

20th December 2023 Final

Glen Waverley Uniting Church

Finance Committee Meeting 14th December 2023

The agenda was circulated prior to meeting with Executive Summary Reports for November and meeting date was changed from the original date of Tuesday 12th December to Thursday 14th December 2023.

Meeting held at 7.30 pm in Church Office.

Attendees: Neil, Andrew, Ben, Matt, Warren, and Ken. All present and Neil's final meeting.

These minutes have been amended following input from Committee members, but also reflect issues not discussed at our meeting but are matters which continue to be subjects for work on an ongoing basis by this Committee in 2024.

Update Financial Accounts for year-to-date end of April 2023

- Circulated Accounts / P & L for November 2023 prior to the meeting with The Executive summary highlighting issues resulting in a deficit/loss of \$5,814.
- Strong Year to date performance was confirmed with Surplus to date of \$89,409 against a planned deficit of \$10,929. We will reduce this through Accrual processes.
- P & L Account for November shows deficit given we reflected Salary payment for Chris covering both October and November.
- Have circulated Executive Summary and Suite of Reports to Church Council and Finance Committee for their final meeting. Nothing of concern.
- Andrew inquired of the Admin Revenue of \$35,495 and agreed to provide a printout of that "bucket account" which reflects admin, interest received and income from Weddings and other sources. Gave Andrew print out on Saturday 16 Dec at morning tea.
- Balance Sheet reflected in Executive summary is sound reflecting a Surplus of \$89,409 plus for year to date. Our Balance Sheet has been reconstructed and reflects an excellent and stable financial position for GWUC as we near the end of 2023.
- Joanne has included separate report in the Management Suite to David Morgan re the 3 Giving components and incorporate in our Executive Report Monthly and the Direct giving is holding up well. David continues to update the Appeal graph monthly for Church Council. We cover the Appeal results later in this report.
- Chris commenced early October but there was no Salary paid for October and we agreed to pay both October and November salary and Benefits payment in November. All now resolved and reconciled and corrected with Synod Payroll.

RE: BAS - Review of Journal entries and Completion of BAS Returns for 2023 / January 2024.

Matt also commented on the progress made over the year with GST and that he feels he is now reviewing as Joanne has the reports and entries down pat. We will use an adjustment account in December 2023 to net the two entries in the monthly P & L and Balance Sheet.

We are anticipating completion of the next return for January 2024 in the next week or so.

Budget Processes for 2024 - Plan and approach. (Not discussed at Meeting)

We previously briefly discussed the process used and agreed for 2024, which has worked well but again only 3 Groups requested changes and most groups remain passive. We aim to get groups more involved

in developing their budget for 2025. Joanne has added Budget to Xero Executive Summary for end of 2023.

The Budget for 2024 was approved by Church Council and was presented to the November 2023 Congregation Meeting. **Thanks to Warren for Deputising for KenC.**

We had previously agreed to involve Ben in the planning process from start to finish for 2025 as aim to be getting closer to each group and GWUC becoming more proactive in 2023/2024.

Discussion and The Way Forward with our Portfolio Management and Product Diversification.

We have progressed the implementation of the actions – under the Investment Strategy. Agreed that whilst we thought we needed to review placing a further \$20,000-50,000 or alternate amount into U Ethical growth in April/June 2023 and did complete that in July 2023, we had deferred further changes given the market fluctuations and we would again consider Term Deposits going forward. T/D can now get 4.2 – 5.0% fixed for 12 months.

So will now consider and implement changes in early January 2024. We will reduce U Ethical Cash Management funds balance from \$150,000 through transfer to Growth and Term Deposit.

We will also reduce the GWUC Endowment fund Balance by transferring funds from that fund into either Term Deposit or the Growth Fund.

Finance committee has agreed to reduce Westpac Account working balance from current \$80,000 by transfer / depositing funds into Term Deposit.

Ken advised that the Growth fund where we “marked to market” in December 2022 will again be marked to Market as of 31st December 2023.

Action:

At December Meeting agreed to:

-Transfer \$30,000 in Early January to Term Deposit from Westpac Acc.

-Then reduce balance Of U Ethical Cash Management from \$150,000 to say \$100,000 by transfer to either Term Deposit for 6 months or to U Ethical Growth Fund (Discuss with Andrew and Warren)

-At same time mark to market the existing U Ethical Growth fund.

-Transfer some funds from U Ethical Account for GWUC Endowment fund into Term Deposit

Planning Process and Arrangements for 2024 and going forward.

Discussion as to what we do given a new ministry team. Plan approved by Congregation Meeting in November. Accept this and advise New Team as to the plan and our financial position at end of January 2024

Warren was strong in these views and was supported by Andrew and Neil that even with a new team we had asked the various groups to proceed and plan for 2024 although we may need to then make amendments as the new team settles in. Do not want to or intend to do any replan.

Action – Treasurer to follow up January 2024

Action - Check with Joanne to ensure all groups now have updated expenditure budgeted for 2024.

Check any responses via Joanne. Make sure all Groups have our Plan for 2024 and are comfortable.

Recruitment of Welfare Coordinator – Now confirmed as being more expensive.

Recruitment finalised and a Very good result.

At our last meeting Ken updated the group on progress and recommendation from P & C to recruit a more experienced Counsellor as our new Welfare Coordinator at an increased cost of \$40-43 inclusive of Superannuation for 5 or 6 hours per week. A cost of \$1,050/\$1,200 per month seems the likely and is within the figures discussed earlier in the process as to outcome.

This was completed by end of August with commencement in mid-September covering a 3-month probation and then continuation from late January-late December 2024.

Have now finalised Probationary review, with very good results and completing a revised letter of Offer for early January 2024 confirming permanent part-time employment of 6 hours per week for 2024. A very good outcome.

Welfare Receipts and Transfer to Accruals for 2024.

Discussed that we currently have strong welfare receipts and beneficial outcome from COP Proceeds following the 2023 fete (\$5,000) and again in 2024.

Neil will make recommendations to our committee for action in late December to reflect the use of Accruals to transfer unused and unapplied found in 2023 and transfer to our Financials for 2024.

Action: Neil confirmed that this will be completed next week

Also, likely that Welfare committee will recommend that GWUC not seek new funds for Henry Shaw Fund for 2024 and we will review in October 2024 as to the needs for 2025.

We will seek additional funds for Welfare operations.

Still uncertainty re the COP allocation post the Fete under new Synod guidelines.

Still work to be completed here. Ken has had detailed discussions with David Morgan and John Snare re the issues of sending overseas funds to verified recipients and the need for the Return and Admin forms to be completed in 2024 where we verify and validate the funding sent overseas from the COP proceeds. *Still some work here.*

Action: Warren updated ongoing discussions.

Ken amplified and confirmed that 2023 funds will be remitted late December. Payment confirmed by D Morgan after last Church Council meeting via email.

We need Church Council and COP Committee to be aware and consider our nomination needs and definition re overseas funds going forward. Treasurer to liaise with David Morgan re advice to Church Council and new committee for COP in 2024.

Mission and Service Contribution 2023- Made additional payment of \$4,000 on 15th December 2023. Total for year 2023- \$52,000.

Ken has had further discussions with Jeff Gardner, Presbytery Treasurer as an update in early August and again in Mid-November, and all is now current and correct for 2023. Ken spoke to Jeff Gardner in early December 2023 and agreed to update if we increase to \$52,000 with a \$4,000 probable adjustment in December 2024 and Ken confirmed this remains our intention.

Agreed our Plan amount for M & S be \$52,000 for 2024 but work with \$48,000 again and do December adjustment in December 2024 with an additional payment of \$4,000. Ken spoke to Jeff Gardner in early December and confirmed. Joanne has submitted forms on 19 Dec 2024

Ken to follow through to this committee and Church council in late October 2024.

Update on Working Party reviewing Welfare Funding and Products

Andrew Adams advised and updated re the Tax-Free Status –

We have recently received advice from Helen Boucher that we have been registered by ACNC. We have wasted the period from November 2022 to December 2023 and failed to be positioned to receive funds which Andrew had potential access to in 2023.

This Lodgement to ACNC was lodged by Helen 31 August 2023 and we received approval in Mid December 2023.

KWF has applied to the ATO to grant donations received the tax status of a tax-deductible gift. KWF is now waiting on the ATO to provide such registration. Andrew advised that this could take a period of 6-8 weeks or more and is trickier.

Action – Nothing further until we receive response re Tax Status hopefully lodged by 31 August 2023.-

- Helen has since come back advising it is now finalised and is now registered. Whilst a disappointing delay we are slowly progressing.

Update re Audit – Discussion re Future/Endowment Fund- Completed (Not discussed at this Meeting).

Spoke to John Yates in early December 2023 as a follow up to approval of our Plan for 2024. Our last Audit was finalised third week of July 2023 re 2022.

Ken had brief discussion with John as to the U-Ethical Cash Management Account in December 2023.

He is satisfied where we are. He would prefer we leave the GWUC Endowment Fund within U Ethical and reflect such in year end accounts and then make changes using our Investment Strategy in Feb 2024. ***(See previous comments re Investment Strategy).***

John confirms that he wants to see our future fund materials before we do anything agreed process and finalisation in February 2024 (after a delay from September 2023). He does not believe any other current issues given we have solved the Deferred Maintenance Account and the Endowment Account issues.

However, he asked with a new Ministerial team whether we could delay until say Feb/ March/ April 2024 for the Future fund materials rollout. Agreed!

Ken spoke to him early December, he confirmed that they shredded the materials from 2022 as we had requested (after completion). Joanne maintains the originals here at GWUC.

John wanted to see the Endowment Fund within the Church Accounts for 2023 as verification with that review and restructure of the Endowment fund. – Since done.

Update re Bequest and Actions / Progress and Next Steps. (Not discussed at Meeting)

Marriott Bequest.

Still a way to go with 2nd and 3rd projects (*no recent updates*), but windows/framed glass panels has been finalised and with payment finalised in Feb 2023.

No further action from Finance committee re Bequest terms.

Balance Sheet reflects the total outstanding Marriott Balance of approx. \$15,000 (after payment for Piano acquisition \$16,000 and the subsequent \$35,000 for the stained glass).

Separate Committee is working with budget of \$8-10,000 for new sign etc but are some ways from completing. Nothing further to advise Ken to speak to Alison Clarkson Chairperson Church Council in early 2024.

Still no outcomes and Neil suggested that Finance go back to Church council reinforcing the need to deliver an outcome and use the funds in a timely fashion.

Margaret Falconer Estate (\$12,000). (Not discussed at Meeting).

Finalised 12 May 2023 – Report to Synod due March 2024. Currently working well.

The bequest is for the use by GWUC of the funds to support our work and association with Strathcona. Margaret was a resident at Cumberland View and there are several other GWUC congregation members at Strathdon. We presented a proposal in mid-June to Strathdon to assist/continue with a visitation programme for 2 years. This was approved and accepted by both GWUC Church Council and Strathdon and Synod.

We needed their response and guidance to implement, and this has now been expedited.

Agreement reached in late January for GWUC to use \$6,000 for a visitation programme at Strathdon with Di Paterson leading for 2 years at an annual charge out of \$3,000. Agreed with Karen Bell and now Clare Brockett that Strathdon will receive a sum of \$6,000 for a similar programme.

This was finalised second week of May 2023 and implemented in July and there have been some rocky issues with Di Paterson's role. However, we have had several issues with the role Di has had agreement to implement.

Action: Ken followed up with Strathdon early August and again December 2023. Things have now settled down well. Have updated Synod Property Secretariat in early August 2023 and Mid November, 2023 received a positive response both via telephone and email. We must submit report as of February / March 2024. (Not Discussed at Meeting)

Di Paterson says things have worked out OK.

The Future of The Endowment Fund (Not discussed this meeting but an ongoing subject)

Communication and Brochure re Endowment Fund –

Deferred in November 2022 as we progress Welfare Review and product access and new bequest rules from Synod etc. Refer later re The Future Fund.

Again, there was general discussion re the Fund. We have previously carried forward discussion as to the Future Fund and the brochure and communications issues associated implementation following integration of Endowment fund into GWUC financials in January 2023ment fund. John Snare said he would like to be involved with Future fund brochure and we will make sure this occurs. **No further discussion.**

Action: Ken has written a detailed document on the Review and Upgrade modification of our Endowment fund, and we have implemented changes in Jan / Feb 2023. That was tidied up and forwarded to Church Council in Mid-October 2022 after review by this Committee and approved for implementation in Feb 2023 (completed) and will be updated to the Congregation in March 2024. - Done

Ken has again delayed further follow up with Paul, Warren, and Neil (Meeting with Paul, Warren, David Morgan, and Ken C in December 2022). The Brochure and other communication material (Deferred no action) until progressed work associated with our Welfare framework and finalisation of the Bequest policy from Synod – now in hand.

Detailed paper on the Way forward now submitted to Church Council in previous October meeting and approved with the new “The Future fund” to be approved by Church Council in February 2023 and then presented to the congregation in March 2023. Approved

We have commenced the work to develop and progress a new brochure and communication strategy. Hopefully, finalised late September 2023 but delayed by agreement with Church Council, our auditor for use in early / Mid 2024.

Joanne to update and finalise pack of materials including brochures in Early January 2024.

Ken advised that Paul Bartlett has agreed to assist and follow up on alternatives with the Endowment fund with some delay. Still some distance to go here.

Have updated Paul in late January and again in late August 2023. Follow up with him in late January 2024.

We will also integrate the Brochure that Warren Greenwood presented at an earlier our meeting and re-write for both Endowment fund and separate brochure etc for the Future Fund / Confirmed some work done and Joanne to tidy up in January 2024 and aim to have before Finance committee and Church Council in March 2024.

Also, we need to include Synod materials/brochure on the Wiki. Have spoken to David Morgan. We will follow up in March 2024.

Deferred Maintenance Account- Moving forward (Issues and Expenditure).

Action: Warren and Ken to develop recommendation re the amount for Deferred Maintenance Reserve for November 2023 (suggesting transfer to the fund of \$10,000-\$20,000). Aim to rebuild the Reserve back to \$60,000-80,000 over next several years.

Ken indicated that if our accrued surplus continues would like to think we can apply \$15,000 - \$20,000 to Deferred Maintenance.

Warren advised that we could justify the transfer from Deferred Maintenance of \$15,000 to reflect items which were expensed but qualify as meeting the Criteria for Deferred Maintenance.

Given Balance of fund as of 30th November is \$23,000 approx. an increase will take us to \$30,000 approx.

Finance committee agreed to proceed by:

-Update and Renewal of Banking signatories for all Bank and Investing Accounts.

-Received Confirmation from U Ethical that we now have agreement and the Signatures have been updated and verified.

In recent Dealings with U Ethical it was apparent that there were signatories still attached who no longer have either an official status or relevance. Similarly, to open a Bank Account for The Future Fund, Joanne has been advised that we need updated signatures together with advice/minute from Church Council to then be forwarded to U Ethical. We will do such in February 2024.

We will also take the opportunity to review and finetune all signatories for Westpac Accounts.

There are also correspondence and recent discussions/ emails with Warren Greenwood as to his retaining the Debit Card, whilst no longer Chair of Property Group. Warren will retain membership of both Property Committee and Finance committee.

This was confirmed and Approved by Finance Committee. Also need to agree and Finalise Michael being added to Signatories re Westpac if needed (see comment re joint authority issues) (Not Joanne and Michael together)

Michael Boldiston is the new Chair of Property Committee, and he agrees as above. Warren will still be around the GWUC property on a regular basis.

Ken also indicated the need to amend our policy and Authorities to ensure that we protect Joanne and Michael and ensure that they do not sign together and that we have documented this matter.
Action - Matt will develop the policy. Agreed by Finance Committee.

Ken and Joanne to finalise in Feb/ March 2024 update of Westpac Signatories.

Suggested from Ken as follows:

Treasurer, Finance committee members together with Joanne, Faye Wagon and perhaps David Morgan as Secretary to Church Council.

We agreed at our last meeting. Andrew and Matt agreed to be signatories. Ben also confirmed he would also be a signatory. Warren has previously agreed. Some discussion as to those members who are already Westpac customers will already have a registered signature. ***Joanne to check with Westpac.***

Action -Joanne and Ken to follow up and ensure we get all U Ethical Accounts correct – Done finalised December 2023. Joanne to verify with Westpac re existing Westpac customers with registered signatures. – January 2024

Ken agreed to defer the process with Westpac. This is a time-consuming issue with all signatories to visit Westpac with docs for one hundred points. Now to complete in February/ March 2024.

Future Fund-Seed Funds and Brochure (Refer Bank Account above).

We received funds from people to provide the initial seed capital to establish The Future Fund.

Several people contributed to set up The Future Fund and this has been recorded within our Xero accounts, but we have not opened the account at Westpac, do we need to?

Each has also agreed to have these gifts recorded in the Gifts Register. The Balance of \$3,000 will reflect in our Balance Sheet as of 30th May 2023. We also received another \$5,000.

The next steps are to use the work and words of Paul Bartlett and to follow through with the wording for the Brochure and Wiki materials. Joanne is working with this and John Snare and Ken as communication representatives will sign off.

Action: Also need to transfer \$2,500 from Bequest / Gift from the Bartlett Family. Also, Neil advised that a further \$2,500 is due from The Bartlett Family in December 2023.

Communication (Not discussed at Meeting)

Aim to undertake a detailed promotional message to our congregation members originally July/August 2023 but now deferred until earliest time of March 2024. We are continuing to work upon two brochures as follows:

- The Future Fund
- Rewrite the Endowment Fund

In addition, we will place the Synod brochure and materials upon our wiki, **hopefully in March 2024**. This requires a significant amount of work and then sign off via Communication Committee and Church Council. Joanne had hoped to complete in January 2024. Following the auditor's comments Ken now likely to defer until early 2024 (say March / April).

Meeting summary.

Our Finances are in sound shape, and we continue to manage our costs in a tight and efficient manner. We do need to progress the DGR for Kingsway Welfare Foundation and then implement that scheme. We were pleased that the registration via ACNC was received last week.

Discussion as to Seeking additional / new members (Deferred until 2024).

Ken indicated (at our last meeting and in the minutes) a desire to seek one or two additional/ new members to bring greater knowledge of the congregation to our committee as well as introducing some new thinking and perhaps non-accountants.

Meeting agreed to proceed and identify through an initial advert in the weekly bulletin in early Feb 2024. Ken confirmed Warren is continuing. Matt, Ben, and Andrew confirmed continuation.

- Action Ken to proceed and discuss with Joanne and advertise in Feb 2024.
- No further action until early 2024.

This committee passed on our best wishes to Neil in Retirement and thanked him for his contribution.

Next Meeting.

To be advised, March 2024. Meeting opened at 7.30pm and closed at 8.51pm. Minutes compiled and updated after receiving input from several members by: Ken Coutts

Ken Coutts
Treasurer GWUC.

