

## REPORT OF THE INVESTMENT SUBCOMMITTEE

On behalf of Synod Council of the Diocese of Niagara, the Investment Sub-Committee monitors the investment funds of The Synod of the Diocese of Niagara and the Anglican Church Ministries Foundation (ACMF), Niagara Investment Fund.

A system of participation units is employed (a system similar to individual purchasing units in a mutual fund). Monies that the Diocese or the parishes wish to invest are used to purchase participation units. Originally valued at \$10.00 per unit, participation units at June 2015 were worth \$24.04. The Investment Funds totalled \$34,479,239 as of June 30, 2015. These funds are made up of monies deposited by the ACMF, the Synod, Parishes and other associated organizations. As of July 31, 2015 the Investment Funds, totalling \$35,609,244 were invested by Russell Investments Canada, the Investment Manager since 2002.

Annual calendar year rates of return of the Diocese of Niagara Investment Fund are:

Rate of Return by Year		Rate of Return by Year		Rate of Return by Year	
2004	7.962	2008	(20.839)	2012	7.880
2005	11.112	2009	17.993	2013	16.016
2006	12.094	2010	9.390	2014	8.998
2007	0.728	2011	(2.789)	2015 June	6.567

The fund is invested in a diversified portfolio of fixed income and equity investments managed by Russell Investments. The breakdown as agreed with the Investment Committee is:

Canadian Fixed Income	35%
Canadian Equities	30%
US Equities	15%
Global Equities	20%

The value of the investment portfolio at Dec 31 2014 was \$ 32,485,710 and total investment income for the year ending Dec 31 2014 was \$ \$ 3,118,990. The Synod's portion was \$ 248,869.

We are convinced that for a faith-based organization, it was essential that our investment practices were consistent with our values and beliefs. The solution was an in depth inquiry and analysis of the practices of our Investment Manager, Russell Investments. This analysis convinced us that our funds are being managed in a manner consistent with our values and beliefs. The result was a clearer understanding of where the stakeholders stood on the important issues, and a policy statement that reflected constituent priorities. A copy of this Investment Policy can be found on the Diocese website.

Current members of the Investment Sub-Committee are. Andrew Bucknall, Reverend Canon Robert Fead, Derek Wood, Steve Fricker, and Fred Roach.

The Committee receives information and support from Ms. Joanna Beck, Diocesan Treasurer and Kim Waltmann, Administrator of Investments.

Fred Roach, Chair