

UC Invest Share Fund

December 31

2022

The UC Invest Share Fund is an activity of The Uniting Church in Australia Property Trust (S.A.) ABN 25 068 897 781, the legal entity of the Uniting Church SA.

Financial
Report

Statement of Profit or Loss

For the year to 31 December 2022

	Note	2022 \$	2021 \$
Revenue	2	4,018,352	3,662,556
Expenses	3	(203,696)	(203,017)
OPERATING PROFIT / (LOSS) FOR THE YEAR		3,814,656	3,459,539
Realised profit / (loss) on sale of financial assets	4	(1,381,091)	(92,082)
PROFIT / (LOSS) FOR THE YEAR		2,433,565	3,367,457
Gains / (Losses) on revaluation of financial assets	4	(4,055,419)	10,371,060
PROFIT / (LOSS) ATTRIBUTABLE TO UNIT HOLDERS		(1,621,854)	13,738,517

The accompanying notes form part of these financial statements

UC Invest Share Fund is an activity of The Uniting Church in Australia Property Trust (S.A.) ABN 25 068 897 781, the legal entity of the Uniting Church SA.

Statement of Financial Position

As at 31 December 2022

	Note	2022 \$	2021 \$
Assets			
Current Assets			
Cash and cash equivalents	6	1,291,290	826,090
Trade and other receivables	7	757,818	1,313,980
Total Current Assets		2,049,108	2,140,070
Non-Current Assets			
Financial assets	4,8	77,725,078	83,139,069
Total Non-Current Assets		77,725,078	83,139,069
Total Assets		79,774,186	85,279,139
Liabilities			
Current Liabilities			
Trade and other payables	9	1,226,598	1,710,662
Total Current Liabilities		1,226,598	1,710,662
Non-Current Liabilities			
Total Non-Current Liabilities		-	-
Total Liabilities		1,226,598	1,710,662
Net Assets		78,547,588	83,568,477
Equity			
Unit holders control		78,547,588	83,568,477
Total Equity		78,547,588	83,568,477

The accompanying notes form part of these financial statements

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Statement of Changes in Equity

For the year to 31 December 2022

	Unit Holders Control	Total
Balance at 1 January 2021	73,337,651	73,337,651
Unit Holder Purchases for Year	1,429,691	1,429,691
Unit Holder Redemptions for Year	(1,475,989)	(1,475,989)
Distributions Allocated to Unit Holders	(3,459,539)	(3,459,539)
Unit Holder Gross Transaction Fees	(1,854)	(1,854)
Profit Attributable to Unit Holders	13,738,517	13,738,517
Balance at 31 December 2021	83,568,477	83,568,477
Balance at 1 January 2022	83,568,477	83,568,477
Unit Holder Purchases for Year	2,813,189	2,813,189
Unit Holder Redemptions for Year	(2,394,383)	(2,394,383)
Distributions Allocated to Unit Holders	(3,814,656)	(3,814,656)
Unit Holder Gross Transaction Fees	(3,185)	(3,185)
Profit Attributable to Unit Holders	(1,621,854)	(1,621,854)
Balance at 31 December 2022	78,547,588	78,547,588

The accompanying notes form part of these financial statements

UC Invest Share Fund is an activity of The Uniting Church in Australia Property Trust (S.A.) ABN 25 068 897 781, the legal entity of the Uniting Church SA.

Statement of Cash Flows

For the year to 31 December 2022

	Note	2022 \$	2021 \$
Cash Flows from Operating Activities			
Interest received		12,656	308
Dividends received		2,974,998	2,780,532
Franking credits received		1,584,040	-
Receipts		4,254	3,220
Payments		(206,133)	(202,127)
Net cash flows provided by / (used in) operating activities	10	4,369,815	2,581,933
Cash Flows from Investing Activities			
Sale of investments	4	9,882,682	9,761,744
Purchase of investments	4	(9,905,202)	(9,353,247)
Net cash flows provided by / (used in) investing activities		(22,520)	408,497
Cash Flows from Financing Activities			
Distributions to Unit Holders		(2,277,465)	(1,259,070)
Purchases by Unit Holders		792,147	322,365
Redemptions by Unit Holders		(2,396,777)	(1,477,460)
Net cash flows provided by / (used in) financing activities		(3,882,095)	(2,414,165)
Net increase / (decrease) in cash held		465,200	576,265
Cash at beginning of year		826,090	249,825
Cash at End of Year	6	1,291,290	826,090

The accompanying notes form part of these financial statements

UC Invest Share Fund is an activity of The Uniting Church in Australia Property Trust (S.A.) ABN 25 068 897 781, the legal entity of the Uniting Church SA.

Notes to the Financial Statements

For the year ended 31 December 2022



1. Statement of significant accounting policies

The financial report of the UC Invest Share Fund (*"the Fund"*) for the year ended 31 December 2022 was authorised for issue in accordance with a resolution by the members of the Uniting Church Investment Committee (UCIC) on 5 May 2023.

Operations and principal activities

This financial report covers the UC Invest Share Fund as an individual entity. The Fund is an activity of The Uniting Church in Australia Property Trust (S.A.), which was established by an Act of the South Australian Parliament in 1977. All assets of the Fund are held in the name of The Uniting Church in Australia Property Trust (S.A.).

The UC Invest Share Fund is a unitised managed fund which invests in equities quoted on the Australian Stock Exchange. It is only available to Uniting Church congregations and organisations. The Fund does not accept investments from individual members of the public.

All recognised income is distributed to unit holders on a quarterly basis with the exception of any franking credits which are distributed once the annual franking credit return is received from the Australian Taxation Office.

Unit holders are exposed to the market risk of the Fund, which results in their investments fluctuating in line with the underlying performance of the Fund.

The Uniting Church Investment Committee is responsible for the financial management of the Fund.

Uniting Church Investment Committee Members

Michael McClaren (Non-executive, Chairperson)

Wayne Matters (Non-executive, Chairperson Audit Committee)

Allison Ashby (Non-executive)

Karen Eley (Non-executive)

Ryan Dick (Non-executive, Chairperson Risk Committee)

Peter Battersby (Executive) – Remunerated by the Uniting Church SA

Sue Page (Executive) - Remunerated by the Uniting Church SA

Investment Services Uniting Church SA manages the administration and investment strategy of the Fund.

Summary of significant accounting policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the UCIC. The Committee has determined that the Fund is not a reporting entity.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historic costs, modified, where applicable, by the measurement at fair value of financial assets. All amounts presented in the financial statements are in Australian dollars and have been rounded to the nearest dollar.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Cash and cash equivalents

Cash and cash equivalents in the *Statement of Financial Position* comprise cash at bank and cash in hand. These deposits are convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Notes to the Financial Statements

For the year ended 31 December 2022



For the purposes of the *Statement of Cash Flows*, cash and cash equivalents consist of cash and cash equivalents as defined above and are net of outstanding bank overdrafts. Bank overdrafts are included within financial liabilities on the *Statement of Financial Position*.

(b) Revenue

Revenue is recognised and measured at fair value of the consideration received or receivable to the extent it is probable that economic benefits will flow to the Fund and the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

i. Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate. This is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

ii. Dividends and distributions from equities

Dividend and distribution income is received in the form of dividends, distributions and franking credits from companies within the underlying investment portfolio. Revenue is recognised when the entity's right to receive the payment is established.

iii. Application and redemption fees

Application and redemption fee income is received when unit holders enter or exit the Fund either fully or partially. Revenue is recognised when the entity makes the corresponding transaction on behalf of the unit holder.

(c) Financial Instruments

i. Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Fund becomes a party to the contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs, where the instrument is not classified at fair value through profit and loss.

Transaction costs related to instruments classified at fair value through profit and loss are expensed to profit or loss immediately.

ii. Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Notes to the Financial Statements

For the year ended 31 December 2022



iii. Classification and subsequent measurement

Financial assets

Financial assets are subsequently measured at either:

- Amortised cost
- Fair value through other comprehensive income

This is done on the basis of two primary criteria being the contractual cash flow characteristics of the financial asset and the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- The financial asset is managed solely to collect contractual cash flows; and
- The contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the capital amounts outstanding on specified dates.

By default, all other financial assets that do not meet the measurement conditions of amortised cost are subsequently measured at fair value through other comprehensive income.

(d) Trade and other payables

Trade and other payables are recognised when the entity becomes obliged to make future payments. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the *Statement of Financial Position*.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(f) Impairment

The Fund recognises a loss allowance for expected credit losses on financial assets that are measured at either amortised cost or fair value through other comprehensive income.

A loss allowance is not recognised for financial assets measured at fair value through profit or loss or equity instruments measured at fair value through other comprehensive income.

(g) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

(h) Income tax

The Uniting Church in Australia Property Trust (S.A.) is exempt from income tax due to its status as a religious organisation. This exemption covers the Fund, as the Fund is an activity of The Uniting Church in Australia Property Trust (S.A.).

Notes to the Financial Statements

For the year ended 31 December 2022



2. Revenue

	2022	2021
Dividends and distributions from equities	4,002,510	3,660,458
Interest received	12,659	309
Application and redemption fees received	3,183	1,789
	4,018,352	3,662,556

3. Expenses

Management fees - related party	188,568	191,156
Interest paid	776	311
Brokerage	14,352	11,550
	203,696	203,017

4. Revaluation of investments

Market value of listed equities held at year end	77,725,078	83,139,069
Less: Market value of listed equities held at start of year	(83,139,069)	(72,629,407)
Less: Equities purchased during the year ¹	(13,856,958)	(12,119,119)
Add: Equities sold during the year ²	13,834,439	11,888,435
Realised (profit) / loss on sale of investments	1,381,091	92,082
Gain / (Loss) on revaluation of investments	(4,055,419)	10,371,060

Decisions by unit holders to invest or redeem funds in the UC Invest Share Fund may influence the need to buy or sell equities, depending on the monetary value of the transaction.

Unit Holders who invested in the Fund for the 2022 year had a total investment return of -1.70%, relative to the ASX200 Accumulation Index benchmark return of -1.08%. The benchmark return has not been adjusted for companies which have been excluded by the Fund on ethical grounds.

¹ The value of equities purchased during the year includes non-cash items (internal portfolio transfers and pending settlements) totaling \$3,951,755.

² The value of equities sold during the year includes non-cash items (internal portfolio transfers) totaling (\$3,951,755).

Refer to **Appendix 1** for a listing of individual company capital movements for the year.

5. Auditor's remuneration

	2022	2021
Fee in relation to audit (paid by Uniting Fund SA)	1,600	1,500

Notes to the Financial Statements

For the year ended 31 December 2022



2022

2021

6. Cash and cash equivalents

Cash at the end of the year as shown in the *Statement of Cash Flows* is reconciled to the related items in the *Statement of Financial Position* as follows:

Current Assets

Cash at bank	316	738
Cash management account	1,290,974	825,352
	<u>1,291,290</u>	<u>826,090</u>

The cash management account is an at-call account which earns interest at floating rates based on the official Reserve Bank cash rate.

7. Trade and other receivables

Current Assets

Accrued dividends and distributions	132,986	99,609
Accrued franking credits	624,466	1,214,371
Other receivables	366	-
	<u>757,818</u>	<u>1,313,980</u>

8. Financial assets

Non-Current Assets

Financial assets	77,725,078	83,139,068
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Financial assets consist of equities listed on the Australian Stock Exchange and are therefore classified and subsequently measured at fair value through profit or loss. The value of the equities held has been determined following the fund revaluing their listed equities to their fair value at year end.

Part of the financial assets disclosed as non-current will be realised in the next 12 months, however to measure and disclose this is not practicable.

9. Trade and other payables

Current Liabilities

Unit holder distributions payable	536,843	473,774
Unit holder franking credits payable	674,043	1,220,169
Trade and other payables	15,712	16,719
	<u>1,226,598</u>	<u>1,710,662</u>

Notes to the Financial Statements

For the year ended 31 December 2022



2022

2021

10. Cash flow information

Reconciliation of cash flow from operations with profit

Profit / (Loss) for the year before the revaluation of financial assets	2,433,565	3,367,457
Non-cash items in profit		
Realised (profit) / loss on sale of financial assets	1,381,091	92,082
Pending trade settlements	-	(639,181)
Changes in assets and liabilities		
(Increase) / Decrease in operating receivables	556,162	(240,289)
Increase / (Decrease) in operating payables	(1,003)	1,864
Cash flow from operating activities	4,369,815	2,581,933

Operating receivables and operating payables are receivables and payables which have been decreased by unit holder related balances. These unit holder balances include capital contributions payable and distributions payable.

11. Contingent liabilities and contingent assets

Uniting Church Investment Committee members are not aware of any contingencies requiring disclosure in the financial statements.

12. Segment reporting

The Fund operates predominantly in one business and geographical segment being the investment in equities listed on the Australian Stock Exchange.

13. Events subsequent to reporting date

The Uniting Church Investment Committee members are not aware of any other matters or circumstances not dealt with in the financial statements that has significantly or may significantly affect the operations of the Company.

14. Related party transactions

The UC Invest Share Fund is administered by the Uniting Church Investment Committee on behalf of The Uniting Church in Australia Property Trust (S.A.).

Uniting Fund SA (an activity of The Uniting Church in Australia Property Trust (S.A.)) receives management fees each month calculated at 0.02% of the fair value of net assets held by the UC Invest Share Fund.

Notes to the Financial Statements

For the year ended 31 December 2022



15. Financial risk management

Financial Risk Management Policies

The Fund manages its exposure to key financial risks by the application of policies approved by the Uniting Church Investment Committee (UCIC).

The Fund's exposure to interest rate risk is relatively minor with less than 2% of total assets at balance date exposed to interest rate sensitive investments, predominantly a cash management account which is used to cover the liquidity requirements of unit holders.

The UCIC has stipulated in its approved policies that the majority of financial assets are to be invested in equities listed on the Australian Stock Exchange.

Financial Risk Exposures and Management

The main risks the group is exposed to through its financial instruments are liquidity risk, market risk and revenue risk.

i. Liquidity risk

Due to the liquid nature of the entity's financial assets, the exposure to liquidity risk is limited to the amount of time it takes to receive cash from the sale of equity investments.

Unit holders have the ability to request the redemption of funds on a weekly basis. To prevent the forced selling of investments to cover unit holder redemption requests, the Fund holds a liquidity reserve in a cash management account.

ii. Market risk

The financial assets held by the Fund are prone to price fluctuations and volatility. The value of investments change as economic, market and company specific conditions vary.

The fund manager does not attempt to significantly mitigate market risk and currently utilises an index approach to stock selection. At balance date 77% of the portfolio was allocated to the ASX50 index, 23% was allocated to the MIDCAP50 index.

Due to the weighting of the portfolio towards index construction, there is a correlation between the general market return and the underlying investment portfolio. The exclusion of several companies on ethical investment grounds weakens this correlation, however it is still considered useful.

iii. Revenue risk

Revenue received (*dividends, distributions and franking credits*) from equity investments may fluctuate due to changes in market or company specific conditions.

Income distributions to unit holders are the aggregate of dividends, distributions and franking credits which are approved by individual companies. The amount of distributions can be varied by companies at any stage depending on a range of factors including economic conditions, cash flow, lending covenants, investor appetite for risk or peer distributions.

The fund manager does not distribute capital in quarterly distributions to unit holders, or operate a scheme which evens out distributions over time. All income distributions paid to unit holders are therefore market driven.

Notes to the Financial Statements

For the year ended 31 December 2022



Sensitivity Analysis

i. Market risk

The entity has performed a sensitivity analysis relating to its exposure to price risk at balance date. This analysis demonstrates the effect on the current year results and equity which could result from a change in market value. The Fund's performance is correlated with the ASX200 index and is expected to perform similarly.

Change in profit	2022	2021
Decrease in ASX200 index by 25%	(19,431,270)	(20,784,767)
Increase in ASX200 index by 25%	19,431,270	20,784,767
Change in equity		
Decrease in ASX200 index by 25%	(19,431,270)	(20,784,767)
Increase in ASX200 index by 25%	19,431,270	20,784,767

ii. Revenue risk

The entity has performed a sensitivity analysis relating to its exposure to revenue risk at balance date. This analysis demonstrates the effect on the current year results and equity which could result from a change in revenue received.

Change in profit	2022	2021
Decrease in dividends and distributions to the UC Invest Share Fund by 20%	(800,502)	(732,092)
Increase in dividends and distributions to the UC Invest Share Fund by 20%	800,502	732,092
Change in equity		
Decrease in dividends and distributions to the UC Invest Share Fund by 20%	(800,502)	(732,092)
Increase in dividends and distributions to the UC Invest Share Fund by 20%	800,502	732,092

Derivative Financial Instruments

The entity does not use derivative financial instruments

16. Economic dependency

The Fund does not have any economic dependency on other entities of the Uniting Church SA.

17. Entity details

The registered office and principal place of business of the entity is:

Level 2, 212 Pirie Street
Adelaide SA 5000

Notes to the Financial Statements

For the year ended 31 December 2022



Appendix 1 – Revaluation of investments

Company	Opening Balance	Total Purchases	Total Sales	Profit / (Loss) on Sale	Revaluation of Investments	Closing Balance
A2M The A2 Milk Company	316,249	25,856	(19,746)	(253)	89,593	411,700
AKE Allkem Limited	-	451,167	(8,800)	3,028	96,732	542,128
ALD Ampol Limited	550,608	58,508	(33,663)	(1,581)	(31,603)	542,269
ALQ ALS Limited	491,573	46,542	(26,749)	(4,106)	(30,791)	476,469
ALU Altium Limited	420,990	29,130	(14,216)	(3,524)	(87,264)	345,117
ALX Atlas Arteria	516,986	174,337	(18,699)	(1,535)	(22,886)	648,203
AMC Amcor Limited	632,881	-	(143,960)	4,664	35,256	528,840
AMP AMP Limited	256,978	19,991	(8,612)	(1,444)	81,049	347,962
ANN Ansell Limited	314,218	18,363	(12,164)	(125)	(29,052)	291,239
ANZ ANZ Banking Group Limited	3,697,894	304,317	(227,940)	(45,346)	(503,689)	3,225,236
ANZR ANZ Retail Entitlement Offer	-	-	(34,219)	34,219	-	-
APA APA Group	562,636	9,626	(35,726)	4,902	37,386	578,824
APT Afterpay Limited	991,139	-	(788,486)	(202,653)	-	-
ARB ARB Corporation Limited	-	236,227	-	-	(78,845)	157,383
AST AusNet Services	383,393	-	(388,051)	4,659	-	-
ASX ASX Limited	845,390	19,054	(44,095)	(5,542)	(214,463)	600,345
AWC Alumina Limited	342,390	31,965	(20,378)	(2,636)	(64,855)	286,487
AZJ Aurizon Holdings Limited	301,979	564,022	(328,686)	13,570	1,587	552,472
BEN Bendigo and Adelaide Bank	387,387	46,447	(14,864)	(492)	27,533	446,012
BOQ Bank of Queensland Limited	403,901	40,614	(20,920)	(1,779)	(62,389)	359,428
BSL Bluescope Steel Limited	820,262	800,458	(1,163,239)	5,347	(99,640)	363,188
BXB Brambles Limited	722,138	-	(53,433)	3,387	91,045	763,137
CAR Carsales.com Limited	551,127	147,049	(30,675)	(5,460)	(75,945)	586,096
CBA Commonwealth Bank of Australia	8,460,467	203,514	(732,964)	(65,924)	116,981	7,982,075
CGF Challenger Limited	292,322	30,216	(9,045)	(1,521)	50,046	362,019
CHC Charter Hall Group	746,745	61,495	(34,792)	(12,564)	(304,914)	455,970
COH Cochlear Limited	667,811	18,736	(36,549)	(2,800)	(35,041)	612,156
CPU Computershare Limited	536,760	22,840	(39,254)	7,402	157,355	685,104
CSL CSL Limited	6,247,573	427,096	(327,121)	(16,726)	(11,036)	6,319,785
CWY Cleanway Waste Management Ltd	502,177	66,447	(17,139)	(2,020)	(83,298)	466,167
DMP Domino's Pizza Enterprises Ltd	580,708	36,834	(24,902)	(11,470)	(244,355)	336,815
DOW Downer EDI Limited	319,069	19,939	(10,019)	(1,520)	(122,755)	204,714
DXS Dexu Property Group	562,227	12,859	(26,983)	(6,086)	(161,980)	380,037
EVN Evolution Mining Limited	573,276	56,285	(20,795)	(9,733)	(159,495)	439,538
FMG Fortescue Metals Group Ltd	1,535,993	33,042	(79,769)	(10,283)	104,532	1,583,515
FPH Fisher & Paykel Healthcare Cor	300,293	19,372	-	-	(90,459)	229,207
GMG Goodman Group	2,103,544	56,073	(87,335)	(36,933)	(689,775)	1,345,574
GPT GPT Group	490,868	6,508	(20,860)	(4,836)	(104,873)	366,807
HVN Harvey Norman Holdings Ltd	249,342	19,468	(9,223)	(533)	(43,079)	215,975
IAG Insurance Australia Group Ltd	493,645	15,682	(29,458)	403	53,576	533,848
IEL IDP Education Limited	481,566	91,124	(11,536)	(1,784)	(102,801)	456,570
IGO IGO Limited	602,209	65,548	(42,966)	4,394	100,777	729,962
ILU Iluka Resources Limited	-	438,595	(7,139)	(3,076)	(103,055)	325,326
IPL Incitec Pivot Limited	490,218	55,759	(32,972)	1,518	73,109	587,631
JBH JB Hi-Fi Limited	432,464	473,150	(331,088)	(137,037)	(68,413)	369,076
LLC Lend Lease Group	348,793	232,730	(249,011)	(99,783)	9,260	241,989

Notes to the Financial Statements

For the year ended 31 December 2022



Appendix 1 – Revaluation of investments (continued)

Company	Opening Balance	Total Purchases	Total Sales	Profit / (Loss) on Sale	Revaluation of Investments	Closing Balance
LNK Link Administration Holdings L	228,008	-	(219,426)	(8,581)	-	-
LYC Lynas Rare Earths Limited	713,883	63,953	(38,231)	(6,183)	(163,403)	570,020
MFG Magellan Financial Group Ltd	237,208	14,255	(162,690)	(88,773)	-	-
MFGO Magellan Financial Group Ltd	-	-	(750)	750	-	-
MGR Mirvac Group	543,131	6,567	(20,756)	(8,283)	(137,474)	383,185
MIN Mineral Resources Limited	724,528	715,761	(945,316)	(125,578)	217,248	586,643
MPL Medibank Private Limited	437,312	6,339	(23,351)	(608)	(49,290)	370,402
MQG Macquarie Group Limited	3,362,398	219,174	(166,017)	(38,399)	(611,797)	2,765,358
MTS Metcash Limited	338,477	33,294	(18,757)	(2,838)	(40,953)	309,223
NAB National Australia Bank Ltd	4,492,753	22,418	(330,962)	(8,020)	174,214	4,350,404
NCM Newcrest Mining Limited	940,497	125,053	(51,865)	(10,267)	(162,977)	840,440
NEC Nine Entertainment Co. Holding	325,807	24,579	(8,361)	(1,693)	(125,058)	215,273
NST Northern Star Resources Limited	514,642	7,938	(17,400)	(6,021)	80,381	579,539
NXT NextDC Limited	455,004	38,065	(20,287)	(7,800)	(129,966)	335,016
ORA Orora Limited	240,436	16,071	(10,696)	(234)	(43,415)	202,161
ORG Origin Energy Limited	437,451	-	(26,301)	2,333	195,694	609,178
ORI Orica Limited	434,603	86,327	(16,550)	(453)	41,546	545,473
OZL Oz Minerals Limited	731,999	62,301	(40,030)	(5,032)	2,277	751,515
PLS Pilbara Minerals Limited	-	1,448,863	(816,906)	159,956	(10,420)	781,493
QAN Qantas Airways Limited	447,894	8,960	(22,096)	(2,443)	84,472	516,788
QBE QBE Insurance Group Limited	791,322	20,905	(45,062)	2,112	138,927	908,204
QUB Qube Holdings Limited	470,919	33,485	(49,364)	(6,619)	(49,163)	399,259
REA REA Group Limited	672,907	48,523	(32,915)	(9,616)	(219,522)	459,377
REH Reece Limited	598,498	35,078	(110,915)	(75,711)	(204,235)	242,715
RGN Region Group	-	236,236	-	-	7,187	243,423
RHC Ramsay Health Care Limited	628,342	8,448	(35,249)	786	(55,482)	546,844
RIO Rio Tinto Limited	1,754,728	41,946	(103,891)	932	276,409	1,970,123
RMD Resmed Inc	660,320	10,567	(29,620)	(4,120)	(85,440)	551,707
RWC Reliance Worldwide Corp Ltd	385,912	23,240	(12,160)	(2,938)	(201,379)	192,675
SCG Scentre Group	770,999	20,373	(38,551)	(6,784)	(64,516)	681,520
SDF Steadfast Group Limited	-	371,974	(9,512)	847	66,982	430,292
SEK Seek Limited	902,892	727,361	(1,041,988)	(150,176)	(99,286)	338,803
SGP Stockland Group	475,792	12,110	(24,563)	(3,431)	(64,832)	395,075
SHL Sonic Healthcare Limited	1,052,579	20,890	(43,945)	(17,025)	(356,516)	655,983
SQ2 Block Inc	-	1,917,070	(1,309,436)	(310,263)	(19,805)	277,567
SRX Sierra Rutile Holdings Limited	-	-	(10,847)	10,847	-	-
STO Santos Limited	1,126,505	136,939	(301,450)	29,906	100,384	1,092,284
SUN Suncorp Group Limited	667,621	11,763	(41,103)	(299)	55,101	693,083
SYD Sydney Airport	1,101,145	-	(1,109,967)	8,822	-	-
TCL Transurban Group	1,985,243	82,987	(135,373)	460	(116,117)	1,817,200
TLS Telstra Corporation Limited	2,347,338	27,289	(162,420)	(11,928)	(98,391)	2,101,889
VCX Vicinity Centres	507,943	53,667	(31,380)	4,729	87,762	622,722
VUK Virgin Money UK PLC (ask CYB)	322,060	26,693	(13,214)	611	3,067	339,217
WBC Westpac Banking Corporation	3,698,226	66,116	(353,112)	3,911	312,056	3,727,197
WDS Woodside Energy Group Limited	997,749	1,306,078	(7,220)	838	770,524	3,067,970
WES Wesfarmers Limited	3,174,685	59,696	(135,769)	(49,996)	(675,344)	2,373,272

Notes to the Financial Statements

For the year ended 31 December 2022



Appendix 1 – Revaluation of investments (continued)

Company		Opening Balance	Total Purchases	Total Sales	Profit / (Loss) on Sale	Revaluation of Investments	Closing Balance
WOR	WorleyParsons Limited	306,952	38,844	(22,327)	3,429	121,917	448,815
WTC	Wisetech Global Limited	741,388	85,472	(21,519)	(7,420)	(91,482)	706,440
XRO	Xero Limited	862,784	46,306	(26,581)	(21,218)	(414,374)	446,917
		83,139,069	13,856,958	(13,834,439)	(1,381,091)	(4,055,419)	77,725,078

Notes to the Financial Statements

For the year ended 31 December 2022



Appendix 1 – Revaluation of investments (continued)

All investments held by the UC Invest Share Fund are subject to the conditions and requirements of the Uniting Church SA Ethical Investment Policy.

This policy excludes investments in companies whose products, services or practices may cause or perpetuate injustice and suffering, infringe human rights or cause unacceptable damage to the natural environment. Industries included are thermal coal extraction and exploration, armaments, uranium, gambling, alcohol, tobacco and pornography.

Companies are also screened for unacceptable practices in areas such as human rights, occupational health and safety, environmental management and support of oppressive regimes.

The following companies, which are included in the ASX100 index, have been reviewed and excluded from the investment universe of the Fund under this policy.

Company		Exclusion Reason
AGL	AGL Energy	Thermal Coal Extraction
ALL	Aristocrat Leisure	Gambling
BHP	BHP Billiton	Thermal Coal Extraction
CCL	Coca-Cola Amatil	Alcohol
COL	Coles Group Limited	Gambling
CWN	Crown Resorts	Gambling
JHX	James Hardie	Human Rights (Asbestos)
S32	South32 Limited	Thermal Coal Extraction
SGR	Star Entertainment Group	Gambling
SOL	Washington H Soul Pattinson & Company Ltd	Thermal Coal Extraction
TAH	Tabcorp Holdings	Gambling
TWE	Treasury Wine Estates	Alcohol
WOW	Woolworths Group	Gambling

Declaration of the Committee

31 December 2022



In the opinion of the members of the Uniting Church Investment Committee:

- a) the financial statements and notes set out on pages 1 to 12 of UC Invest Share Fund – Financial Report:
 - i. complies with accounting standards and other mandatory professional reporting requirements to the extent described in Note 1; and
 - ii. gives a true and fair view of the Fund's financial position as at 31 December 2022 and of its performance, as represented by the results of its operations, changes in equity and cash flows, for the year ended on that date; and
- b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and

This declaration is made in accordance with a resolution of the Uniting Church Investment Committee.

A handwritten signature in blue ink, appearing to read 'M. McClaren'.

Michael McClaren
Chairperson
Uniting Church Investment Committee

A handwritten signature in black ink, appearing to read 'Wayne Matters'.

Wayne Matters
Chairperson Audit Committee
Uniting Church Investment Committee

Adelaide
5 May 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE UNIT HOLDERS OF UC INVEST SHARE FUND****Opinion**

We have audited the financial report of UC Invest Share Fund which comprises the balance sheet as at 31 December 2022, the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration of the Uniting Church Investment Committee ("the Committee").

In our opinion the financial report presents fairly, in all material respects, the financial position of UC Invest Share Fund as at 31 December 2022 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter regarding basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist UC Invest Share Fund to meet the financial reporting requirements of policies set by the Committee. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The Committee is responsible for the other information. The other information comprises the information in the entity's annual report for the year ended 31 December 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNIT HOLDERS OF UC INVEST SHARE FUND (CONT)****Other information (cont)**

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Uniting Church Investment Committee's responsibility for the financial report

The Committee is responsible for the fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as the Committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNIT HOLDERS OF UC INVEST SHARE FUND (CONT)**

Auditor's responsibility for the audit of the financial report (cont)

- Conclude on the appropriateness of the Committee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

5 May 2023

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT
2012 TO THE DIRECOTRS OF UNITING CHURCH SA INVESTMENT FUND LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2022 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

5 May 2023