



Glebe Administration Board

as trustee for the DIOCESAN ENDOWMENT
and the DIOCESAN CASH INVESTMENT FUND

ANNUAL REPORT 2017

OUR PURPOSE

To advance the purposes of the Anglican Church of Australia in the Diocese of Sydney 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 in accordance with the terms of the relevant trusts.



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HIGHLIGHTS

Diocesan Endowment

Earned a **\$24.9 million** surplus, being a return on opening equity of 15%.

Total distributions of **\$4.4 million** paid for spending by the Synod in 2017.

Closed the Diocesan Endowment's financial services business, including completing the **closure of 731 retail and 365 wholesale Glebe Income Accounts** over a 15 month period.

Restructured the investments of the Diocesan Endowment through the **removal of its 50% interest** in the St Andrew's House Trust.

Diocesan Cash Investment Fund

Launched in April 2017 as the treasury cash management solution for central diocesan organisations.

Total funds under management as at 31 December 2017 of **\$102.8 million**.

Return on assets since inception as at 31 December 2017 of **1.6%**.

CHAIR'S REPORT



Ross Smith, Chair

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 a professional staff team from the Sydney Diocesan Secretariat led by Robert Wicks, the Chief Executive Officer.

The Glebe Administration Board exists to serve the Anglican Church in the Diocese of Sydney by managing the property of the Diocesan Endowment and other property of which it is trustee, including the Diocesan Cash Investment Fund which was established in 2016.

The Diocesan Endowment is the central endowment of the Diocese which provides the main source 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 efficiently 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.

In 2017, the investment return on the portfolio for the year was 19.34% (2016: 10.2%). The net surplus was \$24.9 million (2016: \$13.7 million).

The Synod's current funding triennium commenced in 2016.

In 2016 and 2017 distributions of \$4.3 million and \$4.4 million were paid for spending by the Synod. We advised a distribution of \$4.69 million for 2018 (subject to any significant adverse market movements).

We aim to provide consistency in the level of distributions over the long term, but particularly during a funding triennium, so that the Synod can budget with a reasonable level of confidence. A reliable 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. Subject to significant adverse market movements, our aim is to maintain the level of distributions, regardless of short term market fluctuations from long run average returns.

There were two significant changes in 2017 to the structure and operation of the Diocesan Endowment. While these changes did not alter our mandate, the first change in particular impacted the value of the property of the Diocesan Endowment, and the quantum of future distributions made from the Diocesan Endowment to the Synod.

The first change was the removal from the Diocesan Endowment of its 50% interest in the St Andrew's House Trust. This restructure occurred on 1 September and involved the subsequent reallocation of this interest directly for the purposes of the Diocese at the direction of the Synod.

In 2017, the investment return on the portfolio for the year was 19.34% (2016: 10.2%).

The net surplus was \$24.9 million (2016: \$13.7 million).

CHAIR'S REPORT

The removal of the 50% interest from the Diocesan Endowment is expected to enhance its performance through a restructure of its asset allocation to better reflect its status as a perpetual endowment.

The removal of the 50% interest saw the net value of the Diocesan Endowment decrease from \$161.5 million to \$100.4 million. It also saw the 50% interest in the St Andrew's House Trust become a separate source of income for the Synod. It is anticipated that this will improve efficiency and asset allocation and investment returns to Synod, in aggregate, in the long run.

The removal of the 50% interest from the Diocesan Endowment is expected to enhance its performance through a restructure of its asset allocation to better reflect its status as a perpetual endowment. It will also impact the quantum of distributions to the Synod. For the next Synod funding triennium (which commences in 2019) we have advised a distribution of \$2.804 million for spending by the Synod in 2019, and expect to make distributions of similar amounts in 2020 and 2021. These distributions are significantly less than those made to the Synod for the current funding triennium. However it is expected that, when these distributions are added to the income from the 50% interest in the St Andrew's House Trust, the total income available to the Synod in 2019, 2020, 2021 will be at least that projected prior to the removal of the 50% interest.

The second change was the closure of the Diocesan Endowment's financial services business on 30 June 2017, a large part of which comprised the Glebe Income Accounts. As I reported last year, the GAB determined to close this business because its continued operation could not be justified from a commercial perspective.

Further information about these changes is contained later in this Annual Report.

Diocesan Cash Investment Fund

In conjunction with the closure of Glebe Income Accounts, 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 return on assets since its inception as at 31 December 2017 was 1.6% (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 was one change in the membership of GAB during 2017 being the resignation of Professor Peter Wolnizer on 31 December 2017. Professor Wolnizer had served as a member since 10 November 2012. We are thankful to God for Peter's service.

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.

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

CHIEF EXECUTIVE OFFICER'S REPORT



Robert Wicks
Chief Executive Officer
Sydney Diocesan Secretariat

Over the last few years the Glebe Administration Board has taken a number of important steps to fulfil more effectively its mission as the manager of diocesan assets of which it is trustee.

These steps have included:

- Closing its lending business in late 2015 having resolved in November 2013 not to make any new loans.
- Resolving to close the Diocesan Endowment's financial services business (Glebe Income Accounts) in November 2015.
- Breaking the nexus between the membership of the GAB and the Sydney Diocesan Secretariat on 1 June 2016 to enable members to be appointed to the GAB on the basis of relevant skills and experience for the GAB having regard to its mission.

This work continued during 2017 by:

- Launching the Diocesan Cash Investment Fund in April 2017, a new treasury structure to manage the cash of central diocesan organisations.
- Completing the closure of the Diocesan Endowment's financial services business (Glebe Income Accounts) in June 2017.
- Restructuring the Diocesan Endowment in September 2017 by removing its 50% interest in the St Andrew's House Trust.
- Adopting a strategic asset allocation for the Diocesan Endowment which is more

consistent with its status as a perpetual endowment.

- Winding up the last remaining subsidiary company of GAB, Glebe Asset Management Limited, and redirecting its capital to the investments of the Diocesan Endowment.

It has been a privilege leading the team of professionals responsible for completing this work on behalf of GAB during 2017.

Diocesan Endowment

Despite being restructured, the Diocesan Endowment continues as a perpetual endowment to be preserved for the benefit of present and future generations. For this reason, preserving the real value of the property of the Diocesan Endowment is a key objective of the GAB as trustee. In addition, the Diocesan Endowment remains a significant source of funding for the mission of the Diocese of Sydney through the Synod.

GAB has continued to preserve the real value of the property of the Diocesan Endowment and provide reasonable, stable distributions for spending by the Synod. 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, GAB will continue to explore ways in which the returns from the Diocesan Endowment can be enhanced in future years.

CHIEF EXECUTIVE OFFICER'S REPORT

The Diocesan Cash Investment Fund enables the cash of more than 200 diocesan entities to be efficiently invested on an aggregated basis.

Glebe Income Accounts

The process of closing the Diocesan Endowment's financial services business was finalised on 30 June 2017. Central to this process was completing the orderly closure of all 731 retail Glebe Income Accounts and facilitating the movement of the \$14.1 million held in these accounts to accounts with external financial institutions. About 365 wholesale Glebe Income Accounts were either closed or moved to the Diocesan Cash Investment Fund, and represented about \$75 million. This was a significant piece of work which involved sustained staff focus over a period of 15 months.

Diocesan Cash Investment Fund

The closure of Glebe Income Accounts was accompanied by the launch in April 2017 of the Diocesan Cash Investment Fund.

The Diocesan Cash Investment Fund enables the cash of more than 200 diocesan entities to be efficiently invested on an aggregated basis.

The benefits of aggregated investment have enabled the Diocesan Cash Investment Fund to achieve an annualised return of 1.6% pa from its inception to 31 December 2017. This is above its expected level of return (1.56% pa) and is significantly higher than the return generally available on equivalent commercial at call products. Unlike the Glebe Income Accounts, the Diocesan Cash Investment Fund does not offer term investments and therefore cannot currently match the returns available from commercial term deposit products. The GAB will continue to explore ways to increase the value of the Diocesan Cash Investment Fund as a suitable vehicle for the management of diocesan cash.

Further information about the Diocesan Endowment and the Diocesan Cash Investment Fund is contained in the following section of this Annual Report.

ROBERT WICKS

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.

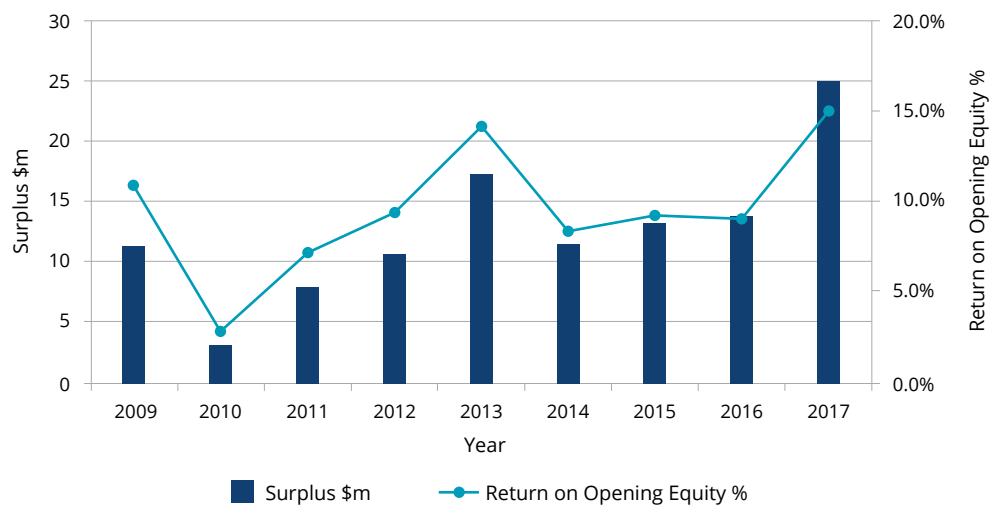
The way in which we fulfilled this purpose during 2017 is described below.

Financial Performance of the Diocesan Endowment During 2017

A surplus of \$24.9 million was earned on the Diocesan Endowment in 2017. This represented a return of 15% on the opening equity of \$161.5 million.

This exceeded the expected annual return for the portfolio over the long term. This was largely due to the value of the Diocesan Endowment's 50% interest in the St Andrew's House Trust increasing by \$15.6 million in 2017.

The graph shows the financial results in recent years.



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Restructure of the Diocesan Endowment in 2017

In order to fulfil the purposes of the Diocesan Endowment, the property of the Diocesan Endowment is invested in a diversified range of asset classes in accordance with a strategic asset allocation. The reason for investing in a diversified range of assets is to ensure consistency of returns.

However, the Diocesan Endowment's strategic asset allocation has not been able to achieve the level of diversification typical of a perpetual endowment. In particular, the holding of the historical investment in the St Andrew's House building (which represented some 40% of the total portfolio of the Diocesan Endowment as at 31 December 2016) meant that the Diocesan Endowment was disproportionately invested in a large, illiquid asset whose investment performance was heavily tied to prevailing commercial property market conditions and the circumstances specific to the particular asset.

This disproportionate investment in the St Andrew's House building gave rise to a "concentration risk" which significantly impacted the investment performance of the entire Diocesan Endowment portfolio for the following reasons:

(a) St Andrew's House is a large illiquid asset. The Diocesan Endowment's interest in the St Andrew's House Trust ("SAHT") represented about 40% of its net assets. This made it almost impossible to diversify the

Diocesan Endowment into a typical perpetual endowment portfolio.

- (b) The illiquidity made making adjustments to the level of investment in the asset classes of the Diocesan Endowment's portfolio (known as "rebalancing") more complex.
- (c) The variability in the market revaluation of St Andrew's House each year caused other asset classes of the Diocesan Endowment to be out of alignment with their strategic allocations.
- (d) The volatility in the commercial property market added extra risk to the Diocesan Endowment in the long term.

By way of comparison, the Long Term Pooling Fund ("LTPF") which is held on trust by the Anglican Church Property Trust is 100% liquid and invested as a typical diversified endowment portfolio. The combined net return of just the liquid asset classes (i.e. excluding the interest in SAHT) of the Diocesan Endowment over 5 years as at 30 June 2017 was 9.03% pa compared to 11.21% pa for the LTPF. The LTPF's stronger return on the liquid assets is a direct result of the diversification within the LTPF.

Given the concentration risk, and the illiquid nature of the SAHT investment, GAB considered the best way to optimise the long-term returns of the Diocesan Endowment as a perpetual endowment would be:

- (a) to remove the SAHT investment from the Diocesan Endowment's portfolio, and

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(b) to implement a revised strategic asset allocation, based on the removal of this investment, to obtain the benefits of a diversified portfolio which reflects the Diocesan Endowment's status as a perpetual endowment.

In order to achieve this outcome, we promoted to the Standing Committee, and the Standing Committee passed the St Andrew's House Trust (Variation of Trusts) Ordinance 2017 at its meeting in July 2017.

Under clause 7 of the Ordinance, the Archbishop determined that the Diocesan Endowment's 50% interest in the SAHT would be removed on 1 September 2017.

Consequences of the restructure

The removal of the SAHT investment from the Diocesan Endowment portfolio meant that the size of the Diocesan Endowment was reduced from \$178 million to \$97 million (as at 1 September 2017). *The restructured Diocesan Endowment portfolio will be invested in a manner which better reflects its status as a perpetual endowment.*

Our obligation to maintain the real value of the Diocesan Endowment and make distributions for spending by the Synod only applies to the restructured portfolio.

Following its removal from the DE, the 50% interest in the SAHT is held for the general purposes of the Diocese.

The net income from the interest and any other amount realised from the capital of the interest will be paid or applied by the Standing Committee in accordance with the determination or direction of the Synod. The trustee of the SAHT, the St Andrew's House Corporation ("SAHC") will make distributions directly to the Standing Committee for this purpose as an additional source of investment income for the Synod.

The SAHC is responsible to the Synod for the level of distributions from SAHT and any volatility in those distributions.

This means that while distributions from the restructured Diocesan Endowment portfolio will be materially less than at present in dollar terms, a higher distribution rate from the Diocesan Endowment is projected. Further, when the projection of enhanced distributions from the Diocesan Endowment is taken together with the additional source of income from the SAHT, it is expected that the total amount available for spending by the Synod in future years will increase.

Results of the modelling – Restructured Diocesan Endowment Portfolio

Mercer is the investment asset consultant for GAB. We engaged Mercer to undertake modelling of a restructured Diocesan Endowment (without the 50% interest in the SAHT) to assist us better understand the

The restructured Diocesan Endowment portfolio will be invested in a manner which better reflects its status as a perpetual endowment.

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investment objective, strategic asset allocation, expected return and the risk associated with the investment of a perpetual endowment, and its impact on projected distributions to the Synod. In May 2017, we approved a revised strategic asset allocation for the Diocesan Endowment based on the removal of its 50% interest in the SAHT, subject to the approval of Standing Committee. In order to obtain the benefit of a diversified portfolio which reflects the Diocesan Endowment's status as a perpetual endowment, the GAB approved investments in 2 new asset classes as follows:

- Direct Property – Mercer Direct Property Fund
- Unlisted Infrastructure – Mercer Unlisted Infrastructure Fund

As full implementation of the revised strategic asset allocation will take up to 2 years (to gain relevant exposures in the Unlisted Infrastructure Fund), GAB will use a combination of the Mercer Direct Property Fund and the Mercer Listed Infrastructure Fund as a proxy in the interim.

These asset classes were chosen because they:

- (a) reduce the volatility of returns,
- (b) enable the Diocesan Endowment to take advantage of the illiquidity premium within these asset classes (as the Diocesan Endowment has a relatively low requirement for liquidity),
- (c) provide extra protection against future inflation,

- (d) when combined within the Diocesan Endowment's portfolio, increase the probability of maintaining the real value of the Diocesan Endowment while maintaining a 3.5% pa total spend rate,
- (e) are expected to enhance the overall rate of return of the Diocesan Endowment,
- (f) provide greater exposure to the industrial property sector through the Direct Property Fund, and
- (g) provide exposure to infrastructure assets globally which will help to further diversify the investment portfolio of the Diocesan Endowment.

Modelling undertaken by Mercer indicates that the revised strategic asset allocation for the Diocesan Endowment has the following enhanced characteristics:

- (a) The probability of meeting the investment objective of 3.5% + CPI over 20 years is 79.8%, compared to the previous 70% probability.
- (b) A greater probability of maintaining the real value of the Diocesan Endowment without any reduction in spending.
- (c) A long-term expected return of 7.2% pa (compared to the previous long term expected return of 6.3%)
- (d) As a consequence of higher expected returns, a higher distribution rate to Synod is projected due to the extra expected capital growth of the Diocesan Endowment.

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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 at www.sds.asn.au/gab

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. The market aware assumptions represent Mercer's long term expected returns for each asset class but also take into consideration the current levels of the markets. Use of the market aware assumptions showed that on the basis of the revised strategic asset allocation, the 20 year expected returns was 7.2% per annum and the probability of achieving the current return objective of CPI + 3.5% per annum over the next 20 years was 79.8%.

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Asset classes

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

As at 31 December 2017, the property of the Diocesan Endowment was invested in the asset classes shown in the chart below.

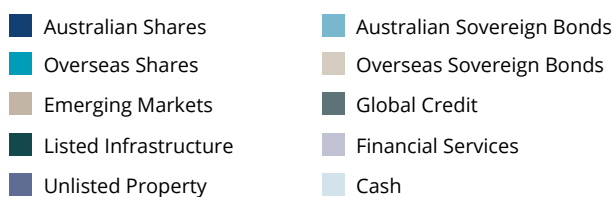
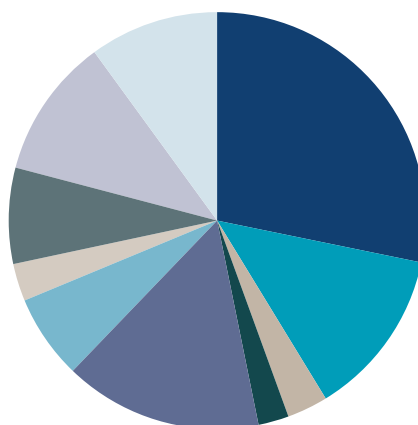
The investments in the Australian Shares, Emerging Markets, Australian Sovereign Bonds, Overseas Sovereign Bonds, Listed Infrastructure, Unlisted Property and Global Credit asset classes are made through funds managed by Mercer and approved by GAB. Each of these funds is a multi-manager fund, meaning 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 largely 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 Financial Services comprises the loan book which is in wind down mode.

Cash investments are made in the Diocesan Cash Investment Fund.



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Investment Performance

The returns in 2017 for each of the asset classes in which investments are made, and the corresponding benchmark returns were as follows:

Asset Class	2017 Return	2017 Benchmark	Variance
Aust shares	14.5	11.9	2.6
Overseas shares	17.7	16.9	0.8
Emerging Markets	25.9	27.1	(1.2)
Property	33.9	4.9	29.0
Aust Sov Bonds	4.0	3.5	0.5
Overseas Sov Bonds	4.0	2.9	1.1
Financial Services	(0.6)	0.0	(0.6)
Cash	2.0	1.5	0.5

The Australian shares out performance was due to the imputation credits received throughout the year and a particularly strong result from one of the 3 underlying fund managers – BT Investments Management.

The out performance of property was due to the value of the 50% St Andrew's House Trust interest increasing by \$15.6 million.

The return for Financial Services reflects the reduction in total loan balances as a result of our decision to withdraw from the business of making loans and the consequent insufficiency of income generated from treasury assets to cover the cost of financial services activities. Going forward the sole asset in this class is loan book which is in wind down mode.

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 week 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 in detail.

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

GAB also provides reports each quarter to the Standing Committee about the investment performance of the Diocesan Endowment.

GAB considers that it has robust processes for the 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 progressively seek a reduction in the carbon intensity of the components of the portfolio. 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 2017.

In relation to climate change, the policy originally stated an intention to reduce the carbon intensity of the Australian Shares component of the portfolio (compared to a benchmark set by reference to the ASX300) in accordance with predetermined targets. In 2017 the carbon intensity target was extended to include all listed asset classes. Although predetermined targets have not yet been set, as at 31 December 2017 the carbon intensity of the Australian Shares component of the portfolio was 20.7% below benchmark. At as 31 December 2017, the Emerging Markets and Listed Infrastructure portfolio components were respectively 13.0% and 14.2% below benchmark in terms of carbon intensity. 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 at www.sds.asn.au/gab

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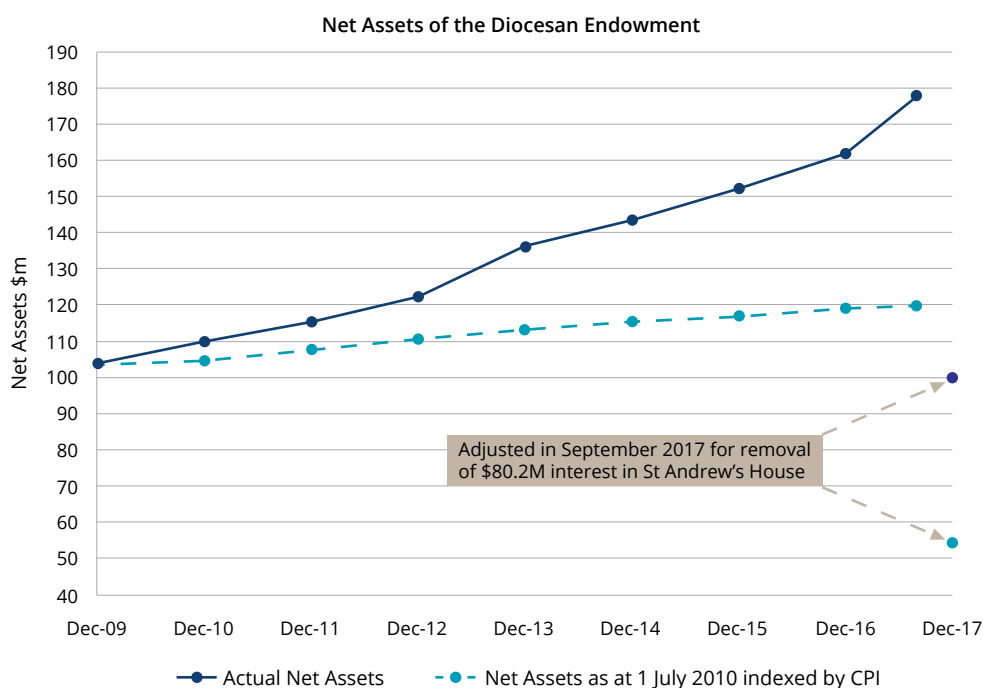
Maintenance of the Real Value of the Diocesan

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 the following graph.

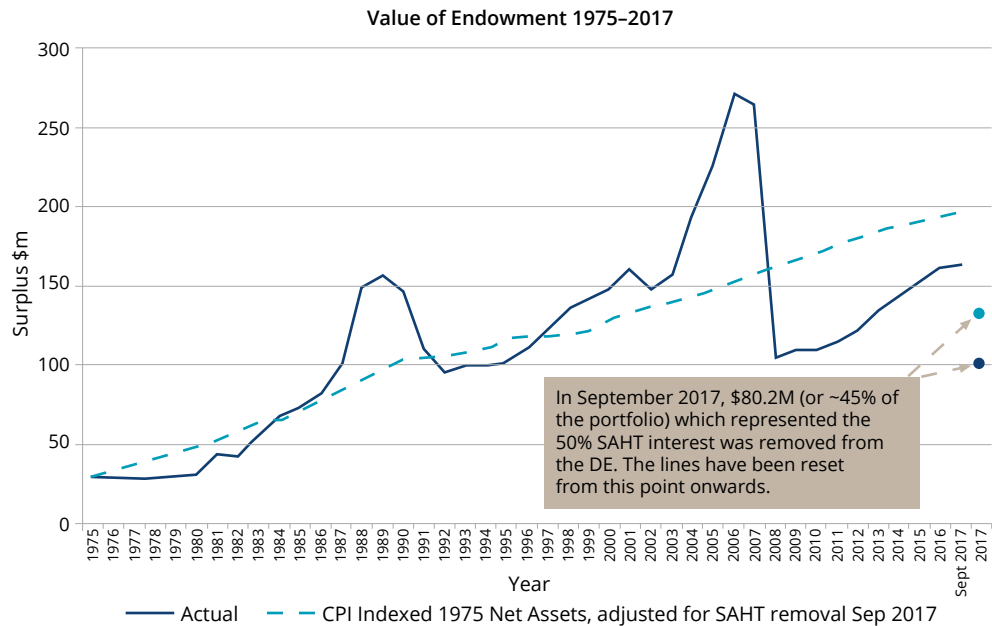
The graph shows that from 30 June 2010 to 31 December 2017 the real value of the net assets of the Diocesan Endowment has grown. The actual value of the net assets as at 31 December 2017 exceeded the value of the net assets as at 30 June 2010 indexed by movements in the Consumer Price Index to 31 December 2017.

However, the increase in the net assets of the Diocesan Endowment since 1 July 2010 needs to be considered in the context of the long term history of the Diocesan Endowment.



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The movement in the net assets of the Diocesan Endowment since 31 December 1975 is shown in the graph below.



The graph shows that notwithstanding the increase in the real value of the Diocesan Endowment since 2010 over the longer term (since 31 December 1975) the real value of the Diocesan Endowment has not been maintained. There are several reasons for this including the volatility of returns in investment markets (particularly the significant losses caused by the Global Financial Crisis of 2007-2009), and the past distribution policies of the Synod and GAB (which, in hindsight, resulted in an unsustainable level of distributions). Notwithstanding the pleasing financial results in recent years, there still remains a considerable gap between the value of the Diocesan Endowment

as at 31 December 2017 and the value required if the real value had been maintained, from 31 December 1975. The graph also shows the effect of the cyclical nature of investment markets on the value of the Diocesan Endowment and, in particular, that periods of significant growth in the value of the Endowment (generally by reason of strong market returns) are followed by periods where there is more subdued growth or even decline in the value of the Endowment (generally, because of flat or negative returns in investment markets). The strong growth in the value of the Diocesan Endowment since 2010 has corresponded with favourable investment market conditions.

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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.

Spending from the Diocesan Endowment

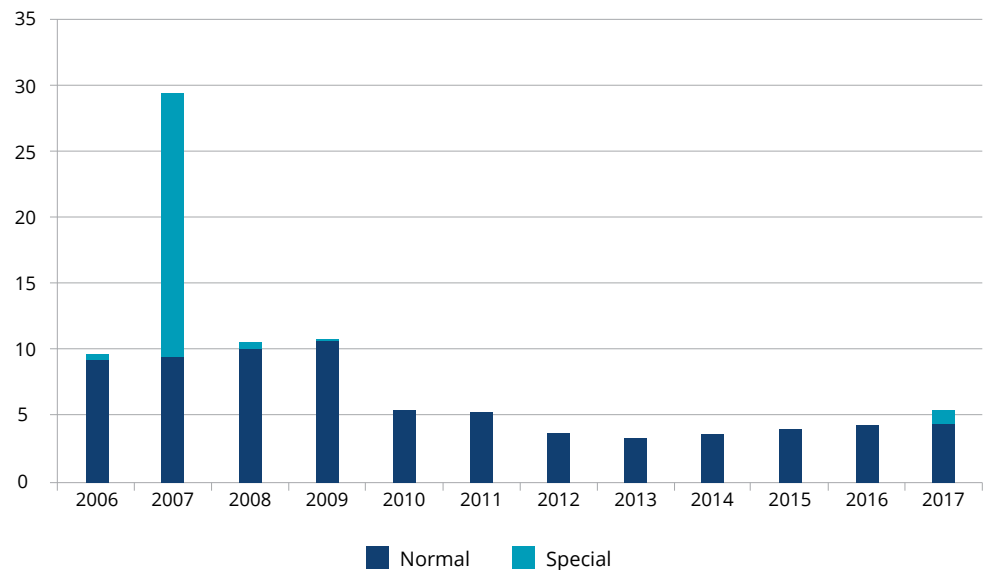
Spending from the Diocesan Endowment consists of the payment of the costs of administration of the Diocesan Endowment and the distributions made available for spending by the Synod.

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 2017, the costs of administration were \$1.3 million, being 0.78% of the net assets of the Endowment as at 31 August 2017 which was the date immediately prior to the removal of the 50% St Andrew's House Trust interest.

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In recent years, the distributions paid from the Diocesan Endowment for spending by the Synod have been as follows:



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

The graph 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.

In 2017, a normal distribution of \$4.4 million was paid. A distribution of \$4.7 million will be paid in 2018. As a consequence of the removal from the Diocesan Endowment of its 50% interest in the St Andrew’s House Trust, we have advised that the distribution in 2019 will reduce to \$2.804 million, and have proposed distributions thereafter to increase in a steady sustainable way. It is expected that when these distributions are added to the new source of income from the 50% interest in the St Andrew’s House Trust from 2019, the total income available to the Synod in 2019 and beyond will be at least that projected prior to the removal of the 50% interest.

DIOCESAN ENDOWMENT

Financial Services Activities

The Financial Services activities undertaken by GAB as trustee for the Diocesan Endowment now comprises a legacy asset, the loan portfolio. Principal repayments on these loans are being increased with the expectation that it will be cleared by 2022.

Closure of Glebe Income Accounts

Following a review of the future of the Financial Services activities, in 2016 GAB determined to undertake a staged closure of the Glebe Income Accounts.

The reasons for deciding to close the Glebe Income Accounts were as follows:

- a) The interest margin earned by GAB had reduced significantly, particularly since GAB withdrew from the business of making new loans in November 2013.
- b) Costs were increasing, particularly in maintaining transaction accounts for parishes.
- c) The decline in the interest margin earned, and the increasing costs, had resulted in a material

reduction in the return earned on the capital allocated to the Financial Services activities. The return earned could no longer justify, from an investment perspective, the continuation of the Financial Services activities.

- d) APRA and the Australian Securities & Investments Commission both signalled an intention to amend the existing regulatory exemptions under which the Glebe Income Accounts operate to restrict the taking of investments from “retail” investors, with effect from 1 January 2018.

In February 2016, GAB agreed to a transition plan for closing Glebe Income Accounts in an orderly way by 30 June 2017. In particular, the plan gave account holders a reasonable time to make alternative account arrangements, and appropriately manage operational, liquidity and credit risk. The closed accounts were transitioned into the DCIF if it was an internal Diocesan organisation or to external bank accounts for all other clients. This represented 731 retail and 365 wholesale accounts.

By 30 June 2017, all Glebe Income Accounts were closed. There are no accounts outstanding.

DIOCESAN ENDOWMENT

Risk Management

GAB 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.

The key risks of the business of GAB are:

1. Investment management risk

2. Insurance risk

3. Operational risk – systems and processes risk

4. Regulatory and contractual risk

5. Reputation risk

6. Strategic risk

Financial control risks are managed primarily by Sydney Diocesan Secretariat, as an external service provider to GAB. GAB has reviewed the risk register of Sydney Diocesan Secretariat to ensure that it has identified financial control risks and has appropriate controls to manage those risks.

DIOCESAN CASH INVESTMENT FUND

Purpose

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.

Establishment

The closure of wholesale Glebe Income Accounts, being the transaction and term accounts held by Anglican Church Property Trust Diocese of Sydney and other diocesan organisations, was tied to a new internal treasury structure for the creation of the management of cash on their behalf called the Diocesan Cash Investment Fund (DCIF). The DCIF was established by the Standing Committee in August 2016. 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 2017 was 1.6%.

As at 31 December 2017, the DCIF had \$102.8 million in assets.

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%
Total	100%

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 \$1.8 billion and offers daily liquidity.

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

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 2017:

Diocesan Cash Investment Fund Statement of comprehensive income For the year ended 31 December 2017

	2017 \$
Income	
Management fee rebate	115,923
Interest and distributions	1,520,088
Net realised and unrealised (losses) on financial assets held at fair value through profit or loss	(168,598)
Total Income	1,467,413
Expenses	
Professional fees	53,216
SDS Management fee	250,000
Audit fees	30,753
Insurance	35,000
Interest	1,098,444
Other expenses	-
Total expenses	1,467,413
Surplus for the year	-

DIOCESAN CASH INVESTMENT FUND

The distribution details for the last two quarters in 2017 were as follows:

Quarter ending	Distribution rate	Annualised return (%)
December 2017	0.41 CPU	1.661%
September 2017	0.44 CPU	1.569%

The DCIF's return on assets since inception as at 31 December 2017 was 1.6%.

The Mercer Cash Fund forms 96% of the DCIF, and this is the main contributor of the overall DCIF performance.

The performance of the Mercer fund as at 31 December 2017 was as follows:

	3 months	1 year	3 years (pa)	5 years (pa)
Cash Fund – Term Deposit Units ¹	0.6%	2.3%	2.6%	2.9%
Benchmark ²	0.4%	1.7%	2.1%	2.3%
Excess Return	0.2%	0.6%	0.5%	0.6%
Return after fees	0.6%	2.2%	2.5%	2.8%

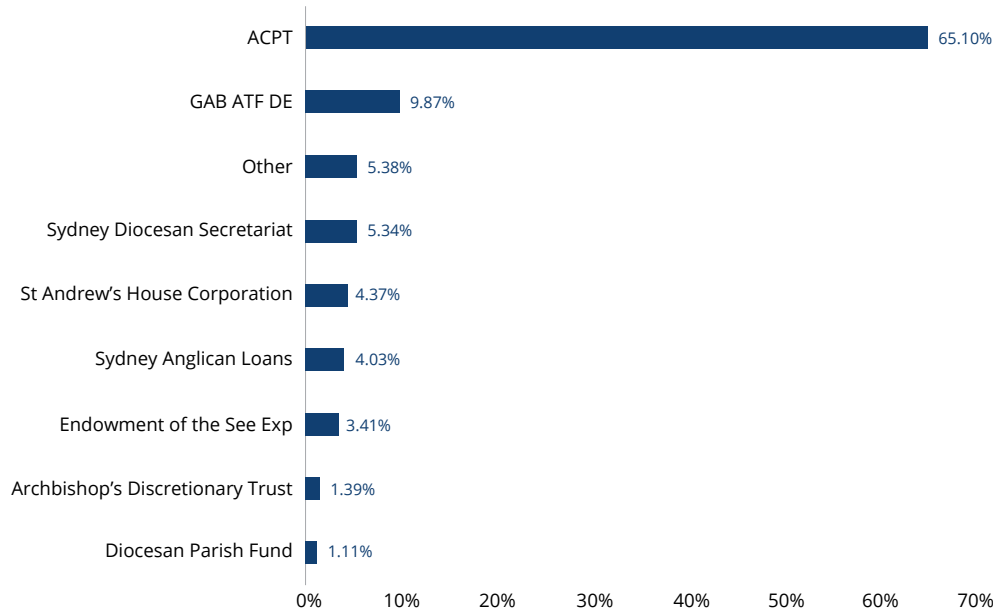
1. Returns are before fees 2. Bloomberg AusBond Bank Bill Index

The Mercer fund has consistently outperformed its benchmark.

DIOCESAN CASH INVESTMENT FUND

Investor Profile

As at 31 December 2017 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.

The key risks of the business of DCIF are:

- Governance
- Insurance
- Investment Management

- Operational Risk – Systems and Processes
- Regulatory and Contractual Obligations
- Reputation
- Strategic

Financial control risks are managed primarily by Sydney Diocesan Secretariat, as an external service provider to DCIF. DCIF has reviewed the risk register of Sydney Diocesan Secretariat to ensure that it has identified financial control risks and has appropriate controls to manage those risks.

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.

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 2016:

- a) the Diocesan Endowment is held in 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 properly 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.

CHARITY STATUS

GAB as trustee of 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 2017 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, 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.

ACCESS

The principal office of GAB is Level 2, St Andrew's House, Sydney Square PO Box Q190 QVB Post Office NSW 1230

Telephone (02) 9265 1555.

The hours of access are between 8.30 am and 5.30 pm.

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 Secretariat on a fee for service 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

The fees charged by Sydney Diocesan Secretariat to GAB for the supply of its services are reviewed as to reasonableness by the Finance Committee of the Standing Committee.

GOVERNANCE STANDARDS

GAB is committed to the highest standards of governance, which are fundamental to its sustainability.

In determining its governance standards, GAB has considered:

- The governance standards applying to charities registered with the ACNC.
- The “Corporate Governance Principles and Recommendations” (3rd Edition, 2014) published by the ASX Corporate Governance Council.
- The Governance Policy for Diocesan Organisations approved by the Synod on 20 October 2014, as amended from time to time.

GAB’s governance standards are set out in its Governance Statement which can be found at www.sds.asn.au/gab

GAB’s governance standards are set out below:

Governance Standard 1

Object and Not-For-Profit character

Under the Glebe Administration Board Ordinance 1930 (the “1930 Ordinance”) the object of GAB is to advance the purposes of the Anglican Church of Australia in the Diocese of Sydney by managing and controlling the property of the Diocesan Endowment in accordance with the trusts on which it 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.

Under the Diocesan Endowment Ordinance 1984 (the “1984 Ordinance”), the property of the Diocesan Endowment is held by GAB on trust for the purposes of the Anglican Church of Australia in the Diocese of Sydney and, as trustee, the GAB is to act in a way which preserves the real value of the Diocesan Endowment and, subject to that requirement, enables distributions to be paid to the Synod in accordance with clause 6 of the 1984 Ordinance.

Under the 1984 Ordinance, GAB is to advise the Standing Committee each year of the amount which may prudently be distributed from the property of the Diocesan Endowment during the year which follows the year in which advice is given, having regard to the trusts set out in the 1930 Ordinance.

GAB is to pay the Standing Committee the amount so advised during the year which follows the year in which the advice is given, at such time or times as the Standing Committee determines. GAB is to provide this advice no later than 30 April each year. Amounts so paid by GAB are applied by the Standing Committee in accordance with the determination or direction of the Synod.

GOVERNANCE STANDARDS

Governance Standard 2

Roles And Responsibilities

The members of GAB, acting collectively, are responsible for:

- Providing leadership and setting the strategic objectives of GAB
- Appointing the Chair and Deputy Chair
- Appointing, and where necessary replacing, the Chief Executive Officer
- Approving the appointment, and when necessary replacement, of other senior executives
- Overseeing management's implementation of GAB's strategic objectives and its performance generally
- Approving operating budgets and major capital expenditure
- Overseeing the integrity of GAB's accounting and corporate reporting systems, including the external audit
- Overseeing GAB's process for making timely and balanced disclosure of information to its stakeholders
- Ensuring that GAB has in place an appropriate risk management framework and setting the risk appetite within which the members expect GAB to operate
- Monitoring the effectiveness of GAB's governance practices.

GAB has an Audit Committee to assist it in fulfilling its responsibilities.

The main role of the Audit Committee is to monitor, report and make recommendations to GAB about the financial reporting processes of GAB, the internal control systems and the independent audit process. The charter of the Audit Committee is reviewed periodically by GAB.

GAB also has a Nominations Committee. The main role of the Nominations Committee is to make recommendations to 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 GAB.

GAB has delegated to the Chief Executive Officer of Sydney Diocesan Secretariat and through the CEO to the other executive staff of SDS, responsibility for the day to day management of the business of GAB. The scope of that delegated authority, and the limits on that authority, is documented and reviewed periodically by GAB.

Governance Standard 3

Membership of GAB

Under clause 5(1) of the 1930 Ordinance, the members of GAB consist of at least eight and up to ten members elected by the Standing Committee.

The name of each member, together with information about their qualifications and experience, is set out elsewhere in this report.

GOVERNANCE STANDARDS

Appointment of Members

GAB is to have an adequate number of members with appropriate skills and commitment to adequately discharge their responsibilities and duties.

GAB, in making recommendations to the Standing Committee about the preferred skills and experience of candidates to fill vacancies in the office of member, has regard to the skills and experience required of a person to serve as a member of GAB.

The Standing Committee may appoint, as a member, a person other than a potential candidate recommended by GAB.

A person must sign a prescribed statement of personal faith to be eligible for election as a member.

Independence of members

No member of GAB is an employee of GAB or an entity which provides services to GAB (for a fee).

Each member of GAB is to be free from any business or other relationship that could interfere with the exercise of their unfettered and independent judgment as a member.

Each member is expected to disclose any business or other relationship which they may have with GAB.

Statement of Personal Faith

A person is not eligible to be elected as a member unless the person has first given the Secretary of GAB a signed copy of the Statement of Personal Faith set out in the Schedule of the 1930 Ordinance.

Term of office

A member of GAB holds office for a term of 3 years. Eligible members may offer themselves for re-election by the Standing Committee. GAB also makes recommendations concerning the re-election of any members by the Standing Committee. A person is not eligible for re-election if such re-election would result in that person being a continuous member of GAB for more than 14 years.

Induction of members

On appointment, a member receives a letter of appointment which sets out the expectations of the member and the conditions of appointment. A member is also offered an induction program to familiarise them with matters relating to the business, strategy and any current issues before GAB.

The induction program includes meetings with the Chairman, the chairman of the Audit Committee, and the CEO and senior executives, as appropriate.

Meetings of members

The 1930 Ordinance sets no minimum number of meetings, but instead provides that the members are to meet at such times as they may determine. The general practice of GAB is for the members of GAB to meet quarterly during the year (February, May, August and November) and at other times when required.

GOVERNANCE STANDARDS

GAB has operating protocols for its meetings which cover matters such as the business of the meeting, attendance at a meeting, and how matters are to be discussed and determined at a meeting.

The CEO attends all meetings. The Chairman, on the recommendation of the CEO, determines which other staff members or external consultants will be present at a meeting.

At each meeting, there is the opportunity for members of GAB to discuss matters in the absence of the CEO and other staff members.

Review of performance of members

The members of GAB regularly review their performance and effectiveness.

Learning & Development

GAB endorses and supports the appropriate development of its members, and expects that they will undertake ongoing learning and development which is relevant to their role as a member. GAB has a Member Learning & Development Policy which describes how GAB will support its members in undertaking learning and development.

Remuneration

A member is not remunerated for their services as a member.

Chair

The members appoint one of their number as Chair for a term which ends on the date set out in the resolution making the appointment, the third anniversary of appointment or otherwise when revoked by the board.

Governance Standard 4

Accountability

GAB is to be accountable to the Archbishop, the Synod and the Standing Committee being the representatives of the Diocese of Sydney for whose purposes GAB is constituted.

In accordance with its obligations under the 1930 Ordinance, GAB:

- reports to the Standing Committee from time to time about its affairs, and
- provides the Standing Committee with such information regarding the affairs of GAB as the Standing Committee may require from time to time.

GAB also complies with the provisions of the Accounts, Audits & Annual Reports Ordinance 1995 which include provisions as to reporting.

GAB publishes its annual financial statements, its annual report and quarterly reports about the investment performance of the Diocesan Endowment on its website.

Archbishop

The GAB is to send a copy of the Agenda for each meeting to the Archbishop if requested by him. The Archbishop may attend meetings of GAB and put before its members any matter for their consideration and express his views on any matter being considered by the members. The Archbishop is not entitled to vote on any such matter.

GOVERNANCE STANDARDS

Governance Standard 5

Acting Ethically and Responsibly

GAB promotes ethical and responsible conduct.

Responsibilities of members to act ethically and responsibly

In undertaking their responsibilities, members of GAB are:

- to act with reasonable care and diligence in the performance of their functions
- to act in good faith in the best interests of GAB and to further its purpose
- not to misuse their position as members
- not to misuse information they gain in their role as members
- to promptly disclose actual or perceived conflicts of interest
- not to participate in discussions, or vote on any matter regarding an actual or perceived conflict of interest without the approval of other members
- to ensure the financial affairs of GAB are managed responsibly
- not to allow GAB to operate while it is insolvent.

The members of GAB collectively, and each member individually, may seek independent professional advice, at GAB's expense, to help them carry out their responsibilities. The Chairman's prior approval is required, but will not be unreasonably withheld.

Conflicts of interest

GAB's conflict of interest policy provides guidelines for recognising and managing potential conflicts of interest of members and specifically requires that all members are required to disclose any actual or potential conflict of interest upon appointment and are required to keep those disclosures to GAB up-to-date, and any member with a material personal interest in a matter may not participate in discussion or vote on that matter, unless GAB resolves otherwise.

In addition, staff of SDS are not permitted to participate in activities which involve a conflict with their duties and responsibilities or which are prejudicial to GAB.

GAB has entered into a service level agreement where, on a fee for service basis, SDS undertakes management responsibilities for GAB. In recognition of the conflict which exists because the members of SDS are also the members of GAB, GAB requests that the Finance Committee of the Standing Committee of the Synod review as to the reasonableness the quantum of the fee to be paid by GAB to SDS.

Compliance with Australian law

GAB is subject to a number of specific legal and regulatory obligations by reason of the activities it undertakes. GAB has identified those obligations and monitors compliance with those obligations.

GOVERNANCE STANDARDS

Ethical Investment Policy

GAB invests the property of the Diocesan Endowment in accordance with its ethical policy set out in the Investment Policy Statement for the Diocesan Endowment.

Governance Standard 6

Safeguard Integrity in Financial Reporting

Core principles

GAB's approach to financial reporting reflects the following core principles:

- its financial reports present a true and fair view
- its financial reports fully inform the members as to financial exposures
- its accounting methods are comprehensive and relevant and comply with applicable accounting rules and policies
- appropriate internal controls are maintained
- its external auditor is independent.

Integrity in the financial reporting system is maintained through:

- the work of the Audit Committee
- the work of the External Auditor
- CEO and CFO assurance.

Audit Committee

The Audit Committee reviews and assesses any significant estimates and judgments in financial reports and the processes used to monitor

and comply with laws, regulations and other reporting requirements.

Members of the Audit Committee are chosen on the basis of relevant skills and experience. The Audit Committee has the flexibility to augment its skills and experience by appointing persons who are not members of GAB, subject to GAB approval.

The performance of the Audit Committee is reviewed as part of the annual performance review undertaken by members.

The Audit Committee may meet with the external auditors without management being present.

Given the relatively small size of GAB an internal audit division is not warranted. GAB has instituted internal controls and appropriate division of duties.

The accounting controls monitor for breaches of authority.

External Auditors

The role of the external auditor is to provide an independent opinion that the financial reports are true and fair and comply with applicable regulations.

The external auditor has access to the minutes and papers of GAB and its Audit Committee. The external auditor submits an annual declaration of independence to GAB. Any advisory services by the external auditor are detailed in the notes to the annual financial statements.

GOVERNANCE STANDARDS

The external auditor attends all meetings of the Audit Committee at which a report is presented by the auditor about management, monitoring of financial risks, significant and unusual transactions, any correspondence with regulators and asset valuations.

CEO and CFO Assurance

The members of GAB receive a letter of representation, signed by both the CEO and the CFO of SDS, assuring GAB that in all material respects:

- the financial records have been properly maintained to correctly record and explain its transactions
- the financial statements and notes required comply with the accounting standards
- the financial statements and notes give a true and fair view of the financial position and of the performance of the organisation
- that appropriate internal controls and risk management systems are sound, and continue to run in an efficient manner
- that proper retention processes are in place to ensure these records are recoverable and useable for a period of seven years.

Governance Standard 7

Recognise and Manage Risk

Risk Management

GAB regards managing the risk that affects its business as a fundamental activity, as it influences

its performance, reputation and future success.

Effective risk management involves achieving an integrated and balanced approach to risk and reward, and assists GAB in achieving its objectives of optimizing financial growth and mitigating potential loss or damage.

Risk Management Roles and Responsibilities

GAB approves the organisation's risk identification and management strategy and periodically reviews that strategy.

The CEO and senior managers are responsible for implementing the risk management framework, systems, controls and procedures for identifying risk and management of risks adopted from time to time by GAB.

The CEO and senior managers ensure that risks are quantified, appropriate risk limits (tolerances) are set and that financial exposures are fully reported to GAB.

Compliance Reporting

GAB monitors its compliance with key risk matters, by requiring periodic confirmation certificates from management.

The compliance coverage and depth of review is reviewed in response to changing circumstances.

Compliance reporting is the responsibility of the Corporate Secretary of GAB. Further information about risk management is set out in the next section.

CONFORMITY WITH SYNOD'S GOVERNANCE POLICY

The provisions of the Glebe Administration Ordinance 1930 and GAB's Governance Statement and other board policies generally conform to the requirements of the Synod's Governance Policy for Diocesan organisations.

The main areas of non-conformity are:

- the minimum number of board members being 8 (rather than 9), and
- the absence of a provision which requires at least 2 board members to be clergy or to have formal theological education.

MEMBERSHIP OF GLEBE ADMINISTRATION BOARD

The members of GAB comprise at least 8 and up to 10 persons elected by the Standing Committee of the Synod.

As at 31 December 2017 the members of GAB were:



Mr Mark Ballantyne

BEC, MBA, FIAA

Qualified Actuary; General Manager of Financial Wisdom with the Commonwealth Bank, having over 20 years' experience in all facets of financial services. Attends East Lindfield Anglican Church.

Board member since 2009.



The Rev Ted Brush

BTh, DipMin

NSW/ACT Regional Officer for Bush Church Aid. Previously Rector, Parish of Lower Mountains. Previously served on the board of Governors of the National Church Life Survey, Standing Committee, Mission Board of the Standing Committee, Council of St Andrew's Cathedral School, George's River Regional Council and Finance & Loans Board. Originally trained as an electrical engineer with extensive experience in supply chain management both in Australia and internationally.

Board member since 2013.



Mr Greg Hammond OAM

BA (Hons), LLB (Hons), Assoc Deg Th

Consultant in banking and finance; formerly 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, NCNC Funds Limited and Opportunity International Australia; Adjunct Fellow Macquarie University in the Applied Finance Centre; previous service on Diocesan and other not-for-profit boards and committees. Member of Macquarie Anglican Churches.

Board member since 2014.

MEMBERSHIP OF GLEBE ADMINISTRATION BOARD



Mr John Pascoe

BEC, FCA

Partner Pascoe Whittle Chartered Accountants; Member of Standing Committee, Finance Committee, St Andrew's House Corporation, St Andrew's Cathedral Chapter and Diocesan Resources Committee; Chairman Audit Committee. Attends St Andrew's Cathedral.

Board member since 2009.



Mr David Sietsma

BCom (Fin), Grad Dip AppFin and Investment SIA (now FINSA)

General Manager, Group Treasury at the Commonwealth Bank of Australia. 26 years in financial markets roles with Macquarie Bank, Deutsche Bank, BNP Paribas and Commonwealth Bank of Australia. Earlier experience focussed on trading portfolios covering commodities, foreign exchange, interest rate derivatives, corporate and sovereign fixed income and credit derivatives. Since joining the Commonwealth Bank in 2006 his focus has centred on balance sheet and portfolio management of the Group financial market risks. This has included roles as Executive Manager of Asset and Liability Management and Head of Investment Portfolios. He is currently Chair of the Council of Arden Anglican School. Attends All Saints Anglican Church, North Epping.

Board member since 2016.



Mr Ross Smith (Chair)

MAppFin, BEc, GAICD, Chartered Accountant

CEO, Anglican Schools Corporation. Previously CFO of Anglicare, Sydney. Brings 25 years' experience in Finance, Corporate Restructuring and Acquisition Advisory; Member of The Council of St Andrew's House Corporation. Member of Caringbah Anglican Church.

Board members since 2010.

MEMBERSHIP OF GLEBE ADMINISTRATION BOARD



Mr Andrew Stanley

BEC, LLB, MAppFin, CA, FINSA

Head of Australian Equities, Ralton Asset Management. Over 20 years' experience in financial structuring/investment banking and funds management. Previously a member of Anglican Funds Committee, Melbourne. He attends C3 Church, Mosman.

Board member since 2014.



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.

Professor Peter Wolnizer resigned as a member of GAB on 31 December 2017.

Glebe Administration Board

as trustee for the DIOCESAN ENDOWMENT
and the DIOCESAN CASH INVESTMENT FUND

