed 2017)

Eugene has more than 25-years experience providing professional services to High Wealth Families and private family businesses operating in the property industry and Emerging companies. He holds a Masters degree in Taxation, Bachelor of Commerce and is a Fellow of the Institute of Chartered Accountants. Eugene is a Director at Hardwickes Chartered Accountants, a locally based independent professional services firm established 70-years ago.



**Gudrun Stylianou | Director**  
(Appointed 2022)

Prior to joining the AIDF Board, Gudrun served on the Board of the Sapphire Coast Anglican College for 14 years, including the Finance sub-committee. After 20-years in the banking and finance industry, she is now the General Manager and Director of a 4 franchise automotive dealership purchased in 2005. She holds a Bachelors degree in Business Administration from RMIT Melbourne.

## BOARD MEETINGS

Board meetings are held at least every second month. A total of six (6) meetings were held during 2023. In addition to the scheduled meetings, a planning day and an extraordinary meeting was also held.

The table below outlines the six (6) meeting attendance during 2023, including online attendance.

MEETING DATES	24 Feb	27 Apr	28 June	21 July	31 Aug	26 Oct	14 Dec
Ms Lorraine Lenthall <i>Chair</i>	●	●	●	●	●	●	●
Mr Nick Symons <i>Deputy Chair</i>	●	⊙	●	⊙	●	●	●
Mr Mark Glover	A	●	●	⊙	●	⊙	●
Mr Tim McGhie	A	●	●	A	A	A	●
Mr Eugene Kalenjuk	●	●	⊙	⊙	●	⊙	●
Ms Gudrun Stylianou	⊙	●	A	A	A	●	●

**KEY** Attended in Person ● Apology A  
Online Attendance ⊙ N/A ~

## Board Committee

Two Committees of the Board have been established – Risk Committee and Audit Committee. Due to the availability of Members and Board vacancies, the Committees met in joint session as follows during 2023:

### Audit & Risk Committee

MEETING DATES	Risk Committee 22 May 2023	Risk & Audit Committee 31 August 2023	Risk & Audit Committee 26 October 2023
Mr Mark Glover <i>Risk Chair</i>	●	●	●
Mr Eugene Kalenjuk <i>Audit Chair</i>	~	●	●
Ms Lorraine Lenthall	●	●	●
Mr Nick Symons	●	●	●
Mr Tim McGhie	~	⊙	A



## Board Roles & Responsibilities

The AIDF Ordinance provides that the Board of Management consist of the Chair, the Deputy Chair and not less than five or more than six other members appointed by Bishop-in-Council for a term of not more than three (3) years.

The Chair and Deputy Chair are eligible for re-appointment at the expiry of their terms provided that the re-appointments would not result in a person occupying the position of Chair or Deputy Chair for more than six years. Each other member is eligible for re-appointment at the expiry of his or her term, provided that no member may serve for more than nine consecutive years.

Bishop-in-Council may appoint a person to serve more than six (6) or nine (9) years respectively if Bishop-in-Council finds that there are exceptional circumstances which justify such an appointment.

In making appointments, Bishop-in-Council is to have regard to the skills required for the effective and prudent operation of the Fund including, but not limited to, accounting, banking, financial services, legal, financial, governance and business expertise.

At least one member of the Board must be a member of Bishop-in-Council and at least one member must be a member of the Property Trust, but no more than three members in total may be either a member of Bishop-in-Council or of a Diocesan agency. At least five members must be independent members. Bishop-in-Council may fill any casual vacancy occurring in the membership of the Board.

The AIDF is managed by a Board of Management established by section 6 of the AIDF Ordinance:

### “Section 6

- a) The functions of the Board are to direct and oversee the operation of the Fund, including:
- b) to receive investments for any or all of the purposes of the Fund and to pay interest on such investments at such rates as shall be determined by the Board;
- c) to make loans to the Diocese, Diocesan agencies and to Ministry units for developments, including buildings and other purposes that support the mission of the Diocese;
- d) to make loans to clergy and staff of the Diocese and Diocesan agencies for the purpose of purchasing a home;
- e) to make loans from the Fund to clergy and staff of the Diocese, Diocesan agencies and Ministry units for the purposes of personal expenditure;
- f) in accordance with section 15 to borrow funds and enter into transactions as necessary and prudent for the purposes of the Fund;
- g) to make grants to the Diocese out of any surpluses from its operations for use by Bishop-in-Council for such purposes as Bishop-in-Council may determine; and
- h) to make investments of the moneys in the Fund in accordance with section 16.”

## Audit Committee

The Board must appoint a Board Audit Committee as required by section 11 of the AIDF Ordinance:

### Section 11

- 11.1 The Board must appoint a Board Audit Committee.
- 11.2 The Board Audit Committee shall consist of:
- a) the CEO and the Chief Financial Officer, as ex officio members of the committee but without the right to vote; and
  - b) 3 Members appointed by the Board at least 2 of whom must be Independent Members.
- 11.3 The function of the Board Audit Committee is to assist the Board by providing an objective non-executive review of the effectiveness of the Fund's financial reporting and financial risk management framework.

## Risk Committee

The Board must appoint a Board Risk Committee as required by section 12 of the AIDF Ordinance:

### Section 12

- 12.1 The Board must appoint a Board Risk Committee.
- 12.2 The Board Risk Committee shall consist of:
- a) the CEO and the Director, Risk and Legal, as ex officio members of the committee but without the right to vote; and
  - b) 3 Members appointed by the Board at least 2 of whom must be Independent Members.
- 12.3 The function of the Board Risk Committee is to assist the Board by providing an objective non-executive oversight of the implementation and operation of the Fund's risk management framework.

## REPORTING

The AIDF is required to provide a report to the Property Trust and Bishop-in-Council on the operations of the Fund together with a current financial statement at least once a quarter and at such other times as Bishop-in-Council requires.

The AIDF is also required to provide a report on its activities to each ordinary Session of Synod.

# GOVERNANCE

Since 2016 the AIDF has focused on implementing and embedding a robust risk management framework to mitigate risks the AIDF manages on behalf of the Diocese.

The Board focused on addressing three significant challenges throughout the course of 2023:

- a) Addressing the needs of AIDF investors and borrowers during the changing interest rate cycle. AIDF clients remain committed to the AIDF and its mission throughout a significant period of adjustment.
- b) Understanding and responding to the dynamics of school governance developments and their likely impacts on loan clients.
- c) Working with external lenders and their changing approaches to financing increasing market pressure for renewed and improved infrastructure in education.

The AIDF is regulated by the Australian Charities and Not-for-profits Commission (ACNC). The ACNC publishes governance standards which must be met in order for a charity to be, and remain, registered with the ACNC.

The standards and how the AIDF complies with those standards are set out on the following page.



The Good Shepherd Curtin | Image source: Anglican News, March 2022, page 6.



Standard	COMPLIANCE
<p><b>STANDARD 1</b></p> <p><b>Purposes and Not-for-Profit Nature</b></p> <p>Charities must be not-for-profit and work towards their charitable purpose. They must be able to demonstrate this and provide information about their purposes to the public.</p>	<p>The AIDF was set up as a not-for-profit with a charitable purpose and is run as a not-for profit working towards that charitable purpose.</p> <p>The AIDF is registered with the ACNC as a charity which has the purpose of advancing religion and its governing document (the AIDF Ordinance) has been lodged with the ACNC and is published on the ACNC website.</p> <p>The AIDF also provides information about its charitable purpose to the public via its own website.</p>
<p><b>STANDARD 2</b></p> <p><b>Accountability to Members</b></p> <p>Charities that have members must take reasonable steps to be accountable to their members and provide them with adequate opportunity to raise concerns about how the charity is governed.</p>	<p>While the AIDF does not have members per se, the AIDF Ordinance provides that it must report to the Property Trust and Bishop-in-Council at least quarterly and those reports must include a copy of the current financial statements.</p> <p>The annual audited financial statements are lodged with the ACNC and published on the ACNC website.</p> <p>The AIDF also reports annually to Synod.</p> <p>The AIDF Ordinance provides for the appointment of Board members by Bishop-in-Council.</p>
<p><b>STANDARD 3</b></p> <p><b>Compliance with Australian Laws</b></p> <p>Charities must not commit a serious offence (such as fraud) under any Australia law or breach a law that may result in a penalty of 60 penalty units (currently \$10,200) or more.</p>	<p>The AIDF has a robust Risk Management Framework. All policies are Board approved and reviewed on a regular basis.</p> <p>All compliance obligations have been identified and recorded in a compliance register.</p> <p>The AIDF financial statements are independently audited each year.</p>
<p><b>STANDARD 4</b></p> <p><b>Suitability of Responsible Persons</b></p> <p>Charities must take reasonable steps to:</p> <ul style="list-style-type: none"> <li>be satisfied that its responsible persons are not disqualified from managing a corporation under the Corporations Act 2001 (Cth) or disqualified from being a responsible person of a registered charity by the ACNC Commissioner, and</li> <li>remove any responsible person who does not meet these requirements.</li> </ul>	<p>Background checks are conducted on each person before they are appointed to the Board by Bishop-in-Council.</p> <p>The AIDF Ordinance provides the circumstances in which a Board member's appointment is terminated, including disqualification under the Corporations Act.</p>
<p><b>STANDARD 5</b></p> <p><b>Duties of Responsible Persons</b></p> <p>Charities must take reasonable steps to make sure that responsible persons are subject to, understand and carry out the duties set out in this standard.</p>	<p>Each Board member understands the duties imposed on directors of corporations.</p> <p>The attendance of Board members at Board meetings is reported annually in the report to Synod.</p> <p>A conflicts of interest policy and procedures have been approved by the Board.</p>

# OPERATIONS

The Board has identified the following strategic priorities which include:

- † Determining renewed targets for investments, lending and borrowing.
- † Future bank loan facility requirements and the structure of those facilities, to support the wider Diocese.
- † Continuing to refine products to meet the clients requirements.
- † Diversifying service offerings to clients.
- † Strategies for the efficient utilization of spare capacity.

## MANAGEMENT

The AIDF functions to support the mission of the Diocese as a Charitable Investment Fund Raiser operating within a semi-commercial context. The Board and management regularly review its focus on adopting APRA and ASIC standards as best practice, while also being practically available to work with agencies and others who may otherwise struggle with other financial institutions.

The Board reviewed the Service Level Agreement (SLA) with Anglican Diocesan Services (ADS), covering executive leadership across strategy, finance, risk and legal corporate services.

The Board has acknowledged that the growth of the AIDF in all areas of its operation including exceeding \$100 million in investments is a product of these arrangements. Specific services provided by the SLA include payroll, human resources, financial reporting, board secretariat as well as risk and compliance reporting. The Board has endorsed the SLA for 2022-2025.



# STRATEGY

The AIDF Board continues to review its strategic plan to mitigate the risks, which the AIDF might pose to the Diocese, given that the Diocese guarantees the AIDF. These strategies are reviewed annually and continue to be refined to reflect the complexity of operations and to meet the needs of the wider Diocese and the ever changing environment particularly with the impact of COVID-19.

Since 2016 the AIDF has focused on implementing and embedding a robust risk management framework to mitigate risks the AIDF manages on behalf of the Diocese. During 2020-21 the Board managed a number of significant changes to the regulatory framework as a result of the Banking Royal Commission, adverse environmental conditions and the outbreak of COVID-19. It is pleasing to note the AIDF clients and associates have benefited from the AIDF's capacity and response and remained committed to the AIDF and its mission throughout this turbulent period.

The AIDF Board has been working to ensure it is in a position to meet future funding requirements of the wider Diocese. In order to achieve this, the AIDF has engaged with our banking partners to consider loan facility options and how they are provided going forward.

The Board has supported initiatives to identify alternate funding sources that will be adequate for the purposes of funding the future needs of Diocesan agencies and Ministry units.

## GROWTH IN INVESTMENTS

**Ongoing: Investments at the end of 2023 were \$108.2 million (18% growth since 2022).**

During 2023, the AIDF further expanded our relationship with other Dioceses, their Diocesan funds and associated entities, along with developing relationships with our existing clients.

As a result, the AIDF total investment balances continued to grow, exceeding \$100 million during five months of 2023, after achieving this milestone for the first time in 2021. The AIDF continues to seek to grow and diversify the Investment portfolio.

## FACILITY AGREEMENTS WITH FINANCIAL INSTITUTIONS

During 2023, as a result of changes in the AIDF loan portfolio, the AIDF concluded our banking relationship with Australia and New Zealand Banking Group (ANZ), while maintaining our relationship with Westpac Banking Corporation (WBC), which ensures that AIDF continues to have access to the \$10 million WBC financial facility.





# RISK MANAGEMENT

The AIDF manages risks according to policies and procedures that emphasise the importance of compliance with regulatory standards, professionalism, maintaining high quality staff, and accountability to stakeholders.

The AIDF has a comprehensive policy schedule with identified review dates. All policies have been mapped against regulatory standards of ASIC, APRA and Standards Australia to ensure that the AIDF's policies are robust and consistent with current standards.

The AIDF's risk management framework seeks to ensure that there is an effective process in place to manage risk across the operations. Risk management is integral to all aspects of the AIDF's activities and is the responsibility of all staff. Managers have a particular responsibility to evaluate the risk environment, to put in place appropriate controls and to monitor the effectiveness of those controls. The risk management culture emphasises appropriate behaviours, analysis and management of risk in all business processes.

**Completed:** The identified policy development and schedule reviews for 2023 were completed by December 2023.

The AIDF's approach to managing risk is consistent with the Australian/New Zealand Standard for Risk Management (AS/NZS 150 31000:2009) and APRA's Prudential Standard GPS 220. The Risk Management Strategy (RMS) brings together the AIDF's policies and procedures, processes and controls that comprise its risk management and compliance systems. These systems address all material risks, financial and non-financial, which are managed by the AIDF.

The executive of the AIDF has developed, implemented and maintains a sound RMS. The Risk Committee reviews the RMS at least annually and confirms there are systems in place to ensure ongoing compliance with legislative and prudential requirements.

The Board approved Risk management policy identifies the following risk categories:

- Strategic;
- People;
- Governance;
- Reputational;
- Financial (including credit, market and liquidity risks); and
- Operational (including compliance risks).

Within each of these categories, risks are evaluated before consideration of the impact of mitigating controls. The existence and effectiveness of such mitigating controls are then evaluated to ensure that residual risks are managed within risk tolerance.

The following table outlines AIDF’s policies, procedures and scheduled reviews:

Policy	Mapped to ASIC/APRA/ other relevant standard	Board Adoption	Scheduled for Review
<b>Compliance Policy</b> † Compliance Register	✓	December 2023	December 2024
<b>Risk Management Policy</b> † Risk Management Procedures † Risk Management Framework	✓	December 2023	December 2024
<b>Early Access to Funds Policy</b>	✓	December 2023	December 2024
<b>Privacy Policy</b> † Notifiable Breaches Scheme Procedure	✓	December 2023	December 2024
<b>Prudential Policy</b> † Liquidity † Funding strategy † Contingency funding plan † Assets † Liabilities † Capital/Equity  Review & reporting	✓	December 2023	December 2024
<b>Outsourcing Policy</b>	✓	December 2023	December 2024
<b>Delegations</b> † Delegations Procedures † Delegations Schedule	✓	December 2023	December 2024
<b>Conflicts of Interest Policy</b> † Procedures for Managing Conflicts of Interest	✓	December 2023	December 2024

# 2023 FUNDED PROJECTS



## St Luke's Early Learning Community, Chapman New Early Learning Community (ELC)

During 2023, AIDF provided funding to assist with the construction and development of a new Early Learning Community (ELC) in Chapman ACT. The project is a 116 space ELC which provides an indoor area of 1,004m<sup>2</sup> and outdoor unencumbered play space of 975m<sup>2</sup>, along with 19 car spaces. The project was successfully completed in early 2024 and commenced operations in February 2024.







## The Anglican School Googong

New basketball/hard court, new play equipment,  
main school oval and associated civil works

In early 2023, AIDF provided funding to assist with the construction and development of new Outdoor Infrastructure Works for The Anglican School Googong (TASG). The project included a new basketball/hard court, new play equipment, main school oval and associated civil works. The project was successfully completed in mid-2023 and has been a significant addition to the school.



# FINANCIAL OVERVIEW

## 2023 HIGHLIGHTS

The AIDF is a key agency of the Anglican Diocese of Canberra and Goulburn (ADCG) as it provides a range of financial services, including investment products and loans to our Anglican community. It is important that the financial capacity and strength of the AIDF continues to grow and mature.

Category	31 DECEMBER 2022 \$	31 DECEMBER 2023 \$
Net Interest Revenue	3,086,397	3,056,063
Operating Revenue	3,087,147	3,099,611
Operating Expenses	1,621,220	1,542,293
Surplus	1,465,927	1,557,318
<b>Total Comprehensive Income</b>	<b>1,465,927</b>	<b>1,557,318</b>
Reserves	12,086,330	13,443,648
Investor's Funds	91,442,258	108,166,809
Financial Liabilities	22,969,159	0
Distribution to the Trustee	200,000	200,000

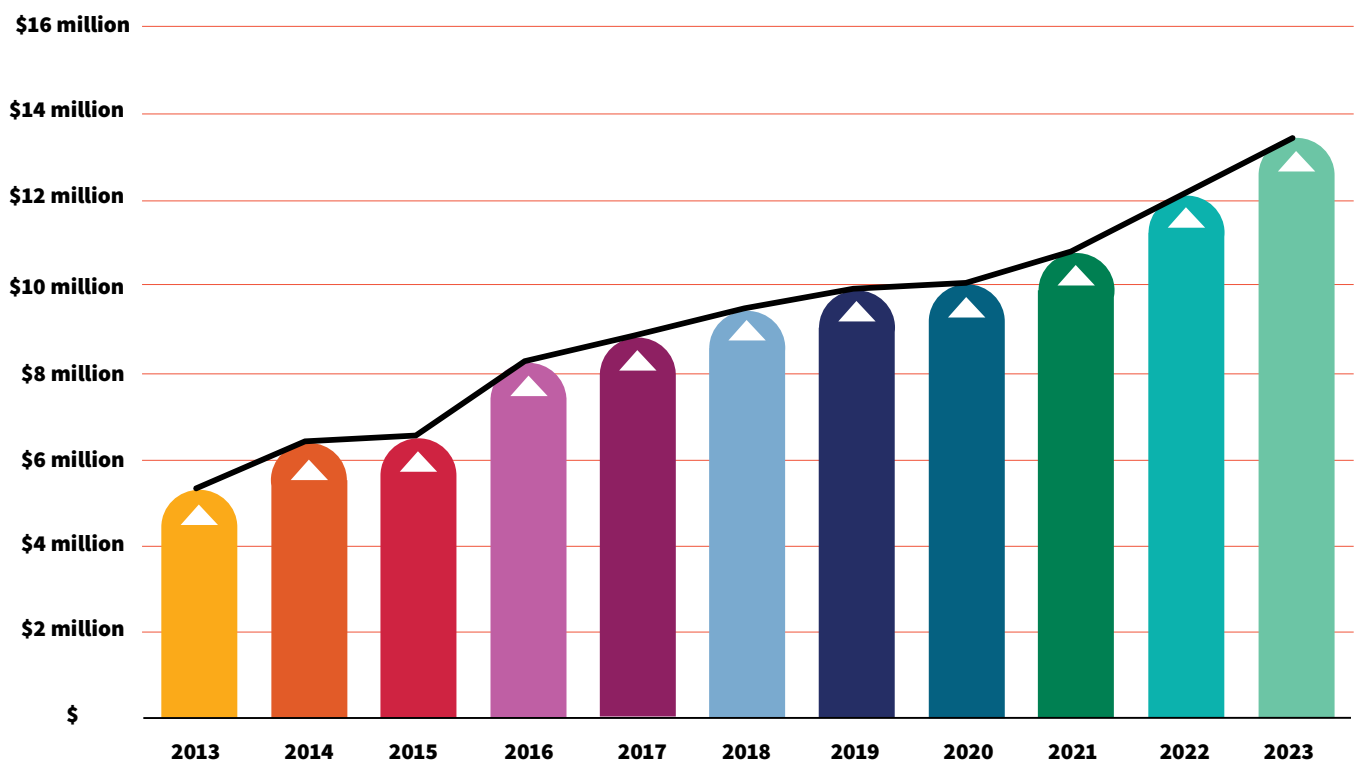
In summary the financial strength of the AIDF can be defined through:

- (1) the ongoing strong financial performance of the AIDF;
- (2) the AIDF has established and built its Reserve (Net assets) to \$13.444 million:
  - i. this represents a capital adequacy ratio of 18.96%;
- (3) the financial performance of the Diocesan agencies and schools continues to strengthen;
- (4) the external facilities of \$10 million are secured by direct mortgages on specific properties:
  - i. the total value of the mortgage security is \$24 million;
- (5) the investments of the AIDF have and continue to diversify; and
- (6) the AIDF's Ordinance states that the Fund shall be guaranteed by the Diocese.

For the 12 months to 31 December 2023, the AIDF achieved a comprehensive income surplus of \$1,557,318 and its reserves increased to \$13,443,648.

The following graph outlines the growth in reserves since 2013:

## Net Assets



## INTEREST RATES

As has been widely reported, the Reserve Bank of Australia raised the official interest target rate a number of times in 2023 primarily due to concerns regarding inflation.

The AIDF worked hard to limit the impact of rate rises on our borrowers by absorbing some of the RBA official rate increases during 2022 and 2023. In addition, the AIDF regularly increased interest rates for all of our saving and investment products in order to ensure a strong return for our investors.

AIDF rates remain commercially attractive compared to those offered within the broader banking sector. In addition, no account keeping or transaction fees apply to our savings and investments products. The AIDF Board continues to monitor RBA and market movements closely.

Current interest rates offered by the AIDF as at June 2024 are listed on the following page.



# INTEREST RATES

Effective as of 1 December 2023

<b>Account</b>	<b>Interest Rate</b>
Access Account \$0 to \$49,999	0.30%
Over \$50,000 +	0.35%
Community Online Savers	4.75% (+0.50% AIDF Donation)
Cash Management Account	
- Educational Entities	4.50%
- Other Diocesan Entities	4.25%
<b>Term Investments</b>	<b>Interest Rate</b>
3 months	4.50%
6 months	4.65%
9 months	4.85%
12 months	5.10%
18 months	5.10%
24 months	4.75%
36 months	4.00%
<b>Loan</b>	<b>Interest Rate</b>
Mortgage	5.75% variable
Personal	9.75%
Diocesan / Agency / Parish - Non-Housing Loan	7.75%
Diocesan School	7.75%
Overdraft Facility	8.50%
Master Asset Finance Facility (MAFF)	5.25%

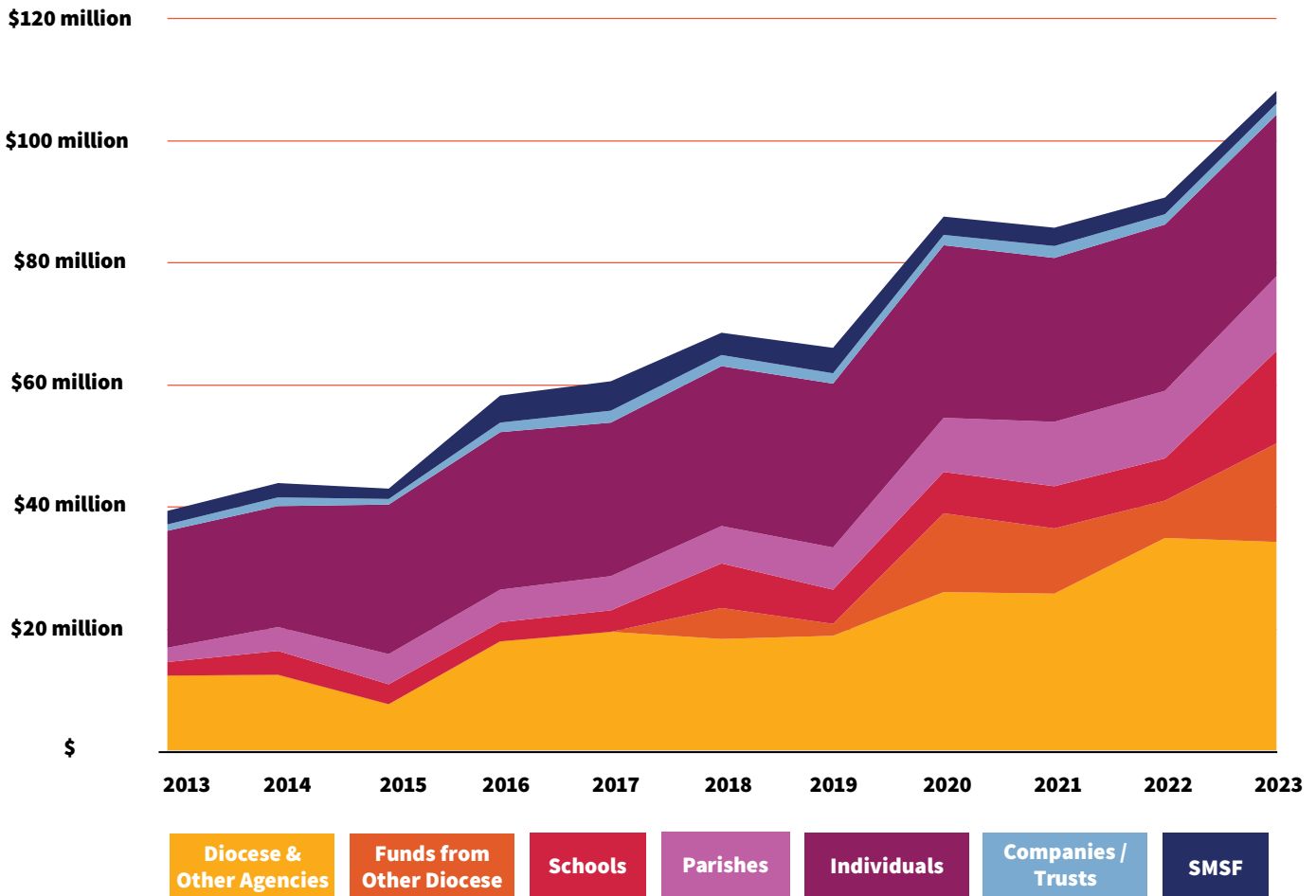
## INVESTOR BASE

During 2023 the AIDF continued its strategy of growing and diversifying its investor base. This has been achieved by continuing to build strong relationships with, and a deeper understanding of our existing associated investors and Diocesan entities, along with developing stronger relationships with other Dioceses and their investment funds. The AIDF continues to seek to grow and diversify the Investment portfolio.

A major attribute of an investment in the AIDF is that it is an ethical and secure investment in the ministries of the Diocese.

The following graph outlines the growth and diversification achieved in the investor funds since 2013:

### Investor Base



## FINANCIAL LIABILITIES

As a result of a change in bank policy regarding the way in which banks fund entities such as the AIDF, four Diocesan Schools established new relationships with Westpac, repaying their loan facilities with the AIDF.

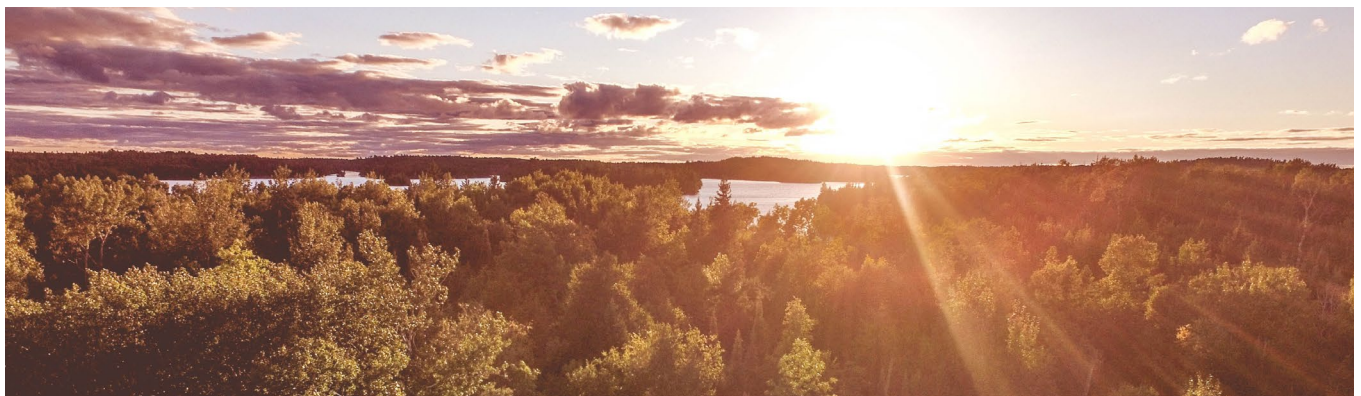
The AIDF then closed the existing ANZ facility, while retaining the existing Westpac \$10 million facility.

The AIDF draws on this facility to the extent necessary to maintain its liquidity requirements and meet its obligations.

As at 31 December 2023, the AIDF's financial facility is as follows:

- \$10 million - Westpac Banking Corporation (WBC) - 3 years (2026).

The following infograph outlines the reduction in drawing on external facilities:





## LOAN PORTFOLIO

AIDF’s loan portfolio undertook a significant restructure during 2023. As a result of a change in bank policy regarding the way in which banks fund entities such as the AIDF, four Diocesan Schools established new relationships with Westpac, repaying their loan facilities with the AIDF.

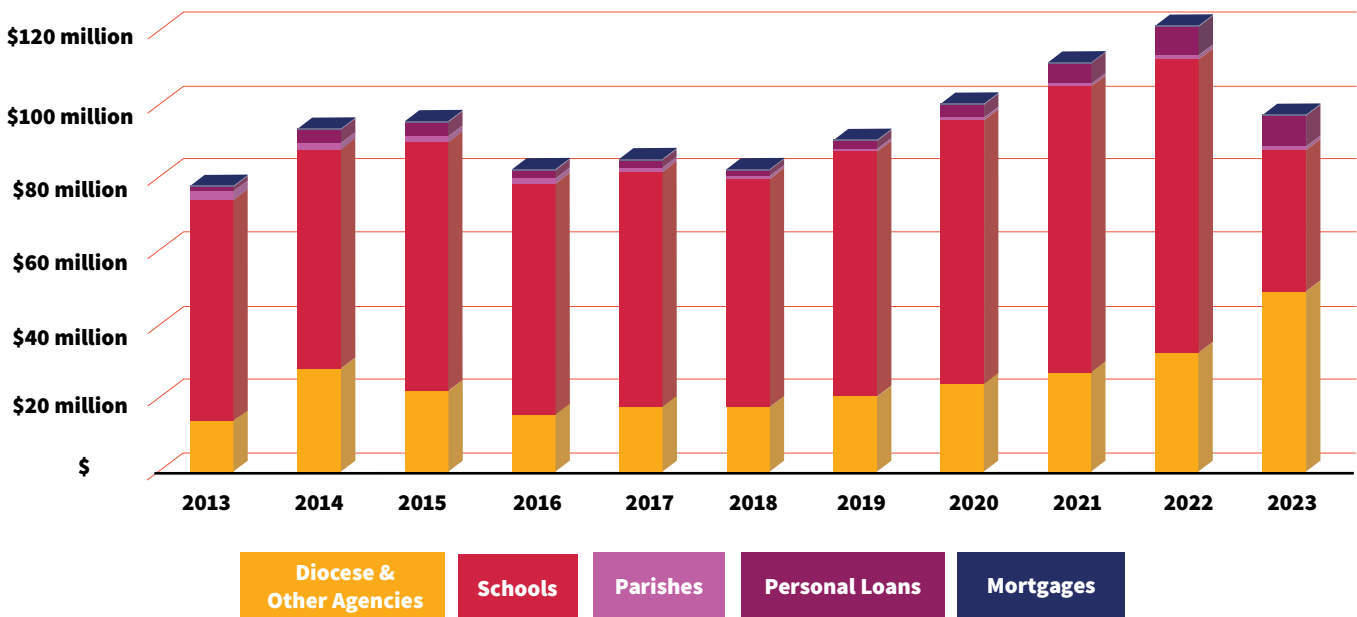
This initially reduced the AIDF loan portfolio significantly, however it also provided AIDF with the capacity to fund various other loan requirements including Diocesan projects, Parish projects and the ICT rollout, funded through the Master Asset Finance Facility (MAFF).

Overall, this resulted in a 20% decrease in the AIDF Loan Portfolio in 2023.

All loan applications are approved by the Board after a comprehensive review of the application. In addition to the application process, the AIDF regularly reviews the loan portfolio and the financial performance of Agencies/Schools and individual borrowers.

The review process includes obtaining and reviewing the supporting information, which includes:

- a) review of the audited financial statements each year to assess the financial position;
- b) review the board approved budget (including cash flows) and existing projections;
- c) review any changes to government policies; and
- d) assessing relevant external economic indicators.



### Master Asset Finance Facility (MAFF)

The AIDF introduced a Master Asset Finance Facility (MAFF) with ADS. The facility is designed to allow the ADS to assist with the acquisition of products which support the day-to-day operations of Anglican Schools and Diocesan Agencies financing, IT hardware, software and motor vehicles.

The facility has an overarching limit of \$14.4 million, within which the ADS may establish various individual loans to assist in the purchase of assets or products. The total balance owing against the combined individual loans at any one time cannot exceed the overarching facility limit, and the maximum term of each loan is set commensurate with the life of the asset or product being purchased.

# STATUTORY COMPLIANCE

## ACNC

The AIDF is a registered charity and complies with its obligations under the Australian Charities & Not-for-Profits Commission legislation.

## APRA & ASIC

Australian Prudential Regulation Authority (APRA) and Australian Securities & Investments Commission (ASIC) reviewed the exemptions from the Banking Act 1959 and the Corporations Act 2001 respectively in relation to charitable investment funds. New exemptions were issued by each entity, both of which are effective from 1 January 2017.

The comparison table to the right on page 31, shows the conditions on which the exemptions are given.



## IDENTIFICATION STATEMENT

The Identification Statement required by ASIC was lodged on 2 February 2017 and accepted by ASIC on 24 February 2017.

Because of the different conditions attached to the APRA and ASIC exemptions, the AIDF is complying with the condition which imposes the stricter requirement. For example, the APRA exemption allows the issue of retail products to non-affiliated retail investors provided the product has a minimum term or call period of 31 days. On the other hand, the ASIC exemption does not allow the issue of investment products to retail non-associated clients unless ASIC has agreed that the Fund can operate either with an Australian Financial Services Licence (AFSL) or with another appropriate arrangement. The AIDF is complying with the ASIC requirement and is not issuing any investment products to retail non-associated clients without obtaining an AFSL.

One of the risk mitigation strategies identified by the AIDF Board is to grow the AIDF's investor base to reduce the AIDF's reliance on debt funding. To achieve this objective, the Board endorsed a marketing strategy aimed at increasing investments from sophisticated investors and particularly with Agencies associated with the Anglican Diocese of Canberra and Goulburn. Even with the refinancing of some of the Diocesan Schools to another provider, AIDF has managed to retain investments from these Schools as a mark of the support for the AIDF and the services it provides.

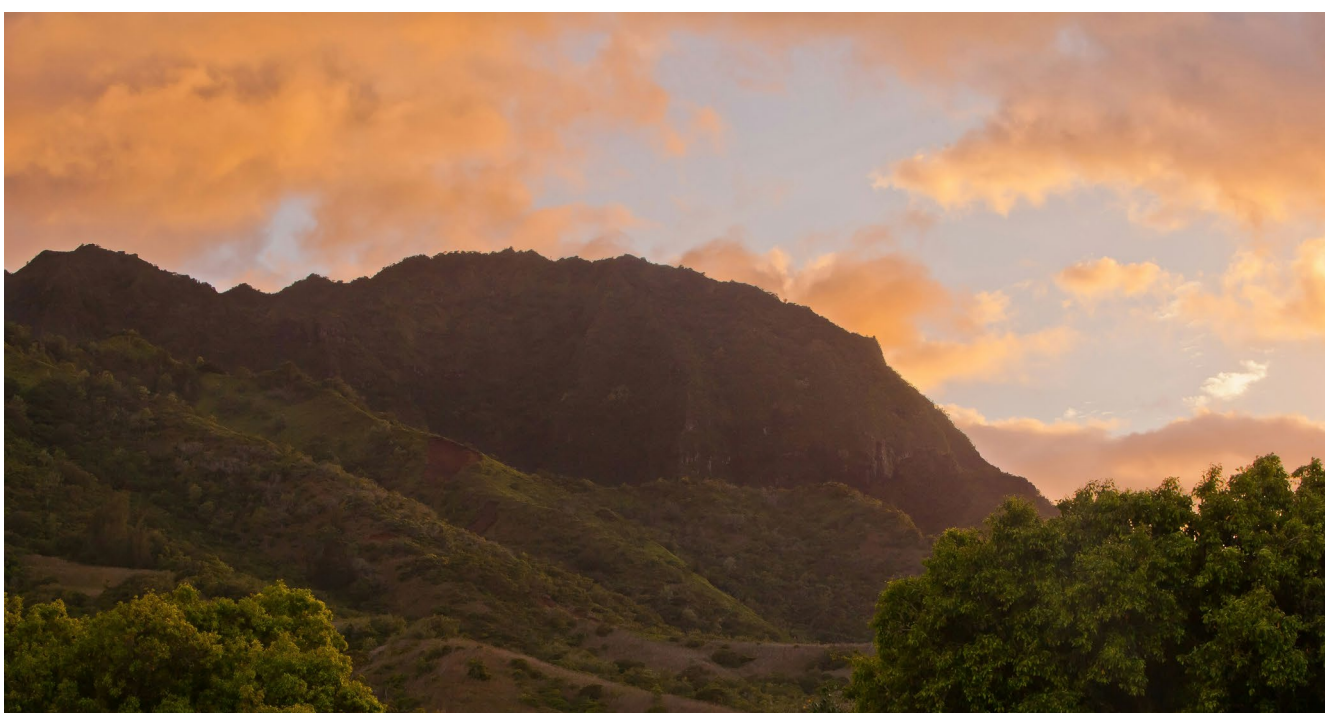
APRA Banking Exemption No 1 of 2016	ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813
From 1 January 2017 any retail product issued to a non-affiliated retail investor must have a minimum term or call period of 31 days.	Unless the charitable investment fundraiser (CIF) obtains an Australian financial services licence, it must not offer investment products to retail non-associated clients after 31 December 2016
Funds have until 1 January 2018 to convert retail products issued to non-affiliated retail investors before 1 January 2017 to term or notice accounts.	From 1 January 2018 no CIF (whether wholesale or retail) may have investment products issued to retail non-associated clients with less than a 31 day term.
Except in exceptional circumstances which may lead to hardship, non-affiliated retail investors must not be able to redeem any funds for 31 days from the date of the investment.	The hardship provisions apply to individual investors who are retail non-associated clients.
Funds must have written procedures setting out the basis upon which the fund will determine such exceptional circumstances.	
Non-affiliated retail investors must not be offered cheque account or BPAY facilities.	
Funds must not offer EFTPOS or ATM facilities to any investors.	
The expressions “deposit” or “at call” or any derivatives may not be used in relation to retail products sold to a non-affiliated retail investor.	Retail CIFs may not use the expressions “deposit” or “at call” or any derivatives.
	All retail clients must be advised, inter alia, that the investment is not subject to the usual legal protections or regulated by ASIC.
<p>Marketing material must contain, at a minimum, the following disclosure:</p> <p>The Fund is not prudentially supervised by APRA. Therefore, an investor in the Fund will not receive the benefit of the financial claims scheme or the depositor protection provisions in the Banking Act 1959. Investments in the Fund are intended to be a means for investors to support the charitable purposes of the Fund.</p>	<p>Offer documents and promotional material directed to retail clients must contain a prominent statement that the CIF is required by law to notify investors that:</p> <ul style="list-style-type: none"> <li>the investment is only intended to attract investors whose primary purposes is to support the charitable purpose;</li> <li>investors may be unable to get some or all their money back;</li> <li>the investment is not comparable to investments with banks, financial companies or fund managements.</li> </ul> <p>Investors who are retail non-associated clients must sign a statement to the effect that they understand the disclosures.</p>
	An identification statement must be lodged and accepted by ASIC by 28 February 2017.
	Breach reporting conditions apply.



## DEFINITIONS

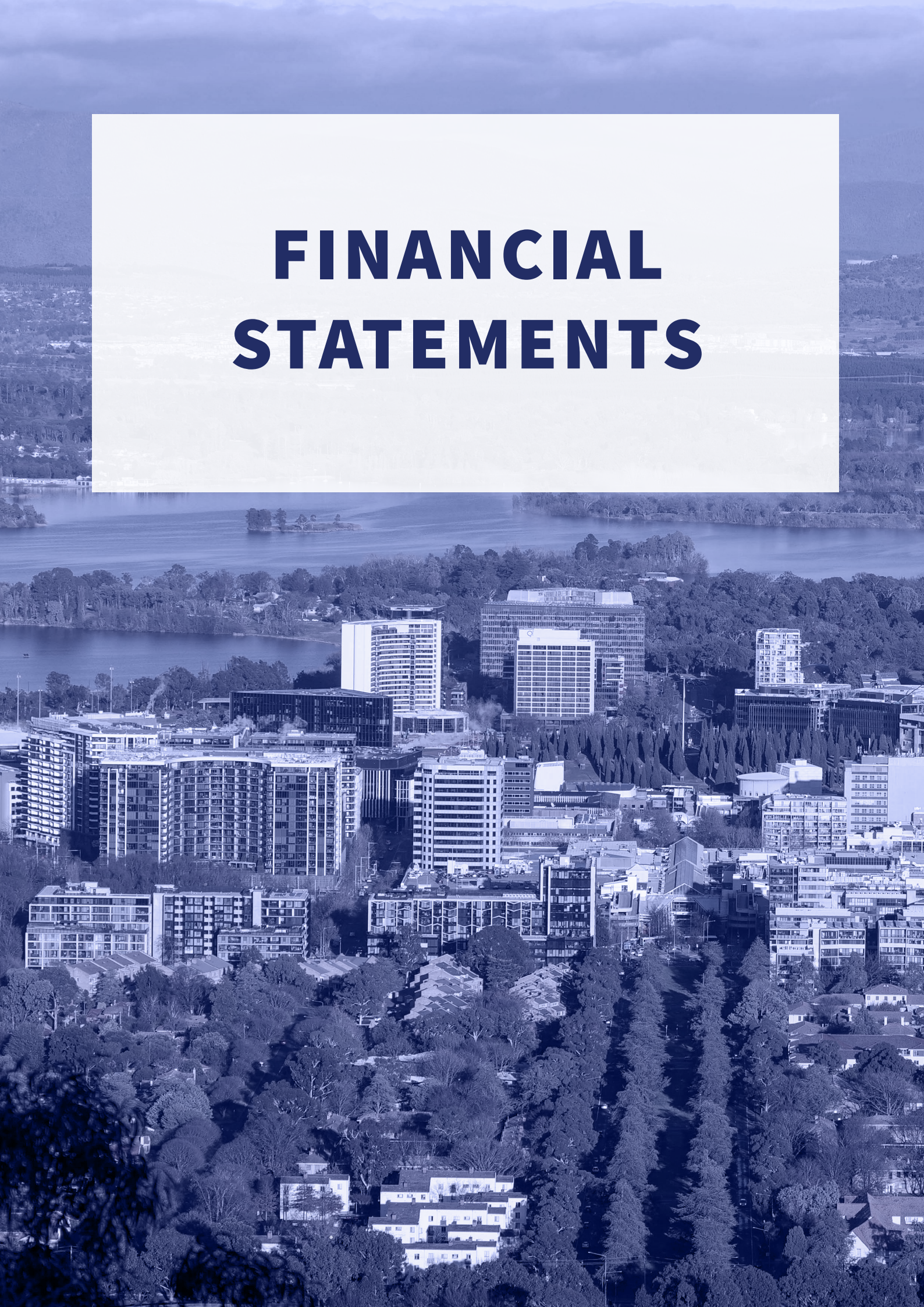
The following are the definitions used by APRA and ASIC for affiliates and associates respectively:

APRA - Affiliate	ASIC - Associate
A body constituted by or under the authority of a decision of the central governing body of a related religious organisation	A body constituted by or under the authority of a decision of the charity or which is controlled by the charity
A body in relation to which the central governing body of a related religious organisation is empowered to make ordinances or other binding rules	A person or body that constituted the charity or under whose authority the charity was constituted or that controls the charity
A body that is of the same religious denomination	A charity with a related charitable purpose
A person acting as a trustee of a trust for or for the use, benefits or purposes of a related religious organisation	A person acting as a trustee of a trust for the charity or a charity with a related charitable purpose
An employee or voluntary staff member of a body mentioned above A member of the clergy within a related religious organisation	A member of the clergy, employee or voluntary staff member who works for a body mentioned above
A person undertaking training or education for the purposes of becoming a member of the clergy within a related religious organisation	A person undertaking training or education to enable them to be a member of the clergy, employee or voluntary staff member who received receives money or money's worth from a body mentioned above





# **FINANCIAL STATEMENTS**





Anglican Investment and Development Fund

ABN: 71 007 807 415

General Purpose Simplified Disclosures (SDS)

Financial Report

For the year ended 31 December 2023



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## Statement of comprehensive income

For the year ended 31 December 2023

	Notes	2023 \$	2022 \$
<b>Revenue</b>			
<b>Operating activities</b>			
Finance income	4.a	7,859,204	5,210,918
Finance cost	4.b	(4,803,141)	(2,124,521)
<b>Net finance income</b>		3,056,063	3,086,397
Other income	4.c	43,548	750
<b>Operating surplus</b>		3,099,611	3,087,147
Amortisation of borrowing costs		(30,841)	(73,174)
Employee benefits expense	4.e	(388,370)	(364,082)
Operating expenses	4.d	(1,123,082)	(1,183,964)
<b>Surplus for the year</b>		1,557,318	1,465,927
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		1,557,318	1,465,927

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

## Statement of financial position

As at 31 December 2023

	Note	2023 \$	2022 \$
<b>Assets</b>			
Cash and short-term deposits	5	11,588,631	5,489,793
Other receivables	6	150,278	138,754
Loans and advances	7	96,470,718	120,992,049
Financial assets at fair value through profit or loss	7	13,529,175	-
Plant, equipment and software		27,317	36,564
Right-of-use assets		88,715	133,073
<b>Total assets</b>		<b>121,854,834</b>	<b>126,790,233</b>
<b>Liabilities and equity</b>			
Trade and other payables		33,425	32,185
Investor funds	8	108,166,809	91,442,258
Other financial liabilities	7	-	22,969,159
Lease liabilities		105,685	157,383
Employee benefit liabilities		105,267	102,918
<b>Total liabilities</b>		<b>108,411,186</b>	<b>114,703,903</b>
<b>Equity</b>			
General reserve		13,443,648	12,086,330
<b>Total equity</b>		<b>13,443,648</b>	<b>12,086,330</b>
<b>Total equity and liabilities</b>		<b>121,854,834</b>	<b>126,790,233</b>

The above statement of financial position should be read in conjunction with the accompanying notes.



## Statement of changes in equity

For the year ended 31 December 2023

	Retained earnings \$	General reserve \$	Total equity \$
At 1 January 2023	-	12,086,330	12,086,330
Surplus for the year	1,557,318	-	1,557,318
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>1,557,318</b>	<b>-</b>	<b>1,557,318</b>
Distribution to the Trustee	(200,000)	-	(200,000)
Transfer from retained earnings to general reserve	(1,357,318)	1,357,318	-
<b>At 31 December 2023</b>	<b>-</b>	<b>13,443,648</b>	<b>13,443,648</b>
At 1 January 2022	-	10,820,403	10,820,403
Surplus for the year	1,465,927	-	1,465,927
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>1,465,927</b>	<b>-</b>	<b>1,465,927</b>
Distribution to the Trustee	(200,000)	-	(200,000)
Transfer from retained earnings to general reserve	(1,265,927)	1,265,927	-
<b>At 31 December 2022</b>	<b>-</b>	<b>12,086,330</b>	<b>12,086,330</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

## Statement of cash flows

For the year ended 31 December 2023

	Note	2023	2022
		\$	\$
<b>Operating activities</b>			
Interest received from financial assets		894,391	40,082
Interest received from loans and other receipts		6,771,791	5,126,022
Interest paid to investors and borrowings		(4,800,878)	(2,124,521)
Payments to suppliers and employees		(1,231,475)	(1,697,450)
Increase/(decrease) in loans and advances		24,521,331	(9,693,969)
Net (payments)/drawings of borrowings from bank facilities		(23,000,000)	5,000,000
Increase in investor funds		16,724,551	5,628,940
Proceeds from sale of financial assets at fair value through profit or loss		6,000,000	-
Payments for financial assets at fair value through profit or loss		(19,529,175)	-
<b>Net cash flows from operating activities</b>		<b>6,350,536</b>	<b>2,279,104</b>
<b>Investing activities</b>			
Purchase of plant, equipment and software		-	(5,304)
Distribution to the Trustee		(200,000)	(200,000)
<b>Net cash flows used in investing activities</b>		<b>(200,000)</b>	<b>(205,304)</b>
<b>Financing activities</b>			
Payment of principal portion of lease liabilities		(51,698)	(55,652)
<b>Net cash flows used in financing activities</b>		<b>(51,698)</b>	<b>(55,652)</b>
<b>Net increase in cash and short-term deposits</b>		6,098,838	2,018,148
Cash and cash equivalents at 1 January		5,489,793	3,471,645
<b>Cash and cash equivalents at 31 December</b>	5	<b>11,588,631</b>	<b>5,489,793</b>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

# Notes to the financial statements

For the year ended 31 December 2023

## 1. Fund information

The financial report of Anglican Investment and Development Fund (the "Fund" or "AIDF"), a not-for-profit entity, for the year ended 31 December 2023 was authorised for issue in accordance with a resolution of the directors on 14/05/2024.

The Fund is an unincorporated body established under the *Anglican Development Fund (Diocese of Canberra and Goulburn) Ordinance 1971* (the "Ordinance"). The Anglican Church Property Trust Diocese of Canberra and Goulburn is the trustee of the Fund (the "Trustee").

Under Section 9 of the Ordinance, the Fund is required to maintain a reserve fund which will be available towards meeting any losses incurred by the Board in its operation of the Fund and in meeting any liability of the Trustee under its guarantee of the Fund. The Diocese of Canberra and Goulburn guarantees investor funds, loans and advances held by the Fund respectively (Notes 7 and 8).

The principal activities of the Fund are to receive funds from investors and to invest those funds in loans.

An investment in the Fund is designed for those people who are associates of the Diocese of Canberra and Goulburn and wish to promote the activities of the Anglican community and for whom the consideration of profit is not of primary relevance in their investment decision. A definition of associates can be found on the AIDF website ([aidf.com.au](http://aidf.com.au)). Investors should be aware of the information below:

- a. The Fund, which is an income tax exempt charity, is not required to have a prospectus and trust deed under the Corporations Law pursuant to an exemption granted by the Australian Securities and Investment Commission (ASIC). The Fund is required to lodge annual audited financial statements with ASIC but these have not been reviewed or approved by ASIC based on this requirement.
- b. APRA has granted an exemption from the *Banking Act 1959* to religious charitable development funds (RCDF) and the Fund has the benefit of that exemption.

The Fund is compliant with all requirements under the above ASIC and APRA banking exemptions outlined in 1(a) and 1(b).

The principal place of business of the Fund is Level 3, 221 London Circuit Civic, ACT 2601.

## 2. Accounting policies

### a. Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Australian Accounting Standards - Simplified Disclosures* and other authoritative pronouncements of the Australian Accounting Standards Board and the *Australian Charities and Not-for-Profits Commission Act 2012*. The Fund is a not-for-profit, private sector entity which is not publicly accountable.

The financial report has been prepared on an accruals basis of accounting and the historical cost basis, except for financial assets measured at fair value through the statement of comprehensive income. The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

The financial report is presented in Australian dollars (\$).

### b. Changes in accounting policies and disclosures

#### New and amended standards and interpretations

The new and amended Australian Accounting Standards and Interpretations that apply for the first time in 2023 do not materially impact the financial statements of the Fund.

#### Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Fund for the annual reporting year ended 31 December 2023. The Fund intends to adopt the new or amended standards or interpretations when they become effective.



## Notes to the financial statements

For the year ended 31 December 2023

### 2. Accounting policies (continued)

#### c. Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Directors are of the opinion that the use of the going concern basis of accounting is appropriate as:

- The Fund is guaranteed by the Diocese of Canberra and Goulburn, who have agreed to provide continuing financial support to AIDF where required from the issuance date of these financial statements;
- At reporting date being 31 December 2023, the Fund had one financing facility in place with Westpac which provides for a total of \$10m with terms ending 31 March 2026 and undrawn at report date.
- The financial position as at reporting date and cash flow forecasts for the next twelve months show that the Fund will be able to meet its debts as and when they fall due and payable;
- The current regulatory environment is expected to remain in place for the foreseeable future whereby the Fund operates under the Banking exemption No. 1 of 2017 issued by the Australian Prudential Regulation Authority.

#### d. Cash and short-term deposits

Cash and short-term deposits include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### e. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### i. Financial assets

###### *Initial recognition and measurement*

Financial assets of the Fund are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Fund's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient, the Fund initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Fund's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

###### *Subsequent measurement*

###### **Financial assets at amortised cost (debt instruments)**

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Fund's financial assets at amortised cost includes trade and other receivables and loans and advances.

###### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

## Notes to the financial statements

For the year ended 31 December 2023

### 2. Accounting policies (continued)

#### e. Financial instruments (continued)

##### i. Financial assets (continued)

This category includes debt instruments which the Group had not irrevocably elected to classify at fair value through OCI.

##### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

##### **Impairment**

Further disclosures relating to impairment of assets are provided in Note 3 - Allowance for expected credit loss (ECL).

The Fund applies the simplified approach to providing for expected credit losses on loans and advances prescribed by AASB 9 *Financial Instruments: recognition and measurement*, which permits the use of the lifetime expected loss provision for all trade receivables. The expected credit loss on loans and advances at report date is \$nil (2022: Nil) given the nature of the receivables which is described above.

The Fund recognises an allowance for ECLs for all loans and advances by applying a probability of default (PD). At the end of each reporting period, an assessment is made whether there is objective evidence to indicate a change in the PD. Subsequent changes in the allowance for the ECLs are recognised in the statement comprehensive income.

##### ii. Financial liabilities

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Fund's financial liabilities include trade payables, investor funds and Bank Bill Facility.

##### **Subsequent measurement**

Financial liabilities are measured subsequently at amortised cost using the EIR method, except for:

- a. financial liabilities at fair value. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value;
- b. financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

##### **Trade and other payables**

Trade payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Fund prior to the end of the financial period that are unpaid and arise when the Fund becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

## Notes to the financial statements

For the year ended 31 December 2023

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### 2. Accounting policies (continued)

#### e. Financial instruments (continued)

##### ii. Financial liabilities (continued)

###### **Investor funds**

Interest on investor funds is accrued on a daily basis and for call accounts is credited to accounts on 31 March and 30 September. Interest on term investments are paid in terms of arrangements with customers. Unpaid interest on term investments which has accrued in the financial period has been treated as an interest cost for the period and the ongoing accrued liability recognised in the statement of financial position. Investor funds are guaranteed by the Diocese of Canberra & Goulburn.

###### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

#### f. Employee benefit liabilities

##### **Wages and salaries**

Liabilities for wages and salaries, including non-monetary benefits, which are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled in respect of services provided by employees up to the reporting date.

##### **Long service leave and annual leave**

The Fund does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Fund recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

#### g. Reserves

##### **General reserve**

The general reserve records amounts set aside from retained earnings. All retained earnings at 31 December are transferred to the general reserve.

#### h. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised.

##### **Finance income**

Interest income is recognised as interest accrues using the EIR method. This is a method of calculating the amortised cost of a financial asset and allocation the interest income over the relevant period using the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

#### i. Other income

Donations are recognised when received.

Other revenue is recognised when the right to receive payment is established.



## Notes to the financial statements

For the year ended 31 December 2023

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### **2. Accounting policies (continued)**

#### **i. Other income (continued)**

All revenue is stated net of the amount of GST.

#### **j. Income tax**

The Fund is a tax exempt body under S50-5 of the *Income Tax Assessment Act 1997*.

#### **i. Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of the GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### **k. Comparatives**

Where necessary, comparative figures have been reclassified to conform with the changes in presentation in the current year.

## Notes to the financial statements

For the year ended 31 December 2023

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### 3. Significant accounting judgements, estimates and assumptions

In the application of the Fund's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

#### ***Estimates and assumptions***

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### ***Allowance for expected credit loss***

The AIDF has recognised an allowance for ECL in relation to its loans and advances (Note 7) in accordance with the requirements of AASB 9.

The model adopted includes an annual review of the supporting information that is relevant and available to it to assess the financial ability of each entity or individual to service its debt. This includes quantitative and qualitative information including appropriate budgets and projections into the future. Based on this analysis a PD was determined. Management has applied PD percentages to the total loan balances at report date to calculate an ECL commensurate with this low PD assessment.

At report date there has been no indication of a change in credit risk and the PD has not changed.

The directors do not believe that there were any other key estimates or key judgments used in the development of the financial statements that give rise to a significant risk of material adjustment in the future.

## Notes to the financial statements

For the year ended 31 December 2023

### 4. Revenue and expenses

#### a. Finance income

	2023	2022
	\$	\$
Interest income - term deposits	894,391	40,082
Interest income - loans and advances	6,964,813	5,170,836
	<u>7,859,204</u>	<u>5,210,918</u>

#### b. Finance costs

	2023	2022
	\$	\$
Interest expense - investors	3,506,664	1,144,085
Interest expense - the Trustee on reserves	509,453	282,175
Interest expense - borrowings	781,122	690,561
Interest expense - leases	5,902	7,700
	<u>4,803,141</u>	<u>2,124,521</u>

#### c. Other income

	2023	2022
	\$	\$
Sundry income	43,548	750

#### d. Operating expenses

	Notes	2023	2022
		\$	\$
Administrative expenses		202,882	182,300
ADS service level agreement fees*		500,000	470,000
Audit and accounting		45,928	53,123
Banking and office systems cost		139,169	123,462
Depreciation of plant and equipment		9,247	9,245
Depreciation of right-of-use asset		44,358	44,358
Expected credit losses		181,498	300,000
Interest rate cap movement		-	1,476
		<u>1,123,082</u>	<u>1,183,964</u>

\* Anglican Diocesan Services (ADS) is a related entity which provides corporate support services to the AIDF.

#### e. Employee benefits expense

	2023	2022
	\$	\$
Wages and salaries	369,695	354,867
Other employee benefits	18,675	9,215
	<u>388,370</u>	<u>364,082</u>

## Notes to the financial statements

For the year ended 31 December 2023

**5. Cash and short-term deposits**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	10,248	3,650
Cash at bank	10,921,510	5,037,143
Short-term deposits	656,873	449,000
	<b>11,588,631</b>	<b>5,489,793</b>

**6. Other receivables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Other receivables	148,049	136,563
GST receivable	2,229	2,191
	<b>150,278</b>	<b>138,754</b>

There are no amounts within receivables that are impaired or past due. It is expected that funds will be received when due.

**7. Financial assets and liabilities****Financial assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets measured at fair value through profit or loss</b>		
Debt instruments	13,529,175	-

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>Financial assets measured at amortised cost</b>			
Cash and short-term deposits	5	11,588,631	5,489,793
Other receivables	6	150,278	138,754
Loans and advances		96,470,718	120,992,049
		<b>108,209,627</b>	<b>126,620,596</b>

Debt instruments at fair value through profit or loss include bonds held for trading purposes.



## Notes to the financial statements

For the year ended 31 December 2023

### 7. Financial assets and liabilities (continued)

Presented below is the composition of loans and advances:

	2023	2022
	\$	\$
<b>At amortised cost:</b>		
Loans to schools	38,473,305	80,157,142
Loans to the Trustee and other Diocesan entities	49,192,626	32,338,004
Personal loans (unsecured)	17,953	3,646
Mortgage loans	8,336,204	7,806,525
Advances to parishes	1,103,481	1,158,085
	<u>97,123,569</u>	<u>121,463,402</u>
Less: Allowance for expected credit losses	652,851	471,353
	<u>96,470,718</u>	<u>120,992,049</u>

At the reporting date no loans were considered impaired. An allowance for ECLs has been recorded in accordance with AASB 9 (Note 3). Loans to parishes, schools and other diocesan entities are guaranteed by the Trustee.

Interest on loan accounts is accrued on a daily basis and charged to accounts at the end of each month. Interest rates are generally variable in nature and set regularly by the Fund Board. In general school interest rates are fixed for 6 month periods. Loans to parishes, schools and other Diocesan entities are guaranteed by the Diocese of Canberra & Goulburn.

The purpose of the Fund (Note 9.a) gives rise to related party transactions, the most significant being loans to schools, the Trustee and other Diocesan entities as detailed above.

	2023	2022
	\$	\$
Loans approved but not advanced as at 31 December	31,206,551	79,470,432

#### Financial liabilities

	Note	2023	2022
		\$	\$
<b>Financial liabilities measured at amortised cost</b>			
Other financial liabilities		-	22,969,159
Trade and other payables		33,425	32,185
Investor funds	8	108,166,809	91,442,258
Lease liabilities		105,685	157,383
		<u>108,305,919</u>	<u>114,600,985</u>

Other financial liabilities consist of:

		2023	2022
	Maturity	\$	\$
<b>Secured</b>			
Bank Bill Facilities	30 June 2023	-	23,000,000
Capitalised transaction costs		-	(30,841)
		<u>-</u>	<u>22,969,159</u>

## Notes to the financial statements

For the year ended 31 December 2023

### 7. Financial assets and liabilities (continued)

	2023	2022
	\$	\$
Balance at 1 January	22,969,159	17,905,985
Principal drawn	-	5,000,000
Movement in capitalised transaction costs	-	63,174
Repayments	(22,969,159)	-
<b>Balance at 31 December</b>	<b>-</b>	<b>22,969,159</b>

The Fund had at the end of the year one cash advance bank facilities with a total limit of \$10,000,000 as follows:

Bank	Term	Limit	Drawn	Undrawn
		\$	\$	\$
Westpac	3 years maturing 31/03/26	10,000,000	-	10,000,000

Principal is not required to be paid until maturity and the loan is at a variable interest rate.

### 8. Investor funds

	2023	2022
	\$	\$
Call and notice accounts	8,124,989	7,635,755
Cheque accounts	164,052	1,319,794
Term investments	35,157,155	36,099,888
Cash management accounts	64,720,613	46,386,821
	<b>108,166,809</b>	<b>91,442,258</b>

### 9. Related party disclosures

#### a. Purpose of the Fund

The purpose of the Fund is to provide a means for the Diocese, Diocesan agencies and Ministry units to finance developments that promote, support and expand the mission of the Diocese. The Fund also provides an opportunity to support the mission of the Diocese by investing with the Fund. These purposes set out in the Ordinance in section 3.2 give rise to related party transactions, the most significant being loans to Schools, the Trustee and other Diocesan entities as detailed in Note 7.

#### b. The Trustee

The Anglican Church Property Trust Diocese of Canberra and Goulburn is the Trustee of the Fund.

Under Part 9 of the Ordinance, the Fund is required to maintain a reserve fund which will be available towards meeting any losses incurred by the Board in its operation of the Fund and in meeting any liability of the Trustee under its guarantee of the Fund. The Diocese of Canberra and Goulburn guarantees the investors' funds and loan and advances held by the Fund (Note 7 and 11).

## Notes to the financial statements

For the year ended 31 December 2023

### 9. Related party disclosures (continued)

#### b. The Trustee (continued)

The value of investments held on behalf of the Trustee and the value of the loans to the Trustee as at reporting date are as follows:

	2023	2022
	\$	\$
Investments	10,206,059	7,196,258
Loans to the Trustee	11,841,002	9,059,386

Investments lodged in the Fund by the Trustee and loans to the Trustee are transacted on terms equivalent to those that prevail in an arm's length transactions.

#### c. Employees

At 31 December 2023 there were 3 (2022: 3) employees of the Fund. Any employee's accounts with the Fund are conducted on terms equivalent to those that prevail in an arm's length transaction.

#### d. Directors

The Directors of the Fund during the reporting year were:

Lorraine Jeanette Lenthall	Retired Financial Industry Professional
Mark Glover	Retired Financial Industry Professional
Nicholas Symons	Retired Solicitor
Timothy Randall McGhie	Economist
Eugene Kalenjuk	Chartered Accountant
Gudrun Stylianous	Business Owner

#### Loans due from Directors

On 26 June 2023, the Fund issued a loan to a director amounting to \$200,000 (2022: \$nil). The loan is made on terms equivalent to those that prevail in an arm's length transaction. Outstanding balances at the year-end are secured, interest-bearing and settlement occurs in cash. The loan is charged a variable interest rate, which was 7.75% as at 31 December 2023 and matures on 26 June 2038.

The Directors receive no remuneration and any accounts with the Fund are conducted on normal commercial terms (2022: \$nil).

#### e. Key management personnel

In relation to AASB124 - *Related Party Disclosures*, the Board has determined that key management personnel are the Directors and the positions of the Chief Executive Officer, Chief Finance Officer, and the Director of Risk and Compliance. These positions are provided to the Fund under a Service Level Agreement with Anglican Diocesan Services and so are not paid directly by the Fund. Compensation of key management personnel of the Fund as at 31 December 2023 is therefore \$nil (2022: \$nil).

## Notes to the financial statements

For the year ended 31 December 2023

### 10. Commitments and contingencies

#### Commitments

AIDF has lease contracts for office lease rentals for 6 years with an unrelated entity. The rental agreement is due to expire in December 2025.

Presented below is a maturity analysis of undiscounted future lease payments:

	2023	2022
	\$	\$
Within one year	57,600	55,682
More than one year but not more than five years	121,319	178,919
	<u>178,919</u>	<u>234,601</u>

There are no other commitments as at the reporting date which would have a material effect on the Fund's financial statements as at 31 December 2023 (2022: \$nil).

#### Contingencies

There are no contingent assets or contingent liabilities as at the reporting date which would have a material effect on the Fund's financial statements as at 31 December 2023 (2022: \$nil).

### 11. Events after the reporting date

There have been no significant events occurring after the reporting period which may affect either the Fund's operations or results of those operations or the Fund's state of affairs.

### 12. Auditor's remuneration

The auditor of Anglican Investment and Development Fund is Ernst & Young (Australia).

	2023	2022
	\$	\$
<b>Amounts received or due and receivable by Ernst &amp; Young (Australia) for:</b>		
An audit of the financial report	40,560	49,715
Non-audit services	8,000	-
	<u>48,560</u>	<u>49,715</u>



## Directors' declaration

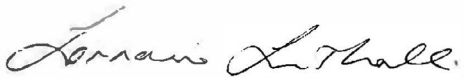
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In accordance with a resolution of directors the of Anglican Investment and Development Fund, I state that:

In the opinion of the directors:

- a. the financial statements and notes of Anglican Investment and Development Fund (the "Fund")for the financial year ended 31 December 2023:
  - i. giving a true and fair view of the Fund's financial position as at 31 December 2023 and its performance for the year ended on that date;
  - ii. complying with *Australian Accounting Standards - Simplified Disclosures* and the Fund's Ordinance and satisfy the requirements of the *Australian Charities and Not-for-Profit Commission Act 2012*; and;
- b. there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

On behalf of the Board.



Lorraine Jeanette Lenthall  
Chair, Board of Management

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working world**

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## **Independent Auditor's Report to the members of Anglican Investment and Development Fund**

### **Opinion**

We have audited the financial report of Anglican Investment and Development Fund (the Fund), which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Fund is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a. Giving a true and fair view of the Anglican Investment and Development Fund's financial position as at 31 December 2023 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*.

### **Basis for opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of Anglican Investment and Development Fund, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of the directors for the financial report**

The directors of the Fund are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Ernst &amp; Young".

Ernst & Young

A handwritten signature in black ink that reads "Ben Tansley".

Ben Tansley  
Partner  
Canberra  
15 May 2024





Anglican Investment & Development Fund

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