

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

Fund Description

The Fund has been designed to meet the investment needs of organisations affiliated with the Anglican Church who have a long term investment perspective, and want to invest within an ethical investment framework.

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

At 30 June 2022 the fund held \$93.1 million in net assets. Management fees of 1% p.a. are paid at the fund level before returns are calculated.

Performance

AFSA acknowledges that last financial year was a tough year for financial markets. Global share markets were down

-13.6%* and the Australian share market dropped -6.8%**. Even government bonds, normally a safe haven, were down -10.5%***. This coupled with rising inflation has resulted in the poor performance for this financial year. Our results are not isolated, with comparable funds posting similar negative returns.

Income stability a key feature of the Endowment Fund has been maintained, providing investors with consistency of income for budgeting and cashflow.

*MSCI ACWI Index - 100% hedged to AUD – Net

**S&P/ASX 300 Accumulation Index

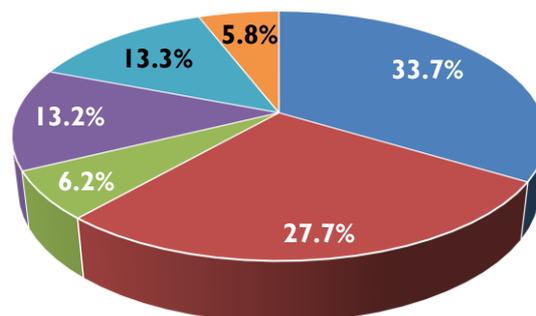
***Bloomberg AusBond Composite 0+ year Index

10-Year Historical View

The tough conditions in 2022 have had a flow on effect impacting 5 year performance, however on a 10 year basis, total returns have remained consistent with our goals, preserving the real value of investors' capital. Since June 2012, the Fund has achieved a total return of 7.2% p.a. after fees, slightly underperforming its target by 0.1% pa.

The Fund has performed in line with its primary objective whilst paying income semi-annually equivalent to a yield of 5.4% p.a. since June 2012. The graph on the right hand side of this page shows the distribution history of the Fund.

Asset Mix as at 30 June 2022



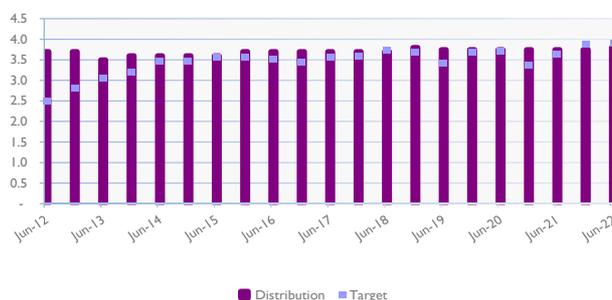
■ Australian Shares ■ International Shares
■ Property & Infrastructure ■ Australian Fixed Interest
■ International Fixed Interest ■ Cash

Annual Fund Returns to 30 June 2022

	1 Year	3 Years	5 Years	10 Years
Total Return				
Actual	-9.0%	1.9%	3.8%	7.2%
Target	11.1%	8.2%	7.6%	7.3%
Result	-20.1%	-6.3%	-3.8%	-0.1%
Income				
Actual	4.9%	5.2%	5.2%	5.4%
Target	5.0%	5.0%	5.0%	5.0%
Result	-0.1%	0.2%	0.2%	0.4%

1. All returns are % per annum.
2. Calculation of Total Return assumes that distributions are reinvested. All returns are after fees have been deducted. Past performance is not a guarantee of future performance.
3. Endowment Fund Total Return Target is CPI plus 5% per annum over a 5 year period.
4. The unit price at at 30 June 2022 ex-distribution is 1.3390.

Endowment Fund distribution: cents per unit



News and Other Information about your Investment

Year ended 30 June 2022

The year ended 30 June 2022 concluded with geopolitical instability and sustained inflation as the key narratives. International equity markets experienced a downturn to begin 2022 as the Russian invasion of Ukraine dramatically increased food and energy prices, exacerbating inflationary pressures already present from record levels of fiscal and monetary stimulus. Bond yields were higher and credit spreads wider amid this volatile environment, whilst the US Dollar strengthened as investors sought safety in the world's reserve currency. Aggressive interest rate increases to combat inflation from central banks around the world sparked fears of a global recession leading to falling share prices.

The picture in Australia is slightly less pessimistic, with inflation that has not reached levels seen overseas and a central bank that has largely acted according to market expectations. Lack of export demand from China remains a risk, as the nation continues with a COVID-zero policy that has severely curbed growth.

Outlook

Recession and inflationary fears continue, so investment returns may be volatile. Core inflation and employment

data are key indicators that will determine whether central banks continue to raise interest rates.

The key strength of the Fund continues to be the stability of its income payments to investors, along with its deliberate and balanced investment approach. Although short term returns have been volatile, our balanced investments in equities and bonds are expected to outperform inflation over the long term.

The Fund will pay a half yearly distribution of 3.8c per unit for the 30 June 2022 half, and subject to any further market corrections, is proposing a half yearly distribution of 3.8c per unit for the 31 December 2022 half.

Blaine Fitzgerald Head of AFSA

Our partners in managing your money

Fund Asset Consultant



Fund Managers we work with include

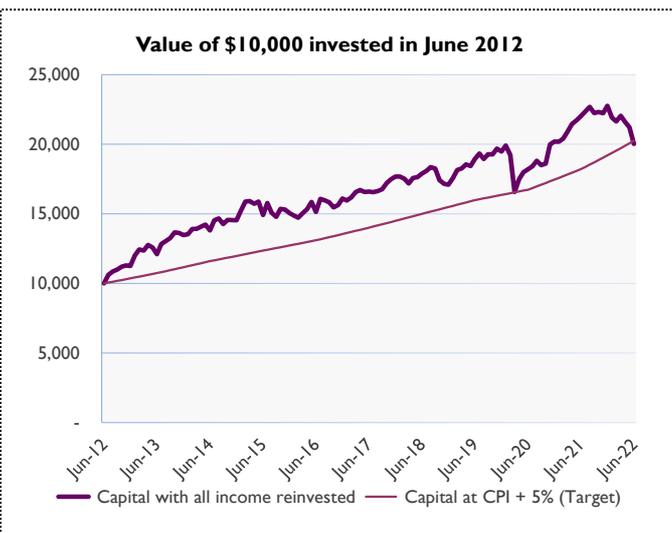










To find out more, please contact

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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.