

This is a medium risk fund, which suits a long term investor who wishes to

Receive a regular income

Preserve the real value of their capital

Invest ethically

Annual Fund Returns to 31/12/2018

	1 Year	3 Years	5 Years	10 Years
Total Return				
Actual	-3.3%	4.3%	4.9%	9.3%
Target	6.8%	6.7%	6.7%	7.1%
Excess	-10.1%	-2.4%	-1.8%	2.2%
Income				
Actual	4.9%	5.2%	5.2%	6.2%
Target	5.0%	5.0%	5.0%	5.0%
Excess	-0.1%	0.2%	0.2%	1.2%

- All returns are % per annum.
- Calculation of Total Return and Income assumes that distributions are reinvested. All returns are after fees have been deducted. Past performance is not a guarantee of future performance.
- Endowment Fund Total Return Target is CPI plus 5% per annum over a 5 year period.

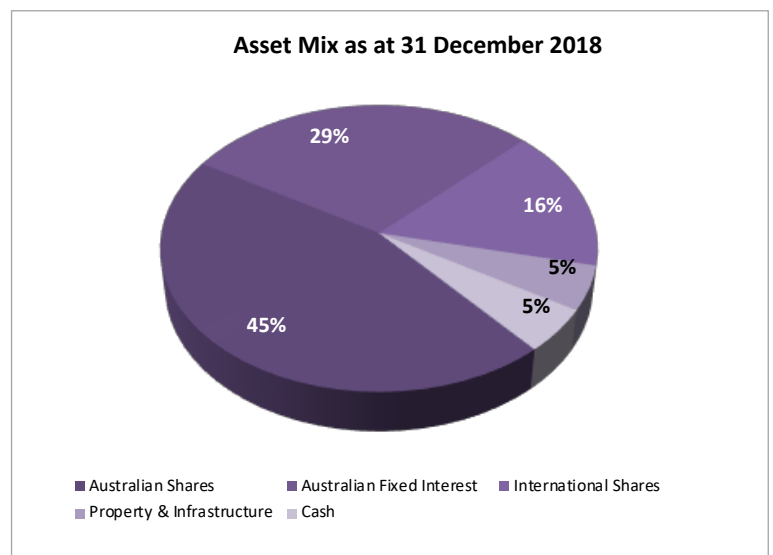
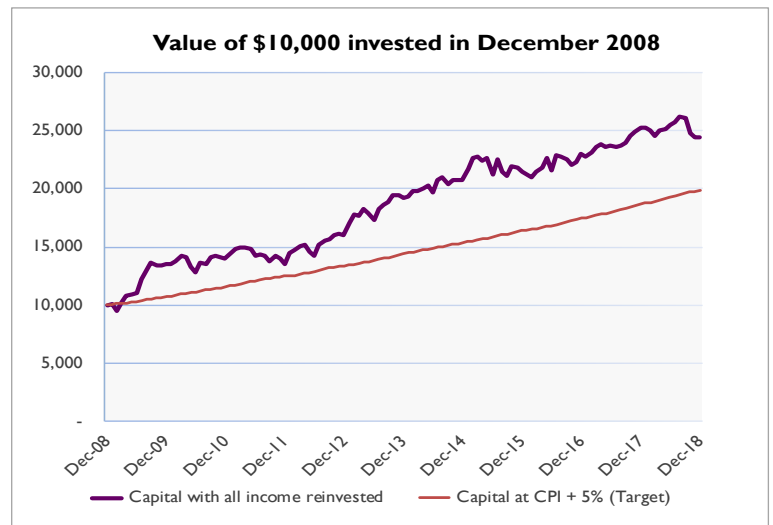
Fund Description

The Fund has been designed to meet the investment needs of organisations with a long term investment perspective that want to promote the charitable purposes of the Anglican Church in the Diocese of Adelaide.

Over a rolling 5-year timeframe, the fund aims to produce income of 5% pa, paid semi-annually, and produce a combined return of income and capital growth, after fees, of 5% pa above CPI.

At 31 December 2018, the fund held \$74.9 million in net assets. Management fees of 1% pa are paid at the fund level before returns are calculated.

For enquiries please call
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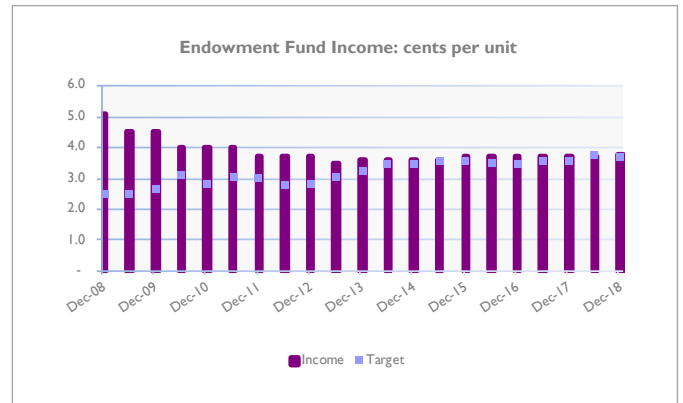
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CONSULTANTS

News and Other Information about Your Investment

Performance

10-Year Historical View

Since December 2008, the fund has made a total return of 9.3% pa, which is favourable to its target of 7.1% pa. Over this period, the Endowment Fund has outperformed its primary objective by 1.2% pa paying income semi-annually equivalent to a yield of 6.2% pa. The graph to the right shows the distribution history of the fund.



Year ended 31 December 2018

The Australian stock market recorded its first December-quarter loss in a decade in 2018, with the S&P/ASX 200 Index falling -6.9%. The MSCI World Equities Index (not including Australia) sank -10.4% for the year as investor sentiment around the globe soured in the face of trade conflicts that show no sign of imminent resolution; a plunge in the oil price and major central banks signalling they would stay the course on normalising monetary policy even as some data and corporate outlooks suggested growth in the American, European and Chinese economies was losing momentum.

The Fund returned -3.3%* for the year. Although it was disappointing to make a loss in 2018 the fund insulated investors from much larger losses in the global stock markets which were down -10.4% over the year. Sound asset allocation has provided a buffer to the equity market lows, whilst continuing to maintain income levels.

*Note: Calculation of Total Return and Income assumes that distributions are reinvested

To find out more, please contact

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Telephone (08) 8305 9305
or visit www.anglicanfundssa.com.au

Ethical Investment

Investing ethically is very important to us. It is our policy to avoid investment in a company that is principally involved in activities such as irresponsibly polluting the atmosphere; the exploitation of people; encouraging repressive regimes; or the manufacture, sale, or distribution of armaments, gambling devices, tobacco and other products that damage the health or wellbeing of people.

Outlook

The key strength of the Endowment Fund continues to be the stability of its income payments to investors, along with its deliberate and balanced investment approach.

The pie chart on the previous page shows the asset mix as at 31 December 2018. The asset mix is regularly reviewed based on advice provided by the Fund's specialist asset consultants.

The Fund will have further volatility in 2019 given domestic political/regulatory risks, international trade disruption and euro-focused risks with Brexit. The Fund expects to retain the distribution rate at 7.5c per unit subject to any further market corrections.

Blaine Fitzgerald
Head of AFSA

Important Information: The AFSA Endowment Fund is a charitable investment fundraiser whose activities meet the requirements of ASIC Corporations (Charitable Investment Fundraisers) Instrument 2016/813 (the ASIC Instrument). The ASIC Instrument provides exemption from various fundraising, managed investment and licensing provisions of the Corporations Act 2001 for qualifying charitable investment fundraisers. Neither AFSA, the Synod itself, nor its products, nor promotional material and offer documents have been examined or approved by ASIC. By issuing interests in the Fund, the Synod promotes the charitable purposes of the Anglican Church in the Diocese of Adelaide by providing an income stream directly to missional activities, while providing governance and stewardship of Church capital. Investment in the Fund is only intended to attract investors whose primary purpose is to support the charitable purposes of the Anglican Church in the Diocese of Adelaide. The Synod is required by law to notify investors: that its products and their offering are not subject to the usual protections for investors under the Corporations Act or regulation by ASIC; investors may be unable to get some or all of their money back when the investor expects, or at all; and the investment is not comparable to investments with banks, finance companies or fund managers. The Fund is not prudentially supervised by the Australian Prudential Regulation Authority therefore, an investor in the Fund will not receive the benefit of the financial claims scheme or the depositor protection provisions in the Banking Act 1959. The Identification Statement lodged and accepted by ASIC may be viewed on the AFSA website.