

## **GLEN WAVERLEY UNITING CHURCH ENDOWMENT FUND ANNUAL REPORT FOR 2022**

### **Introduction**

The Endowment Fund was established by a resolution passed by Church Council at a meeting on 20<sup>th</sup> July 2011, see wiki "Council Minutes 20110720". The wiki's "EndowmentFundRules2018" describe how the Fund is administered and operates and the purposes for which the money may be used.

### **Board Members**

The Church Council meeting on 28<sup>th</sup> April 2015 appointed Helen Boucher, Terry Chung and Peter Stewart as the members of the Fund's Board. Helen Boucher resigned on 26<sup>th</sup> July 2015. Terry Chung gave notice of resignation in January 2020. Peter Stewart resigned in 2020.

Church Council has therefore appointed three new Board members in 2020. They are Herb Fleming, Onn Chin and Andrew Adams. To preserve independence, Board members should not include the Church Treasurer. These Board members remained current until late 2022, when following a presentation to the Congregation meeting on 20 November 2022, the Congregation voted to change the fund and include it within GWUC accounts.

### **Report**

Appendix A lists the bank transactions and balances from 1 January 2021 to December 2022 taken from the statements received from U Ethical (formerly UCA Funds Management), except that the interest distribution/earned in December each year on the 1<sup>st</sup> of January the following year, but not in 2022.

This report and the bank statements will be audited by the GWUC auditors as and when decided by the Church Treasurer in conjunction but as an independent Account within the Audit by Yates Partners. A separate Audit Report will be issued related to the Endowment Account for 2022 but will be included in GWUC from that timeframe.

Detailed records of donations are maintained separately by the Office Manager and kept confidential. The Endowment Fund was to all intents dormant during 2021, there being no bequests or donations received or projects financed. Interest was reinvested.

As advised in 2021, U Ethical advised in May 2020 that the Cash Management account, titled as U Ethical Enhanced Cash Portfolio, would close to transactions as of 1 July 2020 following the changes to U Ethical products and services under the reorganisation of U Ethical.

U Ethical transferred the entire balance of U Ethical Enhanced Cash Portfolio as at 1<sup>st</sup> July 2020 to U Ethical Enhanced Cash Trust Wholesale. This was a default transaction completed without input from this Board and /or Finance Committee or Church Council. It remains as such throughout 2021.

The transfer amount was \$115,425.08 following the Distribution Reinvestment of \$1,164.77. The Unit Price at transfer was \$1.0000.

On 17<sup>th</sup> December 2020 there was a Unit Allocation upon the subsequent formal closure of the Enhanced Cash Portfolio being 1,196 units at unit price of \$1.0066 giving a Distribution value of \$1,204.08. This was added to the default account being U Ethical Enhanced Cash Trust Wholesale.

Therefore, the closing Balance of U Ethical Enhanced Cash Trust Wholesale as at 31 December 2020 was \$117,052.50 being 116,621 units at unit price as at 31 December 2020 of \$1.0037.

Whilst the Statement reflects the distribution of \$351.81 as at 31 December 2020 it is then deducted and recorded on the same date as a Dividend Reinvestment Entitlement. This was applied as additional units, which will then be reflected as additional units on 1 January 2021, i.e. within the Financial year 2021.

At the end of December 2021, the funds available for possible new ministries and projects complying with the rules of the Fund are defined as follows:

	2021	2022
• Preserved Capital	\$51,570.30	\$51,570.30
• Funds for Dist'n.	\$16,569.81	\$16,927.25
• Total Funds per Balance	\$68,140.11	\$68,497.55

This is reflected in Balance Sheet as at 31 December 2021 in Appendix C and has been updated for 2022.

**Notification as to Prior Deposit - Transferred 25 May 2021**

We wish to bring to attention that Funds deposited to the account in May 2018 were on behalf of the Marriott Bequest. At that time there were no ties to the funds and Finance Committee and Church Council accepted these funds into the Endowment fund on that basis.

Since that time over late 2019 and throughout 2020 we have become aware (Finance Committee and Church Council) of the specific uses applicable to the Marriott Will. Finance Committee and Church Council are aware of the need to

transfer these funds out of the Endowment Fund and correctly apply to the broader funds of GWUC. This correction was advised to a Congregation meeting for information purposes and implemented.

Church Council presented a recommendation to withdraw these funds appreciating that we have specific uses attached and the funds will be applied. The funds were transferred from The U Ethical Enhanced Cash Trust Wholesale on 25 May 2021 into our non-Endowment Accounts. This will rectify the anomaly of these funds being held in the Endowment Fund.

This report as prepared by the Treasurer will reflect the last stand alone year. Both Church Council and Congregation meetings have approved changes to bring the Endowment Fund with GWUC Accounts.

The Endowment Fund cannot accept any gifts, bequests or donations with 'ties' under amended guidelines issues by Synod.

K M Coutts  
Treasurer  
Glen Waverley Uniting Church.

File note:

28<sup>th</sup> March 2022

**GWUC – Endowment Fund – Correction of Deposit from Marriott Fund.**

This file note reflects and confirms the discussions which I had today with Herb Fleming as to the process and correction of the Marriott Bequest funds lodged incorrectly in May 2018 by Finance Committee with GWUC Endowment Fund with U Ethical.

**GWUC Endowment Fund Report for 2021.**

The report for 2021 reflects on Page 2 the circumstances as to the lodgment of the Marriott Bequest funds into the Endowment Fund in May 2018. Finance Committee and the Office Manager lodged the funds in 2018, unaware of the specific terms and conditions as to use of the Marriott Bequest, pending receipt of the will and details from Solicitors.

These delayed instructions were finally received in late 2019 and throughout 2020 (and the COVID19 lockdowns) we were aware of the specific terms and instructions and that placement within the Endowment Fund represented an error which required correction asap including presentation to a Congregation Meeting. Trustees of the Endowment Fund were advised in 2020 and were aware of the error by Finance Committee and the Office Manager and the conflict with the capital.

We approached Synod and U Ethical advising the situation having received approval to this action from Church Council and Finance Committee as recorded. Under the Terms of the Endowment Fund the principal of \$50,000 from this Bequest was locked away, but the Will's terms prescribed specific uses of the Capital.

U Ethical and Trusts at Synod required proof of the error as a consequence of the Term of the Will.

This information was provided by the Treasurer and Office Manager in late 2020 to U Ethical. We received confirmation as to this process and was required to confirm the approval via a Congregation Meeting in March 2021. This was approved unanimously by the Congregation Meeting (delayed as a consequence of COVID19 lockdowns), conveyed to U Ethical and the amending transactions completed on 25<sup>th</sup> May 2021.

These transactions were finalised by the Treasurer and Office Manager in May 2021. Our Trustees, whilst aware of the transaction, were not required to sign Withdrawals or Transfer forms, because the transaction arose as a consequence of the initial error and required correction. Investment of the Bequest in the Endowment Fund was incorrect in terms of the Will presenting specific uses for the Bequest funds.



Ken M Coutts  
GWUC Treasurer

Draft one

28<sup>th</sup> January 2023.

Letter to: Herb Fleming. Onn Chin and Andrew Adams.

Dear XXXXXX,

**GWUC – Endowment Fund – Changes Completed.**

It is with pleasure that we advise that the Changes approved at the Congregation Meeting on 20<sup>th</sup> November 2022 in relation to the Endowment fund, have now been actioned and implemented with affect from 9<sup>th</sup> January 2023.

The Endowment Fund was amended to reflect the significant changes implemented via Synod instructions to ensure that all Trust Accounts and Bequests and gifts with ties are centrally managed.

As a consequence we have finalized the Endowment fund accounts as at 31 December 2022 and a Report will be submitted to Church Council and the Endowment Fund will be reflected in GWUC Financial Accounts within the Equity structure from January 2023.

We thank you for your willing participation as a Trustee of the Endowment Fund. That role has now concluded as we have brought the Account into the GWUC Balance Sheet. We are fortunate to have people with relevant commercial experience to take on these roles and add value.

On behalf of Church Council and Finance Committee we are most grateful for your contribution to GWUC through this role.

Our best wishes,

Chairperson

Treasurer

Church Council

Glen Waverley Uniting Church Endowment Fund  
 C/- Treasurer  
 Cnr Bogong Avenue & Kingsway  
 GLEN WAVERLEY VIC 3150  
 AUSTRALIA

## Transaction Statement

### 01 January 2022 to 31 December 2022

Set out below are the details of your investment and a transaction history for the period. Please keep this statement for future reference.

#### Investment Summary - 31 December 2022

Date	Investment Fund	Unit Price *	Units Held	Market Value	%
31/12/2022	U Ethical Enhanced Income Trust Wholesale	\$0.9902	69,175.4697	\$68,497.55	100.00

#### Fund Transactions

##### U Ethical Enhanced Income Trust Wholesale

Date	Transaction	Unit Price *	Transaction Units	Amount	Unit Balance
01/01/2022	Distribution Reinvestment	\$1.0051	115.1030	\$115.69	67,828.1030
16/06/2022	Investment - Unit allocation Enhanced Cash Portfolio Closure	\$0.9832	921.8369	\$906.35	68,749.9399
01/07/2022	Distribution Reinvestment	\$0.9790	274.5557	\$268.79	69,024.4956
13/12/2022	Investment - Unit allocation ECP Closure	\$0.9907	150.9741	\$149.57	69,175.4697

\* This is the latest available unit price for the date(s) selected

If you have any questions about your investment, please call us on 1800 996 888.

David Brennan,



Enquiries: 1800 996 888  
Mail: U Ethical  
Level 6, 130 Lonsdale Street  
Melbourne VIC 3000  
Email: info@uethical.com  
Web: www.uethical.com

U Ethical Investors  
ABN 46 102 469 821 AFSL 294147

Glen Waverley Uniting Church Endowment Fund  
C/- Treasurer  
Cnr Bogong Avenue & Kingsway  
GLEN WAVERLEY VIC 3150  
AUSTRALIA

Page  
1 of 1  
Date  
30 March 2022  
Account Name  
Glen Waverley Uniting Church Endowment Fund  
Account Number  
115691974  
TFN/ABN Status  
QUOTED

## Transaction Statement

01 July 2021 to 01 January 2022

Set out below are the details of your investment and a transaction history for the period. Please keep this statement for future reference.

### Investment Summary - 01 January 2022

Date	Investment Fund	Unit Price *	Units Held	Market Value	%
01/01/2022	U Ethical Enhanced Income Trust Wholesale	\$1.0046	67,828.1030	\$68,140.11	100.00

### Fund Transactions

#### U Ethical Enhanced Income Trust Wholesale

Date	Transaction	Unit Price *	Transaction Units	Amount	Unit Balance
01/07/2021	Distribution Reinvestment	\$1.0052	335.0000	\$336.75	67,713.0000
01/01/2022	Distribution Reinvestment	\$1.0051	115.1030	\$115.69	67,828.1030

\* This is the latest available unit price for the date(s) selected

If you have any questions about your investment, please call us on 1800 996 888.

David Brennan,

Director - Distribution

Appendix A  
 GWUC Endowment fund  
 1/1/2021 – 31/12/2022

U Ethical Enhanced Cash Portfolio

	Income Earned	Transactions
1/1/2020		112,978.85
1/1/2020		<b>1,281.46</b>
		114,260.31
30/6/2020	1,164.77	1,164.77
		115,425.08
1/7/2020	Transferred to Cash Trust Wholesale	(115,425.08)
		<u>NIL</u>

U Ethical Enhanced Cash Trust Wholesale

	Transfer In	Additional Units	Unit Price	Unit \$ Amount	Unit Balance	Unit Balance Value
1/7/2020	Transferred from Endowment Fund		1.0000		115,425.00	115,425.00
6/10/2020	Closing Value @ Sell Price		1.0036		115,425.00	115,840.53
20/11/2020	Closing Value @ Sell Price		1.0051		115,425.00	116,013.67
17/12/2020	Enhanced Cash Portfolio Closure		1.0066	1,204.08	116,621.00	116,621.00
31/12/2020	Closing Value and Sell Price	1,196.00	1.0037		116,621.00	117,052.50
		Balance				
1/1/2021	Distribution Reinvested	350.00	1.0042	351.81	116,971.00	117,462.28
25/5/2021	Withdrawal (Correction)	(49,593.00)	1.0082	(50,000.00)	67,378.00	67,930.50
30/6/2021	Distribution Reinvested	335.00	1.0052	336.75	67,713.00	68,065.11
30/12/2021	Distribution Reinvested	115.10	1.0051	115.69	67,828.10	68,140.11
16/6/2022	Distribution - Unit Allocation	931.84	0.9832	906.35	68,749.94	
1/7/2022	Distribution Reinvested	274.56	0.9790	268.79	69,024.50	
13/12/2022		150.97	0.9907	149.57	69,175.47	
1/1/2023	Distribution Reinvested	650.23	0.9815	638.20	69,825.70	

Investment Summary

31/12/2022	End of Financial Year	69,115.47	68,497.55
6/2/2023	Update	69,825.70	69,092.53



Appendix B - 2022

GWUC Endowment Fund : Bank Transaction Register

Transaction Date	Donations	Distribution/Interest	Withdrawals	Balance
Jul-2011				\$0.00
Oct-2011	\$300.00			\$300.00
Oct-2011	\$60.00			\$360.00
Oct-2011	\$1,000.00			\$1,360.00
Nov-2011	\$45,780.30			\$47,140.30
Dec-2011		\$361.68		\$47,501.98
Jun-2012		\$1,358.22		\$48,860.20
Dec-2012	\$250.00			\$49,110.20
Dec-2012	\$180.00			\$49,290.20
Dec-2012	\$1,500.00			\$50,790.20
Dec-2012		\$1,231.34		\$52,021.54
May-2013	\$1,000.00			\$53,021.54
Jun-2013		\$1,229.66		\$54,251.20
Dec-2013		\$1,148.64		\$55,399.84
Jun-2014		\$1,098.89		\$56,498.73
Aug-2014	\$500.00			\$56,998.73
Oct-2014	\$1,000.00			\$57,998.73
Dec-2014		\$1,125.15		\$59,123.88
Jun-2015		\$1,055.48		\$60,179.36
Dec-2015		\$910.11		\$61,089.47
Jan-2016			\$2,500.00	\$58,589.47
Jun-2016		\$874.86		\$59,464.33
Dec-2016		\$807.16		\$60,271.49
Jun-2017		\$806.98		\$61,078.47
Dec-2017		\$769.76		\$61,848.23
May-2018	\$50,000.00			\$111,848.23
Jun-2018		\$964.82		\$112,813.05
Jul-2018			\$1,738.00	\$111,075.05
Dec-2018		\$1,465.69	\$1,000.00	\$111,540.74
Jun-2019		\$1,438.11		\$112,978.85
Dec-2019		\$1,281.46		\$114,260.31
Jun-2020		\$1,164.77		\$115,425.08
Dec-2020		\$1,204.08		\$116,629.16
Jan-2021		\$351.81		\$116,980.97
May-2021			\$50,000.00	\$66,980.97
Jun-2021		\$336.75		\$67,317.72
Dec-2021		\$115.69		\$67,433.41
<b>TOTALS:</b>	<b>\$101,570.30</b>	<b>\$21,101.11</b>	<b>\$55,238.00</b>	<b>\$67,433.41</b>

	Preserved capital	\$51,570.30	
	Funds available for distribution	\$16,569.81	see Note below
Closing value - Sell Price	Total	\$68,140.11	
67828.1030 units @ \$1.0046			

Note

This Appendix B-2021 was not directly comparative with prior years because U.Ethical moved to products with unit pricing. The funds available for distribution would be calculated using a unit price for the units sold to meet the need.

The \$16,497.55 is an indicative figure as at 31/12/2022.

2022			
Opening	\$51,570.30	\$16,569.81	\$68,140.11
Jun-2022		\$906.35	\$69,046.46
Jul-2022		\$268.79	\$69,315.25
Dec-2022		\$149.57	\$69,464.82
<b>TOTALS:</b>	<b>\$51,570.30</b>	<b>\$17,894.52</b>	<b>\$0.00</b>

Closing value - Unit Price	Total	\$68,497.55
69175.4697 units @ \$0.9902		

**Appendix C  
GWUC Endowment fund**

<b>Date</b>	<b>Opening Balance Units</b>	<b>Opening Balance \$</b>	<b>Reinvestment Interest Units</b>	<b>Reinvestment \$</b>	<b>Unit Price</b>	<b>Closing Value Units</b>
31/12/2020	116,621.00	117,052.50	1.0037			
1/1/2021	351.81			\$ 350.000	1.0042	116,971.00
25/5/2021	49,593.00	(50,000.00)			1.0082	67,378.00
30/6/2021	336.75			\$ 335.000	1.0052	67,713.00
31/12/2021	115.69			\$ 115.103	1.0051	67,828.10
1/1/2022	68,140.11					67,828.10
16/6/2022	921.84			\$ 906.350	0.9832	68,749.94
1/7/2022	274.56		0.9790	\$ 268.790	0.9790	69,024.50
31/12/2022	150.97			\$ 149.590	0.9907	69,175.47
1/1/2023	650.23		0.9815	\$ 638.200	0.9815	69,825.70
<hr/>						
Closing Balance			0.9895	\$ 69,092.530		69,825.70
6/2/2023						

**Appendix D**  
**GWUC Endowment fund**  
**Balance Sheet as at 31 December 2022**

**Assets**

U Ethical Enhanced Cash Trust Wholesale **\$68,497.55**

**Liabilities**

Trust Funds.

Preserved Capital \$ 51,570.30

Funds for Distribution \$ 16,927.25

**Total Trust funds** **\$ 68,497.55**

Preserved Capital

Dec-2022

**\$ 51,570.30**

Funds for Distribution

Total Liabilities and Trust Funds \$ 68,497.55

less Preserved Capital \$ 51,570.30

**\$ 16,927.25**

**Statement from Treasurer**

The Congregation Meeting 20/11/2022 changed the rules to allow all funds to be available for use on non-operational projects approved by Church Council.

We will in future not discuss as Preserved Capital and Funds for distribution.

It is presented in this form for 31 Dec 2022 for consistency with prior years.