

# Glebe Administration Board

ANNUAL REPORT 2019





## Our Purpose

To advance the purposes of the Anglican Church of Australia in the Diocese by managing and controlling the property of the Diocesan Endowment in accordance with the terms of the trusts on which that property is held, and by managing and controlling other property of which we are trustee from time to time.

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# 2019 Highlights

## **DIOCESAN ENDOWMENT**

- A solid year of investment market returns. A distribution of \$2.804 million was paid to the Synod for spending in 2019.
- Completed the 3rd and final stage of the restructuring of the investments to become more like a perpetual endowment.

(Please also refer to subsequent events section on page 15 for 2020 update on investment performance.)

## **DIOCESAN CASH INVESTMENT FUND**

- Total funds under management as at 31 December 2019 of \$116.9 million.
- Net income yield for the 12 months ending 31 December 2019 was 1.46% against a benchmark of 1.23%.



# Chair's Report

**It is my privilege to continue to serve as chair of the Glebe Administration Board, with fellow board members who are committed and engaged, and with support from SDS.**

The Glebe Administration Board exists to serve the Anglican Church in the Diocese of Sydney by managing the Diocesan Endowment and the Diocesan Cash Investment Fund as well as other property of which it is trustee.

The Diocesan Endowment is the central endowment of the Diocese and provides one of the two main sources of recurrent funding for spending by the Synod.

The Diocesan Cash Investment Fund is a pooled investment vehicle which enables the cash of more than 200 separate diocesan entities to be effectively managed.

## **Diocesan Endowment**

As trustee of the Diocesan Endowment, we remain focused on our mandate to maintain the real value of the property of the Diocesan Endowment and, subject to that requirement, to pay distributions for spending by the Synod to fund the mission goals of the Diocese.

The Diocesan Endowment has a balanced portfolio with a long term investment horizon of 20 years. The diversified asset mix helps buffer the portfolio during periods of volatility – such as we are currently experiencing with the regulatory responses to the coronavirus around the world. (The coronavirus is also the subject of a special note on page 8 of this annual report).

The diversified asset mix has been recommended by Mercer, our asset consultant and adopted by GAB, in order to achieve a probability of greater than 70% of keeping pace with inflation (i.e. maintaining its real value) over the next 20 years. The objective is measured from 1 July 2010 and takes into account distributions to Synod and operational expenses.

The balanced portfolio lowers the level of fluctuations in the value of the portfolio (i.e. lowers its volatility). This enables the Diocesan Endowment to produce a predictable stream of distributions to stakeholders even in high market stress, particularly during a funding triennium so that the Synod can budget with a reasonable level of confidence.

In 2019, the investment return on the portfolio for the year was positive 14.7% (2018: negative 0.25%). The net surplus was positive \$13.3 million (2018: negative \$0.08 million).

The Synod's current funding triennium commenced in 2019. The Diocesan Endowment paid a distribution of \$2.804 million in 2019 and advised a distribution of \$2.880 million for 2020 and \$2.900 million for 2021.

The predictable level of distributions allows the Synod to make long term planning and budget allocation decisions that are strategic and important for the work of the Gospel, with knowledge that those distributions will be sustainable.

Readers will recall the significant change in 2017 regarding the structure of the investments of the Diocesan Endowment, with the removal of its 50% interest in the St Andrew's House Trust. This restructure occurred on 1 September 2017 and involved the subsequent reallocation of this interest directly for the purposes of

the Diocese at the direction of the Synod. The removal of the 50% interest saw the assets under management in the Diocesan Endowment decrease from \$161.5 million to \$100.4 million, and the 50% interest in the St Andrew's House Trust become a separate source of income for the Synod.

The removal of the 50% interest from the Diocesan Endowment was undertaken to enhance the total distributions to Synod from the Diocesan Endowment and the St Andrew's House Trust. For the Diocesan Endowment, performance was enhanced through a restructure of its asset allocation to better reflect its status as a perpetual endowment.

It is expected that, when the income from the Diocesan Endowment is added to the income from the 50% interest in the St Andrew's House Trust, the total income available to the Synod each year will be greater than it would have been had the St Andrew's House interest remained part of the Diocesan Endowment. In 2019 this again proved to be the case with an increase in the amount available for spending by the Synod of \$444,000 compared to the forecasts before the restructure of the investments of the Diocesan Endowment.

The restructure of the investments of the Diocesan Endowment was one of a number of important steps taken by the GAB over the last few years to simplify its investments and operations, improving efficiency in order to fulfil more effectively its mission as the manager of the diocesan assets of which it is trustee.

Other important steps included:

- Closing the GAB's lending business in late 2015.
- Breaking the nexus between the membership of the GAB and SDS in 2016 to enable members to be appointed to the GAB on the basis of skills and experience relevant to the GAB's mission.
- Closing the Diocesan Endowment's financial services business (Glebe Income Accounts) in 2017 in conjunction with the launch of the Diocesan Cash Investment Fund (see below).
- Winding up the last remaining subsidiary company of the GAB, Glebe Asset Management Limited, and redirecting its capital to the investments of the Diocesan Endowment.

The GAB continues to monitor its processes to ensure that an appropriate investment and governance framework is maintained where risk is monitored and managed, and there is ongoing timely reporting to key stakeholders. Within these parameters, the GAB will continue to explore ways in which it can fulfil more effectively its mission as a manager of diocesan assets of which it is trustee.

### **Diocesan Cash Investment Fund**

In conjunction with the closure of Glebe Income Accounts in 2017, the GAB commenced operating the Diocesan Cash Investment Fund which is our new treasury structure to efficiently manage cash on behalf of diocesan organisations.

The DCIF's income yield on at call deposits for 2019 was 1.60% (compared to a target benchmark return of 1.56%). Further information about the Diocesan Cash Investment Fund is contained later in this Annual Report.

### **Membership**

There were two new members appointed to the GAB during 2019, being Mr David Wong and Mr Richard Jamieson. I look forward to serving with them.

I am thankful also for the ongoing contribution of my fellow members to the work of GAB, and for the continued commitment and servant-hearted approach to our work of the management team led by Robert Wicks and Isaac Kuruvilla.

Above all we thank God for His continued blessing. We continue to pray that our work, and the funds generated by our work, will bring glory to His name in the Diocese and beyond.

**Ross Smith**

Chair



# 1 Diocesan Endowment

## **Purpose of the Diocesan Endowment**

GAB holds the property of the Diocesan Endowment on trust for the purpose of the Anglican Church of Australia in the Diocese of Sydney. As trustee of that property we act in a way which preserves the real value of that property and, subject to that requirement, enables the payment of distributions for spending by the Synod.

The way in which we fulfilled this purpose during 2019 is described below.

# 1 Diocesan Endowment

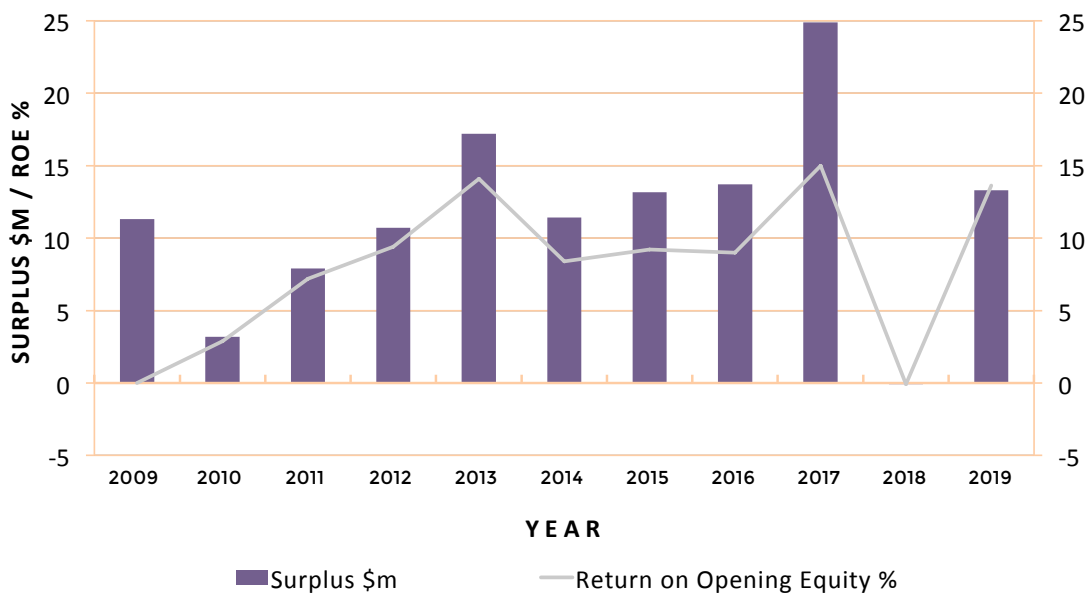
## Financial Performance of the Diocesan Endowment during 2019

The Diocesan Endowment recorded a profit of \$13.3 million in 2019.

This represented a return of +13.6% on the opening equity of \$97.6 million.

Figure 1 below shows the financial results in recent years.

**Figure 1: Financial Performance of the Diocesan Endowment in the Past Decade**





# 1 Diocesan Endowment

## Investments of the Diocesan Endowment

The Investment Policy Statement for the Diocesan Endowment sets out the objective and policies for the investment of the property of the Diocesan Endowment. A copy of that Statement can be found on the [SDS website](#).

Mercer is the asset consultant to GAB and provides advice about the investment strategy for the Diocesan Endowment.

## Investment objective

At least every 3 years, a full review of the investment objective for the Diocesan Endowment is undertaken. We completed such a review in 2017 with the assistance of Mercer. The review was undertaken as part of the restructure of the investments of the Diocesan Endowment.

As a result of the review, we agreed to change the horizon over which the probability of preserving the real value of the Diocesan Endowment is measured from 10 years to 20 years. The revised investment objective is as follows -

To achieve a real rate of return over rolling 20 year periods of 3.5% per annum net of external investment management expenses and adjusted for tax effects, subject to -

- a) preserving the real value of the Diocesan Endowment over rolling 20 year periods with a 70% probability, and
- b) the sum of the distributions from the Diocesan Endowment plus administrative and other costs (not including external investment management expenses) not exceeding 3.5%, on average, over rolling 5 year periods.

In undertaking their review, Mercer determined its long term asset class returns on the basis of “market aware” assumptions. Market aware assumptions represent Mercer’s long term expected return for each asset class but also take into consideration the current levels of the markets. Use of the 2019 market aware assumptions showed that on the basis of the revised strategic asset allocation, the 20 year expected return was 6.9% per annum (7.0% in 2018) and the probability of achieving the current return objective of CPI + 3.5% per annum over the next 20 years was 76.5% (75.2% in 2018).

“...we agreed to change the horizon over which the probability of preserving the real value of the Diocesan Endowment is measured from 10 years to 20 years.”

# 1 Diocesan Endowment

## Asset classes

The property of the Diocesan Endowment is invested in a diversified range of asset classes in accordance with the Investment Policy Statement.

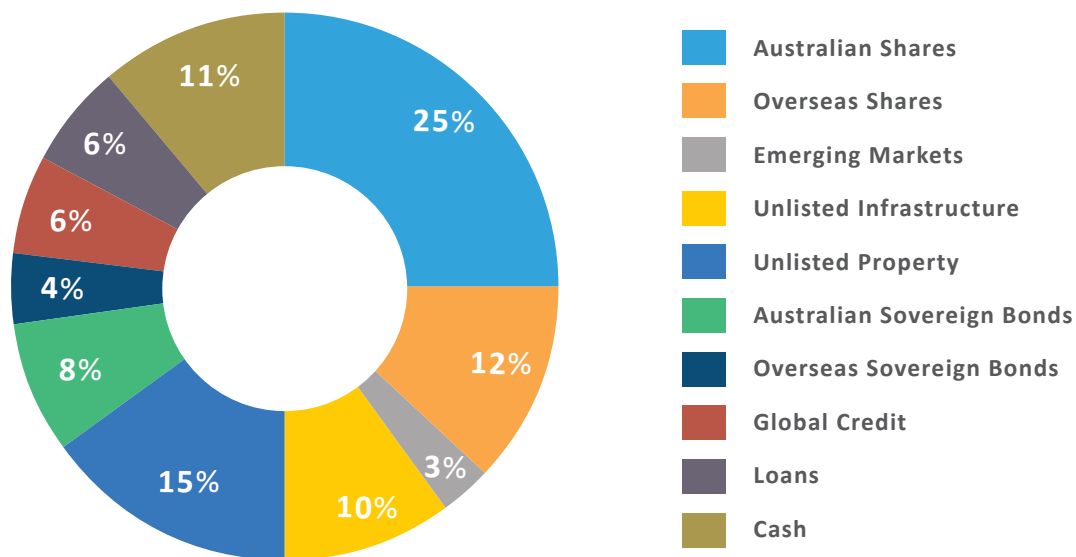
Figure 2 below shows the breakdown of asset classes as at 31 December 2019.

The investments in the Australian Shares, Emerging Markets, Australian Sovereign Bonds, Overseas Sovereign Bonds, Unlisted Infrastructure, Unlisted Property and Global Credit asset classes are made through funds managed by Mercer and approved by GAB. Each of these funds is a multi-manager fund, meaning that we invest in a Mercer fund which, in turn, invests in underlying funds operated by fund managers who specialise in the relevant asset class and provide further diversification. Each of these funds is actively managed.

The investments in the Overseas Shares asset class are undertaken through a passive (index based) fund rather than actively managed funds. This reduces the degree to which the performance of the Overseas Shares investment varies from the underlying index against which investment performance is measured.

The investment in loans comprises the loan book which is in wind down mode. Cash investments are made in the Diocesan Cash Investment Fund.

**Figure 2: Diocesan Endowment Asset Classes at 31 Dec 2019**



# 1 Diocesan Endowment

## Investment Performance

The returns in 2019 for each of the asset classes in which investments are made, and the corresponding benchmark returns are shown in the table below.

During 2019, uncertainty, particularly around US/China trade relations and Brexit, eased.

Market performance in 2019 reflected the general improvement of market sentiment. It was an exceptional year for market returns.

The main contributors to the investment performance were Australian and overseas shares.

(Please also refer to subsequent events section on page 15 for 2020 update on investment performance.)

<b>Asset Class</b>	<b>2019 Return</b>	<b>2019 Benchmark</b>	<b>Variance</b>
Australian shares	25.3	23.8	1.5
Overseas shares	28.3	27.5	0.7
Emerging Markets	20.5	18.6	1.9
Unlisted Property	8.1	5.8	2.3
Unlisted Infrastructure	7.6	5.5	2.1
Australian Sovereign Bonds	8.3	7.8	0.4
Overseas Sovereign Bonds	8.7	6.9	1.8
Loans	3.2	0.0	3.2
Global Credit	10.3	10.3	0
Cash	1.6	1.2	0.4

# 1 Diocesan Endowment

## Monitoring and Reporting on the Finances and Investments of the Diocesan Endowment

GAB monitors and reports on the finances and investments of the Diocesan Endowment in a number of different ways.

Management liaises with Mercer and the investment accounting service provider several times per month about the investments of the Diocesan Endowment.

Reports about the finances of the Diocesan Endowment and the performance of its investments are provided by management to each meeting of GAB. Where necessary, reports about key issues are sent to members of GAB between meetings.

GAB meets with Mercer each quarter to review the investment performance of the relevant Mercer funds.

Each year, with the assistance of Mercer, GAB undertakes a “health check” of the portfolio to identify and review key issues. At least every 3 years, a full review of the investment objective for the Diocesan Endowment is undertaken. The results of each annual and 3 yearly review are reported to the Standing Committee.

Through the CEO, GAB reports to the Standing Committee regularly about the financial performance of the Diocesan Endowment.

GAB also provides reports from time to time to the Standing Committee about the investment performance of the Diocesan Endowment.

GAB considers that it has robust processes for monitoring and reporting about the finances and investments of the Diocesan Endowment.

## Ethical Investment Policy

With Mercer’s assistance, the GAB has taken an innovative approach to ethical investing, resulting in a policy which strives to encourage underlying fund managers to positively tilt their portfolios to ethical companies and to maintain carbon intensity exposures

“GAB has robust processes for monitoring and reporting about the finances and investments of the Diocesan Endowment.”

below that of equivalent market benchmarks within the actively managed listed asset classes. The ethical policy was initially adopted by GAB in March 2016 and endorsed by the Standing Committee in May 2016 before being implemented.

The policy includes a positive statement as to the behaviour which GAB will seek to encourage and take into account in determining whether an investment is made or retained. It also retains the “negative screens” (that is, the “disapproved businesses”) set out in the former policy – alcohol, armaments, gambling, pornography and tobacco – and includes 3 additional “negative screens” – stem cell research involving the destruction of embryos, abortifacients and elective abortions.

Mercer reports on our compliance with the negative screens in the policy each quarter. There were no breaches reported in 2019.

The carbon intensity of the Australian shares and emerging markets components of the portfolio were below benchmark.

The Overseas Shares are passively managed so there is no difference from the benchmark in terms of carbon intensity. It is proposed to take a similar approach in seeking a reduction in the carbon intensity of other parts of the portfolio in due course.

A copy of the ethical investment policy can be found on the [SDS website](#).

# 1 Diocesan Endowment

## Maintenance of the real value of the Diocesan Endowment

GAB measures its performance against the requirement to maintain the real value of the Diocesan Endowment from 30 June 2010, being the date from which the major restructure of the investment processes of the Diocesan Endowment was undertaken.

The movement in the net assets of the Diocesan Endowment since 30 June 2010 (after distributions for spending by the Synod and administration costs) is shown in Figure 3 below.

The graph shows that from 30 June 2010 to 31 December 2019 the real value of the net assets of the Diocesan Endowment has grown.

The actual value of the net assets as at 31 December 2019 exceeded the value of the net assets as at 30 June 2010 indexed by movements in the Consumer Price Index to 31 December 2019.

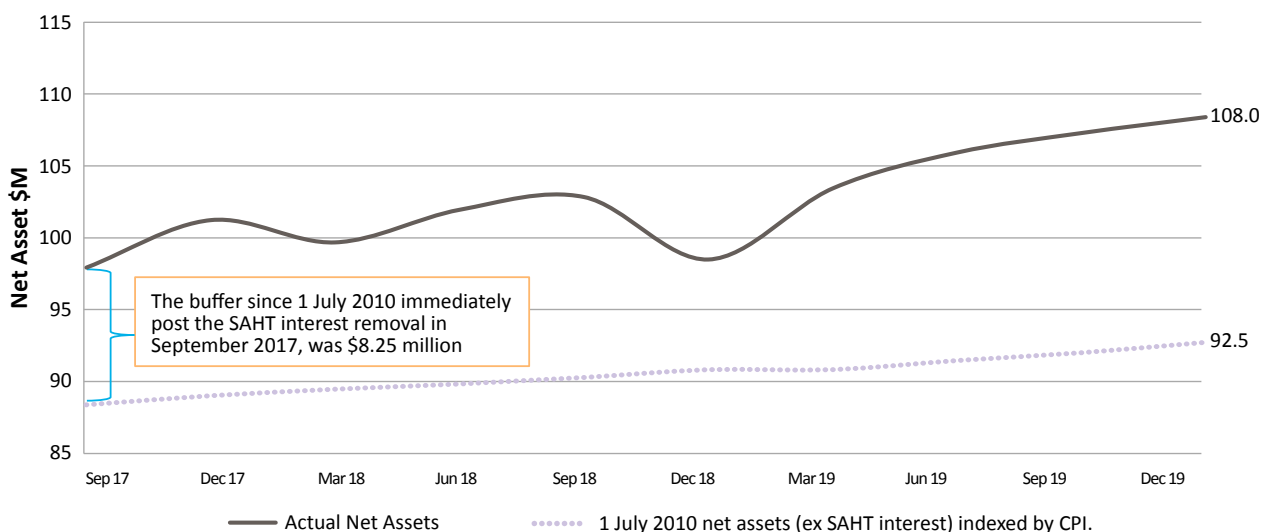
(Please also refer to subsequent events section on page 15 for 2020 update on investment performance.)

“From June 2010 to December 2019 the real value of the net assets of the Diocesan Endowment has grown.”

Although capital markets have performed strongly in recent years, we have not experienced a full investment cycle since GAB started measuring the maintenance of the real value of the Diocesan Endowment in 2010. Given that the Diocesan Endowment is a perpetual endowment, GAB considers that a conservative spending policy (and, in particular, a conservative distribution policy) remain appropriate, notwithstanding the growth in the value of the Endowment in recent years.

Further comments about the spending from the Diocesan Endowment are made in the next section.

**Figure 3: Net Assets of the Diocesan Endowments**



# 1 Diocesan Endowment

“It is expected that when distributions from the Diocesan Endowment are added to the new source of income from the 50% interest in the St Andrew’s House Trust, the total income available to the Synod each year will be at least that projected prior to the removal of the 50% interest. This was the case in 2019 with a positive difference of \$444K.”

## Spending from the Diocesan Endowment

Spending from the Diocesan Endowment consists of the payment of the costs of administration of the Diocesan Endowment and the distributions made available for spending by the Synod.

GAB aims to limit the costs of administration to an amount which is not more than 1.1% of the net assets of the Diocesan Endowment.

In 2019, the costs of administration were \$1.1million, being 1.00% of the average net assets of the Endowment over 2019.

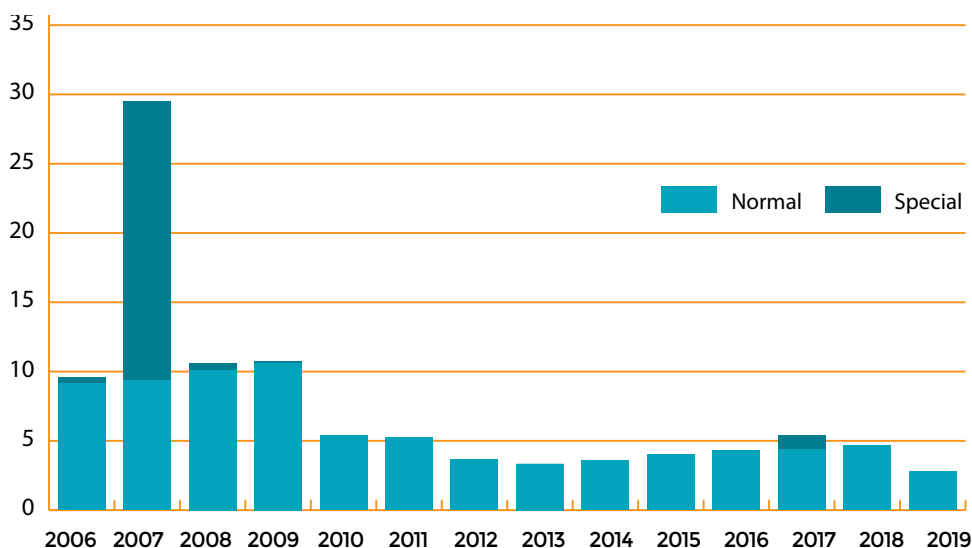
In recent years, the distributions paid from the Diocesan Endowment for spending by the Synod are shown in Figure 4 below.

“Special distributions” are distributions over and above the amount recommended by the GAB which are taken by the Standing Committee for specific purposes. For example, a special distribution of \$20 million in 2007 was required for the purposes of acquiring greenfield sites and funding brownfield site redevelopments. In 2017 there was a special distribution of \$1 million to support the “No” campaign during the debate concerning same-sex marriage.

Figure 4 shows that the amount of the distributions paid from the Diocesan Endowment declined significantly from 2009 to 2013. This reflects that, until recently, the distributions paid from the Endowment were too high for the real value of the net assets of the Diocesan Endowment to be maintained.

A distribution of \$2.804 million will be paid in 2019. As a consequence of the removal from the Diocesan Endowment of its 50% interest in the St Andrew’s House Trust, we expect that when they are added to the new source of income from the 50% interest in the St Andrew’s House Trust, the total income available to the Synod each year from 2018 onwards will be at least that projected prior to the removal of the 50% interest. This was the case in 2019 with a positive difference of \$444K.

**Figure 4: Distributions Paid from the Diocesan Endowment**



# 1 Diocesan Endowment

## Risk Management

GAB has a risk register which identifies risk, current controls for managing risks, further action and the plan for taking that further action. The risk register is reviewed by senior management and the board each year.

The Chief Executive Officer, on behalf of the management, periodically certifies to the members of GAB about the adequacy of current controls.

The key risks of the business of GAB are:



**Investment management risk**



**Insurance risk**



**Operational risk - systems & processes**



**Regulatory & Contractual risk**



**Reputation risk**



**Strategic risk**

Financial control risks are managed primarily by Sydney Diocesan Services, as an external service provider to GAB.

## Subsequent Events

Investment markets were hit by the coronavirus in February resulting in a performance return of -4.2% for the DE over the 5 month period to 31 May 2020. The loss is within the risk parameters modelled by Mercer and accepted by GAB.

The DE is still ahead of its real value maintenance objective as measured from 1 July 2010.

The Synod distribution for 2020 has already been funded for in 2019.

The triennial review with the asset consultant will be finalised in the third quarter of 2020, when the impact of the coronavirus will be more fully known and understood. These learnings can be taken into account as topics such as risk tolerance, investment objective, asset allocation, and diversification are considered.

Geopolitically there was increased tension. The coronavirus pandemic fuelled the already bad rivalry between the U.S and China, as they debated the true extent of the outbreak and as the U.S threatened tariffs again.



## 2 Diocesan Cash Investment Fund

### **Purpose of the Diocesan Cash Investment Fund**

GAB holds the property of the Diocesan Cash Investment Fund (“DCIF”) on trust for the purposes of the Anglican Church of Australia in the Diocese of Sydney through facilitating the investment of cash held by trustees of church trust property.



## 2 Diocesan Cash Investment Fund

### Establishment

The DCIF was established by the Standing Committee in August 2016 following the closure of the wholesale Glebe Income Accounts. The DCIF is the internal treasury structure for the management of the cash of Diocesan organisations. Unlike the Glebe Income Accounts, the DCIF does not form part of the Diocesan Endowment and is therefore a separate trust held by the GAB. The DCIF became operational in April 2017.

### Assets

The DCIF has been designed as a vehicle to efficiently manage the liquidity needs of Diocesan organisations. The DCIF's return on assets since inception as at 31 December 2019 was 2.08%.

The DCIF had \$116.9 million in assets as at 31 December 2019.

The assets are invested according to the following allocation:

Strategic Asset Allocation	Policy weight %
Mercer Cash Fund – Term Deposit Units	96.0%
Cash and short term	4.0%

Cash and short term investments are in two 11am accounts with National Australia Bank and Bendigo/ Adelaide Bank.

The Mercer Cash Fund – Term Deposit Units, is a class of units in Australian bank term deposits of maturity less than 1 year. It has a target benchmark of the Bloomberg AusBond Bank Bill Index.

The Mercer fund is managed by Challenger, has funds under management of around \$1.7 billion and offers daily liquidity.

The Mercer fund has more than 90% of its assets in A1 rated Australian banks.

“The DCIF had \$116.9 million in assets as at 31 December 2019.”

## 2 Diocesan Cash Investment Fund

### Performance

The DCIF distributes net income quarterly to bring back its net asset value to par. This is shown in the statement of comprehensive income for 2019:

<b>Statement of Comprehensive Income for the year ended 31 December 2019</b>	<b>2019 (\$)</b>
<b>INCOME</b>	
Management fee rebate	214,670
Interest and distributions	2,020,794
Amortised costs adjustments	(60,750)
<b>Total Income</b>	<b>2,174,714</b>
<b>EXPENSES</b>	
Professional fees	82,849
SDS cost recovery charge	370,800
Audit fees	33,197
Insurance	50,620
Interest	1,637,248
<b>Total expenses</b>	<b>2,174,714</b>
Surplus for the year	-

## 2 Diocesan Cash Investment Fund

The distribution details for the last two quarters in 2019 were as follows:

Quarter ending	Distribution rate	Annualised return (%)
December 2019	0.27 CPU	1.069%
September 2019	0.35 CPU	1.392%

The DCIF's return on assets since inception as at 31 December 2019 was 2.08% The Mercer Cash Fund is the main contributor to the overall DCIF performance.

The performance of the Mercer fund as at 31 December 2019 was as follows:

Mercer TD Cash Fund	3 Months	1 Year	3 Years	5 Years
Total Return <i>Before Fees</i>	0.4	2.1	2.3	2.4
Benchmark Return	0.2	1.5	1.7	1.9
Excess Return	+0.2	+0.6	+0.6	+0.5

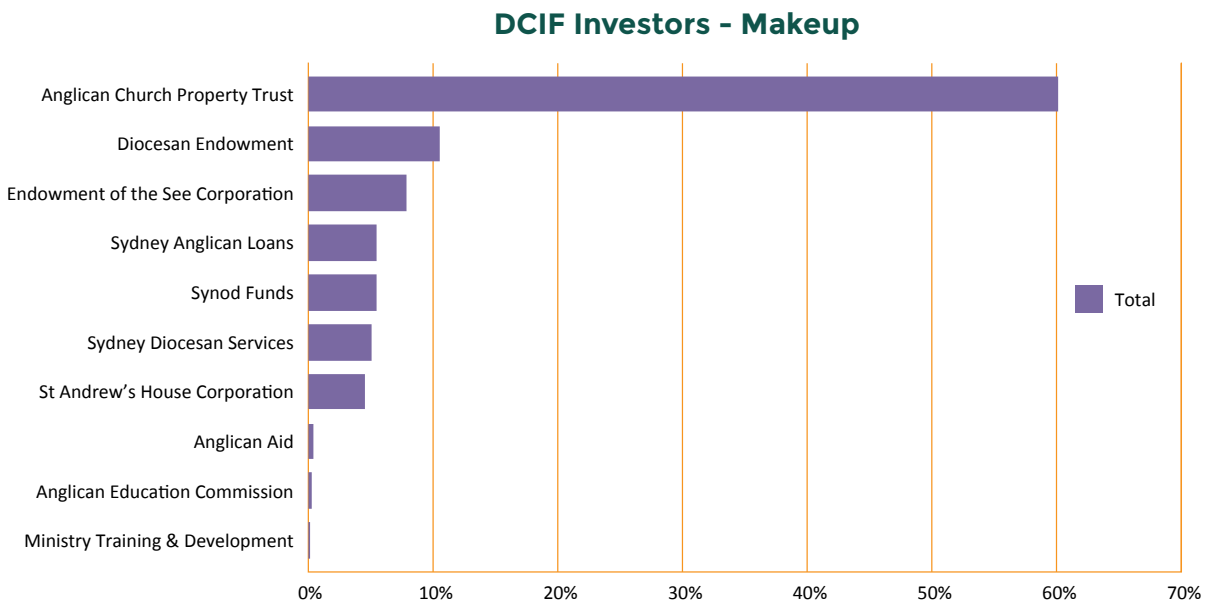
Total Returns %				
Mercer TD Cash Fund	0.3	1.8	1.9	2.1

The Mercer fund has consistently outperformed its benchmark.

# 2 Diocesan Cash Investment Fund

## Investor Profile

As at 31 December 2019 the makeup of the investors in the DCIF was as follows: .



## RISK MANAGEMENT

DCIF has a risk register which identifies risk, current controls for managing risks, further action and the plan taking that further action.

The risk register is reviewed by senior management and the board each year. The Chief Executive Officer, on behalf of the management, periodically certifies to the members of GAB about the adequacy of current controls.

Financial control risks are managed primarily by Sydney Diocesan Services, as an external service provider to DCIF.

The key risks of the business of DCIF are:



**Investment management risk**



**Insurance risk**



**Operational risk - systems & processes**



**Regulatory & Contractual risk**



**Reputation risk**



**Strategic risk**



# 3

## Constitution and Charter

### Glebe Administration Board

GAB is constituted by the *Glebe Administration Board Ordinance 1930* and is incorporated under the *Anglican Church of Australia (Bodies Corporate) Act 1938*.

By clause 4 of the Ordinance, the purpose of the Board is to advance the purposes of the Anglican Church of Australia in the Diocese by managing and controlling the property in accordance with the terms of the trusts on which that property is held, and by managing and controlling other property of which it is trustee from time to time in accordance with the terms of the relevant trusts.

### Diocesan Endowment

GAB is the trustee of the Diocesan Endowment which is property held on trust for the purposes of the Diocese under the *Diocesan Endowment Trust Ordinance 2016*.

By clause 4 of the Ordinance –

- a) the Diocesan Endowment is held on trust for the purposes of the Anglican Church of Australia in the Diocese of Sydney, and

- b) GAB, as trustee of the Diocesan Endowment, is to act in a way which preserves the real value of the Diocesan Endowment and, subject to this requirement, enables distributions to be paid to the Standing Committee each year to be applied in accordance with the determination or direction of the Synod.

### Diocesan Cash Investment Fund

GAB is the trustee of the Diocesan Cash Investment Fund which is property held on trust for the purposes of the Diocese under the *Diocesan Cash Investment Fund Ordinance 2016*.

By clause 4 of the Ordinance, the property of the Diocesan Cash Investment Fund is held on trust for the purposes of the Anglican Church of Australia in the Diocese of Sydney through facilitating the investment of cash held by trustees of church trust property.



## 4 Charity Status

### **Charities Group Status Report**

The Glebe Administration Board as trustee for the Diocesan Endowment (ABN 84 797 589 118) is registered as a large charity under the *Australian Charities and Not-for-Profits Commission Act 2012* (the “ACNC Act”).

GAB as trustee of the Diocesan Cash Investment Fund (ABN 16 824 150 770) is registered as a large charity under the ACNC Act.

Annual information statements for 2019 which comply with the ACNC Act have been given to the ACNC. In its capacities as trustee of the Diocesan Endowment and the Diocesan Cash Investment Fund, the GAB is a basic religious charity under the ACNC Act which means that it is exempted from the financial and auditing requirements under the ACNC Act.



## 5 Structure

### Structure

Information about the membership of GAB is set out later in this Annual Report.

GAB has no employees. Administration, secretarial and accounting services are provided to GAB by Sydney Diocesan Services on a cost recovery basis. The executives of SDS with the greatest authority for the strategic direction and management of GAB are -

- Robert Wicks  
*Chief Executive Officer*
- Michael Blaxland  
*Chief Financial Officer*
- Isaac Kuruvilla  
*Head of Investments*



# 6 Conformity with Synod's Governance Policy

## Conformance with Governance Policy for Diocesan Organisations

The GAB's governance standards are set out in its Governance Statement which can be found on the [SDS website](#).

The GAB has assessed the extent to which its governance arrangements conform to the standards and guidelines in the Synod's Governance Policy for Diocesan Organisations.

The GAB conforms to the Policy in most respects and only two areas of non-conformance have been identified.

Policy guideline	GAB status	Explanation
2. The total number of board members should be no less than 9.	Under the Ordinance, the board is to consist of 8 – 10 members (clause 5).	The board has formed a view that, due to its specialist nature and scope, a board of 8 members is sufficient. Notwithstanding this, the GAB currently has 9 members.
5. The membership of the board should include – (a) at least two clergy licensed in the Diocese of Sydney, and (b) at least two members with (at minimum) a three year theological degree noting that the requirements of paragraphs (a) and (b) may be met by the same two people.	The Ordinance does not require a minimum number of clergy/theologically trained members.	The board has formed a view that, due to its specialist nature and scope, a minimum number of clergy/theologically trained members should not be mandated. Notwithstanding this, it is still an area monitored in the GAB skills matrix, and presently several members of the board have theological qualifications.

At the time of writing this report, an amendment ordinance was being prepared to address several minor areas of non-conformance with the Policy.



## 7

# Membership of Glebe Administration Board

## Members

The Standing Committee of the Diocese of Sydney appoints members of the GAB for terms of up to three years. The Standing Committee has the power to remove any member before the expiration of their term. The non-executive members receive no remuneration. The Chief Executive Officer attends Board meetings.

The following members were in office during 2019 and up to the date of this report.



### **Mr Mark Ballantyne, BE, MBA, FIAA**

Qualified Actuary; General Manager of Financial Wisdom with the Commonwealth Bank, having over 25 years' experience in all facets of financial services. He attends East Lindfield Anglican Church. Board member since 2009.



### **Mr Greg Hammond OAM, BA, LLB, ThA**

Consultant in banking and finance; former partner of King & Wood Mallesons; chairman of Anglican Community Services (t/as Anglicare Sydney) and Olive Tree Media; director of the Australian College of Theology, G&C Mutual Bank and Opportunity International Australia; member of Sydney Diocesan Services; and previous service on diocesan and other not-for-profit boards and committees. Member of Macquarie Anglican Churches. Board member since 2014.



### **Ms Evelyn Horton, BEc, MSocSci (Econs), FAICD**

Economist and company director. She has over thirty years' experience in investment banking and government where she specialised in risk management, finance and public policy. Evelyn is currently Chair of the Tasmanian Superannuation Commission and a director of Tasmanian Public Finance Corporation and Mission Australia. She is a member of the University of Wollongong's SMART Infrastructure Advisory Council and of the Anglican Church's Diocesan Financial Advisory Task Force. She attends St Philip's Church Hill. Board member since 2018.

## 7

## Membership of Glebe Administration Board



### **Ms Kitty Pun, MBA**

Vice President and Compliance Manager for DBS Bank Limited. Over 17 years' experience in the banking, asset management and superannuation environments both in Australia and Hong Kong, including 2 years' experience in regulatory experience from APRA. Previous roles include Senior Compliance Officer of Agricultural Bank of China (Sydney Branch), Head of Compliance for China Construction Bank (Sydney Branch), Risk and Compliance Manager of BT Investment Management Limited, Risk and Compliance Manager of Schroder Investment Management Australia Limited and other roles in HSBC, APRA and ING. She attends St Augustine's, Neutral Bay. Board member since 2018.



### **Mr David Sietsma, BCom (Fin), GDip AppFin and Inv, GAICD**

30 years in financial markets and treasury roles with Macquarie Bank, Deutsche Bank, BNP Paribas and Commonwealth Bank of Australia. He is currently Chair of the Council of Arden Anglican School and is a director of Tascorp. Attends All Saints Anglican Church, North Epping. Board member since 2016.



### **Mr Ross Smith, MAppFin, BEc, GAICD, Chartered Accountant**

CEO, Anglican Schools Corporation. Previously CFO, Anglicare Sydney, and CEO, The Sargood Centre Limited, a start-up venture to provide community re-integration services to people with spinal cord injury and other mobility impairment. Prior to that a director of McGrathNicol and big four accounting firms with 25 years' experience in Accounting, Finance, Corporate Restructuring and Advisory. He attends Caringbah Anglican Church. Board member since 2010.



### **Bishop Michael Stead, BCom(Acc), BD(Hons), DipMin, PhD**

Bishop of South Sydney; Member of Standing Committee Diocese of Sydney; Diocesan Representative on General Synod; Member of General Synod Standing Committee; Secretary of the General Synod Doctrine Commission. Prior to ordination, worked for PricewaterhouseCoopers from 1990-1996. Board member since 2015.

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## Membership of Glebe Administration Board

### Appointments

Mr David Wong was appointed as a member of the board by the Standing Committee on 18 February 2019.



#### **Mr David Wong, BE, M Comm (Finance & Economics), MAICD**

Over 38 years' experience in engineering and funds management. He was a production engineer with ICI Australia and Mobil Oil with a focus on risk management. From 1988 - 2018, David worked in the funds management industry with Westpac Investment Management, State Street Global Advisors, Insurance Australia Group (IAG), Mercers and Colonial First State Global Asset Management. During that time, he held a variety of senior roles including Head of Equities, and Director of Investments (CIO) at IAG and State Street respectively. David is a member of the CFA Institute. He worships at St Andrew's Roseville. Board member since 2019.

Mr Richard Jamieson was appointed as a member of the board by the Standing Committee on 15 April 2019.



#### **Mr Richard Jamieson, B AccFin, ACA**

Over 30 years of experience in the broader finance and banking sector, including retail banking, funds management, infrastructure and retail property management. Past roles include Chief Financial Officer of Vicinity Centres Ltd, Chief Financial Officer for BT Group (Wealth Division for Westpac), Chief Financial Officer for Westpac New Zealand, Acting General Manager of Superannuation for BT and Infrastructure Fund Manager for Colonial First State Global Asset Management. He worships at St Matthew's in Manly. Board member since 2019.

### Continuation in office of Members

Ms Kitty Pun, Mr David Sietsma, and Mr Ross Smith were reappointed as members by the Standing Committee on 18 November 2019, for a further term of 3 years.

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# Membership of Glebe Administration Board

## Committees of the Board

In 2019, the GAB had an Audit and Risk Committee and a Nominations Committee to assist it in fulfilling its responsibilities. The charters of each committee are reviewed periodically by the GAB.

The main role of the Audit and Risk Committee is to monitor, report, and make recommendations to the GAB about the financial reporting processes of GAB, the risk management systems of the GAB, the internal control systems and the independent audit process.

The main role of the Nominations Committee is to make recommendations to the GAB, for its advice to the Standing Committee, about the preferred skills and experience of a potential candidate to fill a vacancy in the members of the GAB.

## Members' attendance at meetings

Members' attendance at meetings of the Board during 2019 were –

Members	Meetings eligible to attend	Meetings attended
Mr Mark Ballantyne	5	5
Mr Greg Hammond OAM	5	5
Ms Evelyn Horton	5	5
Mr Richard Jamieson	3	2
Ms Kitty Pun	5	3
Mr David Sietsma	5	4
Mr Ross Smith (Chair)	5	5
Bishop Michael Stead	5	4
Mr David Wong	4	3

## GLEBE ADMINISTRATION BOARD

The principal office of the GAB is -  
Level 2, St Andrew's House, Sydney Square, Sydney NSW 2000  
PO Box Q190, QVB Post Office NSW 1230  
Email: [beb@sydney.anglican.asn.au](mailto:beb@sydney.anglican.asn.au)  
Telephone: 02 9265 1555

The hours of access are Monday - Friday between 8.30am and 5.30pm

