

Diocesan Cash Investment Fund Ordinance 2016

(Reprinted under the Interpretation Ordinance 1985.)

The Diocesan Cash Investment Fund Ordinance 2016 as amended by the Diocesan Cash Investment Fund Ordinance 2016 Amendment Ordinance 2017, the Accounts, Audits and Annual Reports Ordinance 1995 Amendment Ordinance 2020, and the Diocesan Cash Investment Fund Ordinance 2016 Amendment Ordinance 2021.

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Long Title

An Ordinance to declare the trusts of the Diocesan Cash Investment Fund, and for purposes related thereto.

Preamble

- A. Glebe Administration Board holds the sum of \$100 in a fund known as the “Diocesan Cash Investment Fund” (the “Fund”).
- B. The property of the Fund is church trust property held on trust for the purposes of the Anglican Church of Australia in the Diocese of Sydney.
- C. By reasons of circumstances which have arisen after the creation of the trusts on which the property of the Fund is held, it is inexpedient to carry out and observe those trusts and it is expedient that the trusts of that property be varied in the manner set out in this Ordinance. The Standing Committee of the Synod of the Diocese of Sydney Ordains as follows.

Part 1 – Introduction

1. Name

This Ordinance is the *Diocesan Cash Investment Fund Ordinance 2016*.

2. Definitions

In this Ordinance –

“Board” means Glebe Administration Board, being the corporation incorporated under section 3(1) of the *Anglican Church of Australia (Bodies Corporate) Act 1938*.

“church trust property” has the meaning given in the *Anglican Church of Australia Trust Property Act 1917*.

“Custodian” means a custodian which is a corporation or wholly owned subsidiary of a corporation which normally carries on the business of banking or the provision of trustee or custodial services.

“Diocese” means the Diocese of Sydney.

“Fund” means the Diocesan Cash Investment Fund.

“Income” means the income earned from, or in connection with, the Property.

“Property” means the property of the Fund from time to time.

“Standing Committee” means the Standing Committee of the Synod.

“Synod” means the Synod of the Diocese.

“Trustee” means the Board or such other person or corporation who or which, from time to time, is the trustee of the Fund.

“trustee of church trust property” includes organisations constituted by or under the authority of the Synod or the Standing Committee and organisations in relation to which the Synod or the Standing Committee is empowered to make ordinances or other binding rules.

3. Declarations

By reason of circumstances which have arisen after the creation of the trusts on which the property of the Fund is held, it is inexpedient to carry out and observe those trusts and it is expedient to re-declare the trusts of that property and to provide for the application of the income from the property.

Part 2 – Trusts

4. Trusts of the Property

The Property 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.

5. Income of the Property

(1) The income of the Property is to be applied toward meeting the expenses of the Fund (including, without limiting the generality of the foregoing, the payment of interest to trustees of church trust property who make advances or provide credit to the Trustee for the purposes of investment) and creating such provisions and reserves as the Trustee considers appropriate for the purposes of the Fund.

(2) With the approval of the Trustee, the balance of the income may be applied for such purposes of the Anglican Church of Australia in the Diocese of Sydney as the Standing Committee may determine by time to time by resolution.

Part 3 – Powers of the Trustee

6. Powers of the Trustee

(1) Subject to this Ordinance, the Trustee has such powers as are necessary or desirable to enable it to fulfil its duties as trustee of the Fund.

(2) The Trustee is to invest the Property in accordance with the *Trustee Act 1925* (NSW) provided that the Trustee must do so in accordance with any ethical investment policy approved by the Synod or the Standing Committee for the purposes of the investment of the Property.

(3) The Trustee also has the following powers –

- (a) subject to clause 7, to borrow or raise money, and
- (b) to receive money by way of loan or advance, and
- (c) subject to clause 7, to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments, and
- (d) to institute, defend and compromise legal proceedings in respect of the Property, including arbitrations and investigations, and
- (e) to create any security interest in respect of the Property, and
- (f) to effect insurance policies in relation to the Property and in respect of its functions as trustee of the Fund under this Ordinance.
- (g) to fetter discretions, such as by the granting of options.

(4) No purchaser, mortgagee, lessee, lender or other person on any sale, exchange, mortgage, lease from or any loan or provision of other financial accommodation to or in relation to the Trustee shall be concerned to see or enquire into –

- (a) the purpose, necessity or propriety thereof, or

- (b) the power of the Trustee in relation thereto or the mode of exercising the same, or
- (c) the application or disposition of any purchase, mortgage or other money or rent paid by him.

7. Liabilities of the Trustee

(1) The Trustee remains and continues to be solely responsible for all liabilities incurred by it or on its behalf as trustee of the Fund.

(2) The Trustee is not to represent to any person, persons or corporation that the Archbishop or the Synod or the Standing Committee or any person or persons or any other corporate body or corporation holding church trust property for the Anglican Church of Australia in the Diocese of Sydney or any other corporate body incorporated under the *Anglican Church of Australia (Bodies Corporate) Act 1938*, will or may meet or discharge all or any part of any liability or liabilities which have been or may or will be incurred wholly or partly by or on behalf of the Trustee or for the purposes of the Fund.

(3) The Trustee is not to execute or deliver any mortgage, charge, debenture, guarantee, indemnity or promissory note or bill of exchange or other negotiable instrument other than a cheque drawn on the Trustee's bank unless the following provision, or a provision to the effect of the following provision, is included therein without qualification –

"Notwithstanding anything contained herein to the contrary, each of the parties hereto acknowledges and agrees that [name of Trustee] is not liable to any other party hereto for any amount whatsoever (whether by virtue of any express or implied obligation) beyond such amount (if any) as [name of Trustee] may be able to pay to that party in the event of the Diocesan Cash Investment Fund constituted under the *Diocesan Cash Investment Fund Ordinance 2016* being wound up."

(4) If a person or corporation (a "Former Trustee") ceases to be Trustee each subsequent Trustee will assume any debts or other liabilities incurred by a Former Trustee as trustee of the Fund in accordance with the terms upon which those debts or other liabilities were incurred.

Part 4 – General

8. Trustee Fees

The Trustee is entitled to be paid from time to time, from the Property, a fee approved by the Standing Committee by resolution to recompense it for the reasonable costs and expenses incurred by it in, or in connection with, performing its functions under this Ordinance.

9. Indemnity

(1) In this clause, "Indemnified Party" means each of –

- (a) a person or corporation who is, or has been, the Trustee or a Trustee, and
- (b) where a corporation is the Trustee or a Trustee, or has been the Trustee or a Trustee – each person who is, or has been, a member of that corporation.

(2) Each Indemnified Party is entitled, to the extent permitted by law, to be indemnified against any liability which results directly or indirectly from facts or circumstances relating to the Party serving or having served as Trustee or as a Trustee, or serving or having served as a member of a corporation which is the Trustee or a Trustee, or has been the Trustee of a Trustee –

- (a) to another person, corporation or entity which does not arise out of conduct involving a lack of good faith on the part of the Indemnified Party, or
- (b) for costs and expenses incurred by that Indemnified Party –
 - (i) in defending proceedings, whether civil or criminal, in which judgement is given in favour of that Party or in which that Party is acquitted, or
 - (ii) in connection with an application, in relation to such proceedings, in which the court grants relief to that Party under the *Corporations Act 2001*.

10. Accounts and Reports

The Glebe Administration Board, as trustee of the Fund, is to comply with the *Accounts, Audits and Annual Reports Ordinance 1995*.

11. Not-for-profit and dissolution of the Trust

(1) The Property is church trust property within the meaning of the *Anglican Church of Australia Trust Property Act 1917*, and therefore must not, as a matter of law, be distributed for the private benefit of individuals either during the operation of the Trust or on its winding up or dissolution.

(2) If the Fund is wound up or dissolved, the Property, after satisfaction of all its liabilities, must be applied for such purposes of the Diocese as the Synod may determine.

12. Commencement

This Ordinance commences on the date of assent.

Table of Amendments

Clause 2	Amended by Ordinance No 01, 2017.
Clause 6	Amendment by Ordinance No 37, 2021.
Clause 10	Amended by Ordinance No 13, 2020.

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25 October 2021

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