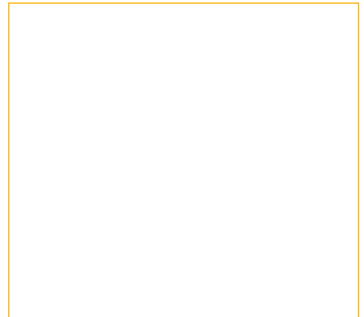


Uniting Growth Fund Annual Report 2008



UCA Funds Management

UCA Funds Management is a leader in the ethical investment industry. We don't invest in companies whose products, services or practices we believe cause or perpetuate injustice and suffering, infringe human rights or damage the environment. That means we never invest in armaments, uranium mining, gambling, pornography nor in the production of alcohol or tobacco. Companies are also excluded where their practices are unacceptable in areas such as human rights, occupational health and safety and environmental management, or where they support oppressive regimes. On the other hand we do seek out and invest in companies which enhance the health and welfare of individuals and communities and companies which produce goods or services that protect the environment.

Uniting Growth Fund

Uniting Growth Fund is designed to provide investors with an ethical growth fund which will deliver competitive investment returns to investors and a revenue stream to the Uniting Church in Australia, Synod of Victoria and Tasmania. Since 2003 the fund has grown to \$32 million at its peak in 2007 and for the financial year ended 30 June 2008 delivered revenue of \$194,484 to the Synod to support the Church's work in the community.

Chairperson's report.

The boom in the Australian equities market came to an abrupt end in November 2007. Investments in the Uniting Growth Fund (the fund) reached a high point of \$32.6 million at 31 October before the market began its retreat in November and the value of investments in the fund fell to \$27 million at 30 June 2008. By the end of October 2008 the value of investments in the fund had fallen further to \$21 million.

The Australian equities market is now some 40% lower than its peak in October 2007. Although we had expected a correction in the market, its magnitude was surprising such that economists simply refer to it by its eponymous title, the global financial crisis, or GFC.

The effects of the GFC have been felt far and wide. There has been a startling loss of confidence in financial markets, which will take time to repair. The economies of the USA, Japan and Europe have now entered recession. Yet the concerted actions of governments around the world to inject liquidity into financial markets and banking systems seem to be slowly having their desired effect. Somewhat ominously, however, financial indicators suggest that China's growth is slowing at a rate not seen for many years. Nonetheless, when compared to the recession of the early 1990s Australia is relatively well positioned to ride out the global financial crisis with a robust banking system which, unlike their overseas counterparts, contained less direct exposure to sub-prime mortgages.

Whilst the call of economists and commentators for investors to take a long term view may risk sounding trite, history proves it is anything but. For the facts remain that since 1980 the Australian share market has recorded on average a total return of 11.78% per annum. This was in spite of the crash of 1987, the 1991-92 "recession we had to have", the Asian financial crisis, the dot com crash of 2001 and numerous other events that tested investors' resolve. Moreover, the Australian sharemarket delivered a real return of 7.6% per annum for the whole of the twentieth century (refer chart on page 7). The simple lesson here is that markets recover over time, however nobody can predict exactly when it will occur.

Finally, Keith Alfredson retired as Chairperson of the UCA Funds Management companies in May 2008 and as a Director in August 2008 in accordance with the ten year limit for directors in the companies' constitutions. We record our appreciation of the significant contribution he has made to the work of Funds Management during this period, which included the establishment of the Uniting Growth Fund in 2003.



Richard Carter

Executive Director's report.

Almost without exception, growth fund product disclosure statements cautiously advise readers that their product is suitable for "long term" investors, a period defined in investment terms at least, as a minimum of 5 years. And so it was, that on Monday 7 July 2008 the Uniting Growth Fund celebrated its fifth birthday and duly became a member of what could be called the financial services industry's *long-term* club. For the year ended 30 June 2008, a mere seven days short of its five year milestone, the fund recorded a since-inception total return of 12.16%pa.

At times of extreme market volatility there is always a risk that investors will flee to the relative safety of cash in the bank particularly as bank deposits currently have the benefit of a government guarantee. Yet notwithstanding recent market turmoil the fund continues to be extraordinarily well supported by investors. For the year ended 30 June 2008 the fund gained a net 5,235,163 units. And more importantly, in the period from 1 July to 31 October 2008, in deteriorating market conditions, the fund gained a net 18,947 units. This compares very favourably to outflows experienced by many funds managers. We thank all our investors for their loyal support.

As a result of investors' support, the fund had sufficient capacity to donate \$194,484 from its already competitive management fee towards the wider work of the Uniting Church.

We are focussed on preserving your capital, as far as is possible in such difficult times, and in maintaining our annual grant to the Synod of Victoria and Tasmania.

What steps are we taking to preserve capital? A number of strategies are being used to invest defensively to minimise the risk of capital losses. Stocks have been selected that have:

- Comparatively high earnings yield
- Strong cash flow
- Reliable dividend yield
- Comparatively low price of assets
- Low debt levels
- Franking credits

We believe that the market represents good value at these prices and that it will improve over time.

We have positioned the portfolio to take advantage of future growth, but at the same time have constructed a particularly risk averse portfolio. Insofar as the fund's investment mandate allows, our objective is to preserve the savings of our investors and the portfolio reflects this objective.



Sue Norman

Uniting Growth Fund Performance data

Uniting Growth Fund – annualised total return for period ended 30 June 2008

Table 1

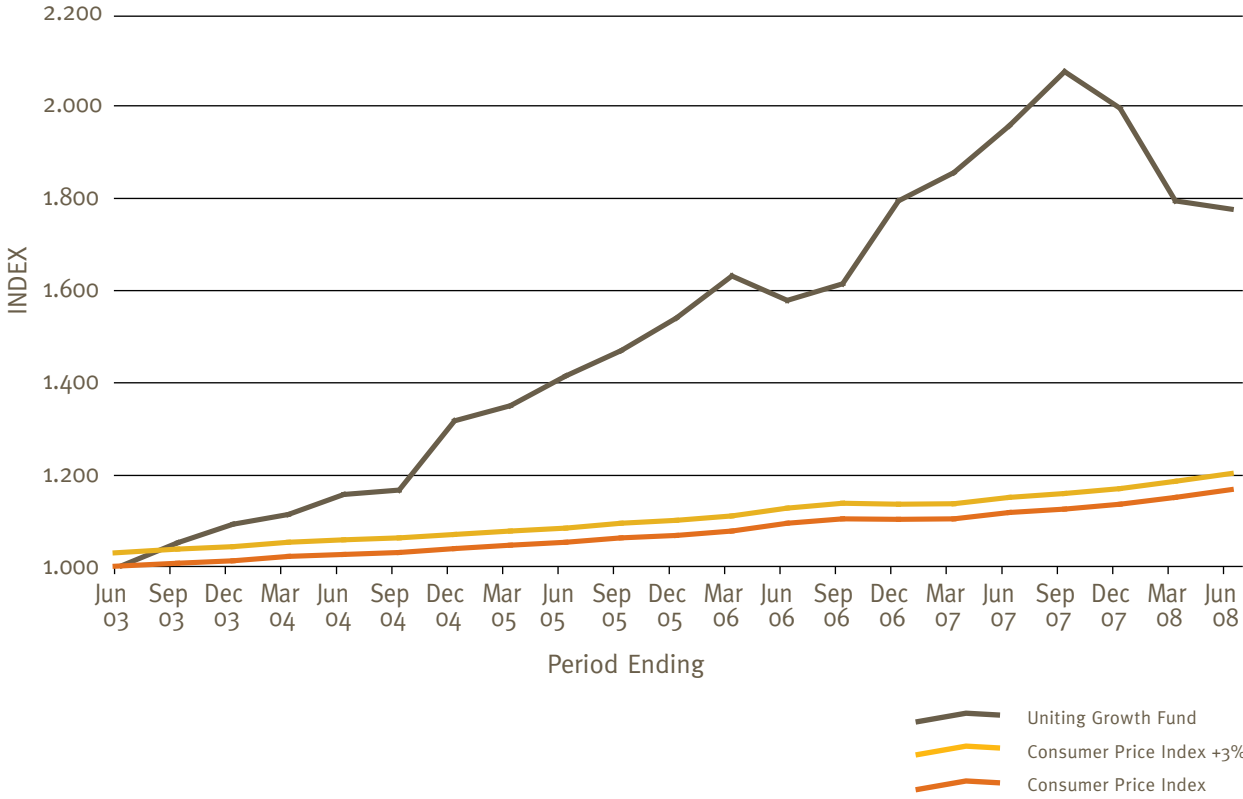
	1 year	3 year %pa	Since inception %pa	Inception date
Uniting Growth Fund	-9.26	7.90	12.16	7 July 2003

As outlined in table 1 above, the since-inception annualised total return of Uniting Growth Fund to 30 June 2008 is 12.16%pa. With the fund’s inception date being 7 July 2003, the since-inception period is officially seven days shy of a full five years. The one year figure for the same period is -9.26%. In the light of the above it is helpful to stand back and see the fund’s performance in context.

As per the investment objective of Uniting Growth Fund outlined in the offer document which states “the fund aims to provide a total return of 3% above inflation (as measured by the Consumer Price Index) on a rolling five-year basis” chart 1 below plots the performance of the fund against this objective.

Uniting Growth Fund Net (after cost) Return versus Consumer Price Index and CPI plus 3% (7th July 2003 to 30th June 2008)

Chart 1

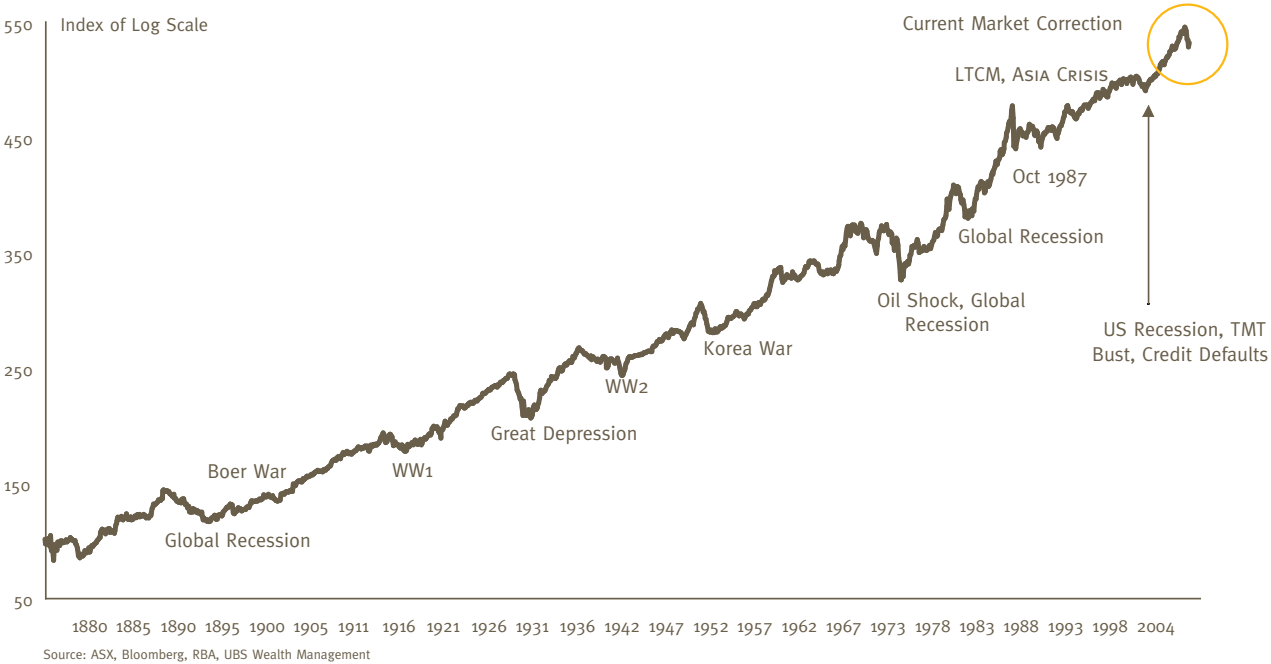


Moreover, it helps if one can see the present downturn in the market in its historical context. Chart 2 below displays the performance of the Australian Equity Market from 1875 to October 2008. A quick scan reveals the many challenges with which investors have had to deal. At the top right of the chart, within the circled area, lies the current correction. Market downturns can test the resolve of even the most hardened investor. Whilst no-one rings the bell at the top (or bottom) of the market, this downturn could be interpreted as less alarming when seen in the context of the long term performance of the Australian equity market.

Chart 1

Australian Equity Market since 1875

Log Scale, Jan 1875 = 100 through to present. Monthly Data Series



Source: ASX, Bloomberg, RBA, UBS Wealth Management

Sponsorship

Prahran Mission art therapy program & UCA Funds Management

Operating out of two locations, namely the Stables Art Studio in Burke Road, Malvern, and Prahran Mission Chapel Street headquarters, the not-for-profit art therapy program provides studio spaces for artists with experience of mental illness. The studios aim to provide a stimulating artistic community where aspiring artists can practice their art and explore their creative endeavours at a nominal cost.

The program provides its members with all drawing and painting media, a variety of papers and other equipment such as an etching press and an airbrush and compressor. Both locations offer a friendly environment in which artists can interact with like minded people, exchange ideas or simply work independently.

32 artists participate in Prahran Mission's art therapy program, and this year marked the occasion of the Mission's 25th annual art exhibition. To help celebrate the milestone UCA Funds Management was proud to become one of the exhibition's silver sponsors. And we put our financial acumen to work calling upon supporters and investors alike to follow in the footsteps of the great patrons of the arts and sponsor a Prahran Mission artist for a year.

The exhibition was a resounding success raising some \$8,000 for the Mission's art program.

For further information or to sponsor an artist may we suggest you contact program overseer Ms Indigo Daya at the Mission on (03) 9692 9500.

Our Board



Chairperson
Richard Carter



Director
Keith Alfredson



Director
John Etherington
(appointed 17 October 2006)



Director
Roger Male



Director
Daryl Hawkey



Director
Richard Moore



Executive Director
Sue Norman



Director
John Simkiss



Director
Stephen Taylor

Our People



Chief Investment Manager
Ian Baster



Portfolio Manager
Graeme Rough



Personal/Administrative
Assistant
Karli McRostie



Marketing Consultant
Peter Thompson



Financial Accountant /
Company Secretary
Leeanne Lukaitis



Compliance Manager/
Company Secretary
John Taylor



Fixed Interest and
Mortgages Manager
Brian Wilkins



Operations Manager
Pauline Gibbs



Operations Accountant
Sally Aiyelokun



Financial Instruments
Administrator
Anjana Karawugodage



Client Services Officer
Graham Rodd



Client Services Officer
Elisa Bywater



System Support Officer
Pam Young



System Support Officer
Andrew Bruns



Reception-Marketing
Assistant
Lois Michael



Processing Clerk
Les Gordon



Client Services Officer
Moyra Cachia

Directors' Report

The directors of Uniting Growth Fund Limited present their report together with the financial report of the Uniting Growth Fund, ("the Fund"), for the year ended 30 June 2008.

Review of operations

The Fund commenced operating on 7 July 2003. The Fund invests funds in accordance with target asset allocations as set out in the current Offer Document and in accordance with the provisions of the governing documents.

The Fund is registered as a charitable scheme under Class Order 02/184 by ASIC and ASIC instrument dated 10 December 2003 published in the Commonwealth Gazette No ASIC 50/03. The Class Order provides an exemption from various fundraising, managed investment and licensing requirements of the Corporations Act 2001 for religious, educational, community and other charitable bodies that operate charitable schemes.

Directors

The following persons held office as directors of Uniting Growth Fund Limited during the year and up to the date of this report.

F K Alfredson (retired 11 August 2008)

R J Carter

J Etherington (appointed 17 January 2008)

D F Hawkey

R E Male

R G Moore

S C Norman

J C Simkiss

S J Taylor

Principal activities

The Fund's investment strategy is to invest in Australian listed shares, overseas shares and cash and fixed interest securities.

The investment policy of the Fund continues to be that detailed in the current Offer Document and in accordance with the provisions of the Investment Management and Administration Agreement with UCA Growth Fund Limited, with the exception of investment in units in unlisted unit trusts. The Fund now invests directly in overseas shares rather than indirectly via units in unlisted unit trusts.

Results

The performance of the Fund, as represented by the results of its operations, was as follows:

	\$'000
Net operating profit	(3,316)
Distribution paid	2,225

	CPU
Interim Distribution (cents per unit)	2.91
Final Distribution (cents per unit)	7.61

Distribution

The distribution of income for the six months ended 31 December 2007 was 2.91 cents per unit. The distribution of income for the six months ended 30 June 2008 was 7.61 cents per unit. In accordance with the Offer Document the distribution of 7.61 cents per unit comprised net income before realised capital gains of 1.83 cents per unit and net realised capital gains of 5.78 cents per unit.

Capital Growth

The capital loss for the Fund for the year to 30 June 2008 was 16 % (30 June 2007: capital gain of 12%) based on a decrease of 24 cents per unit (30 June 2007: increase of 16 cents per unit) in the redemption price of the units to \$1.25 (30 June 2007: \$1.49) for the year.

Total Performance

The total performance of the Fund for the year ended 30 June 2008 was - 9.26 % (30 June 2007: 23.97%).

Indirect cost ratio (ICR)

The ICR for the Fund for the year was 1.265% (2007: 1.155%). The ICR was calculated in accordance with the Offer Document.

Unit redemption prices

The unit redemption price at 30 June 2008 was \$1.25 (30 June 2007:\$1.49).

Significant changes in state of affairs

From 1 July 2007 the basis of calculating unit prices has been changed to include accrued and undistributed income. Further details can be found in the Offer Document or on the website <http://ucafunds.com.au>.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Fund that occurred during the financial year under review.

Environmental Regulation

The Fund is not subject to any particular or significant environmental regulation under a Commonwealth, State or Territory law.

Matters subsequent to the end of the financial year

Except as disclosed in the Financial Statements, no matter or circumstances have arisen since 30 June 2008 that have significantly affected, or may significantly affect:

- (i) the operations of the Fund in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Fund in future financial years.

Likely developments and expected results of operations

Further information on likely developments in the operations of the Fund and the expected results of those operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Fund.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the officers of Uniting Growth Fund Limited or the auditors of the Fund. So long as the officers of Uniting Growth Fund Limited act in accordance with the Fund's Deed Poll and the law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund. The auditors of the Fund are in no way indemnified out of the assets of the Fund.

Fees paid to and interests held in the Fund by the trustee or its associates

Fees paid to the trustee and its associates out of Fund property during the year are disclosed in the income statement and in Note 8 of the financial statements. No fees were paid out of Fund property to the directors of the trustee during the year. Interests held in the Fund by the trustee or its associates are disclosed in Note 12.

Interests in the Fund

The movement in units on issue in the Fund during the year is as set out below:

	2008
Units on issue at 30 June 2007	16,829,371
Units issued during the year	8,776,518
Units redeemed during the year	<u>(3,541,355)</u>
Units on issue at 30 June 2008	<u>22,064,534</u>

Value of assets

The value of the Fund's total assets at 30 June 2008 was \$27,516,000 (30 June 2007: \$27,108,000 prior to distribution payable).

Amounts attributable to unitholders

It is the opinion of the directors that adopting AIFRS does not have unit pricing consequences, as the basis of unit price accounting is as outlined in the governing documents of the Fund. The key differences between net assets for unit pricing purposes and net assets as reported in the financial statements under AIFRS have been outlined below:

	Year ended	
	30 June 2008 \$'000	30 June 2007 \$'000
Net assets for unit pricing purposes	27,614	25,234
Difference between net market value (for unit pricing) and fair value (for financial reporting) of securities	(98)	(6)
Effect of classification of net assets attributable to unitholders as liabilities	(27,516)	(25,228)
Net assets under AIFRS	-	-

Rounding of amounts

The Fund is of a kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in the directors' report and financial statements. Amounts have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Signed in Melbourne on 21 October 2008 in accordance with a resolution of directors of the Trustee,
Uniting Growth Fund Limited



R J Carter

Director



S C Norman

Director

Independent auditor's report to the unitholders of Uniting Growth Fund



PricewaterhouseCoopers
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Freshwater Place
2 Southbank Boulevard
SOUTHBANK VIC 3006
GPO Box 1331L
MELBOURNE VIC 3001
DX 77 Melbourne Australia
www.pwc.com/au
Telephone 61 3 8603 1000
Facsimile 61 3 8603 1999

Report on the financial report

We have audited the accompanying financial report of Uniting Growth Fund (“the Fund”), which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity, cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors’ declaration.

Directors’ responsibility for the financial report

The directors of Uniting Growth Fund Limited (“the Trustee”), are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 2(a), the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor’s responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund’s preparation and fair presentation of the financial report 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 Fund’s internal control. An audit also includes evaluating the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

For further explanation of an audit, visit our website

<http://www.pwc.com/au/financialstatementaudit>

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Auditor's opinion

In our opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Uniting Growth Fund as of 30 June 2008, and of its financial performance and its cash flows for the year then ended, in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a)



PricewaterhouseCoopers



Galina Kraeva
Partner

Melbourne
21 October 2008

Directors' Declaration

In the opinion of the directors' of the Trustee:

(a) the financial statements and notes of the Fund set out on pages 10 to 28

(i) comply with Accounting Standards, and other mandatory professional reporting requirements, and provisions of the Fund's Deed Poll dated 18 December 2002 and the Deeds of Variation dated 4 March 2003, 24 February 2004 and 30 June 2005, and

(ii) presents fairly the Fund's financial position as at 30 June 2008 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the financial 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.

This declaration is made in accordance with a resolution of the directors of the Trustee, Uniting Growth Fund Limited.



R J Carter

Director



S C Norman

Director

Melbourne

21 October 2008

UNITING GROWTH FUND

Income Statement

For the year ended 30 June 2008

	Notes	2008 \$'000	2007 \$'000
Investment income			
Interest	2b, 4, 12f	492	238
Dividends	2b, 5	986	756
Distributions from units in unlisted unit trust	2b, 5	-	13
Net gain/(loss) on financial assets held at fair value through profit or loss	6, 7	(4,355)	3,720
Total investment income		<u>(2,877)</u>	<u>4,727</u>
Expenses			
Management fee – Uniting Growth Fund Limited	8	344	236
Other operating expenses		<u>95</u>	<u>38</u>
Total operating expenses		<u>439</u>	<u>274</u>
Net operating profit/(loss)		(3,316)	4,453
Financing costs attributable to unitholders from operations			
Distributions to unitholders	2f, 11	(2,225)	(2,278)
(Increase)/decrease in net assets attributable and allocated to unitholders from operations	2j	5,541	(2,175)
Net profit for the year		<u>-</u>	<u>-</u>

The above income statement should be read in conjunction with the accompanying notes

UNITING GROWTH FUND

Balance Sheet

As at 30 June 2008

	Notes	2008 \$'000	2007 \$'000
Assets			
Receivables –			
UCA Cash Management Fund	2h, 12f	4,720	5,713
Income receivable	2h	232	288
Financial assets at fair value through profit or loss	2c, 9		
Equity securities		22,564	19,475
Units in unlisted unit trust		-	1,632
Total assets		27,516	27,108
Liabilities			
Distribution payable	2f, 11	-	1,880
Total liabilities (excluding net assets attributable to unitholders)		-	1,880
Net assets attributable to unitholders - liability	10	27,516	25,228
Represented by:			
Fair value of outstanding units based on redemption value		27,614	25,234
Adjustments arising from different unit pricing and AIFRS valuation principles		(98)	(6)
		27,516	25,228

The above balance sheet should be read in conjunction with the accompanying notes.

UNITING GROWTH FUND

Cash Flow Statement

For the year ended 30 June 2008

	Notes	2008 \$'000	2007 \$'000
Cash flows from operating activities			
Dividends		1,036	726
Interest		492	179
Distributions from units in unlisted trust		6	9
Net proceeds from sale and purchase of financial assets		(5,812)	(5,309)
Net sale of interest in UCA Cash Management Fund		993	(2,526)
Management fee		(344)	(236)
Transaction costs		(95)	(38)
Net cash (outflow) from operating activities	15(a)	(3,724)	(7,195)
Cash flows from financing activities			
Distributions paid to unit holders		(1,283)	(333)
Proceeds from applications by unitholders		9,979	9,915
Payments for redemptions by unitholders		(4,972)	(2,387)
Net cash inflow from financing activities		3,724	7,195
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-
Non-cash financing activities	15(b)	2,822	746

The above cash flow statement of should be read in conjunction with the accompanying notes.

UNITING GROWTH FUND

Statement of changes in equity

For the year ended 30 June 2008

	Notes	2008 \$'000	2007 \$'000
Total equity at the beginning of the financial year		-	-
Net income/(expense) recognised directly in equity		-	-
Profit for the year		-	-
Total recognised income and expense for the year		-	-
Transactions with equity holders in their capacity as equity holders		-	-
Total equity at the end of the financial year		-	-

The above statement of changes in equity should be read in conjunction with the accompanying notes

UNITING GROWTH FUND

Notes to and forming part of the Accounts for the year ended 30 June 2008

Note 1: GENERAL INFORMATION

This general purpose financial report includes the financial statements and notes of the Uniting Growth Fund (“the Fund”) for the year ended 30 June 2008.

This financial report covers the Fund as an individual entity.

The Trustee of the Fund is Uniting Growth Fund Limited. The Trustee’s registered office is 130 Little Collins Street, Melbourne, Victoria 3000.

The financial statements were authorised by the directors on 21 October 2008.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated. Comparatives have been reclassified as appropriate to ensure consistency and enhance comparability.

(a) Basis of Accounting

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) and other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group and the Corporations Act 2001.

Compliance with International Financial Reporting standards (IFRS)

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report of the Fund, comprising the financial statements and notes hereto complies with International Financial Reporting Standards (IFRS).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets held at fair value with changes in fair value recognised through the income statement.

(b) Investment Income

Dividend income is recognised when investments are quoted ex dividend. Interest income is calculated using the effective interest rate basis. Distribution income is recognised when declared using the unit price supplied by the unlisted unit trust fund manager.

(c) Financial Assets held at fair value through Profit or Loss

The Fund’s investments in equities and unlisted unit trusts are classified as financial instruments designated at fair value through profit or loss. These include financial assets that are not held for trading purposes and which may be sold.

The Fund recognises financial assets on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets from this date.

Financial assets held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs on financial assets at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the income statement. The following presents the basis of valuation for financial reporting purposes:

Equity securities and listed property trusts

Securities that are listed or traded on an exchange are fair valued based on quoted “bid” prices on long securities.

Units in unlisted trusts

Investments in unlisted unit trusts are valued at the redemption price as established by the responsible entity.

(d) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call at banks and other short-term highly liquid investments.

Payments and receipts relating to the purchase of investment securities are classified as cash flows from operating activities, as movements in the fair value in these securities represent the Fund’s main income generating activity.

(e) Foreign currency translation

Functional and presentation currency

Items included in the Fund’s financial statements are measured using the currency of the primary economic environment in which it operates (the “functional currency”). This is the Australian dollar, which reflects the currency of the economy in which the Fund operates. The Australian dollar is also the Fund’s presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The Fund does not isolate that portion of gains or losses on securities that are measured at fair value through profit or loss and which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

(f) Distributions

The Fund fully distributes its distributable income to unitholders. The distributions are recognised as finance costs attributable to unitholders in the income statement. Distributions are allocated to unitholders on 31 December and 30 June.

(g) Income Tax

Under current income tax legislation, the Fund is not liable to pay income tax provided its taxable income (including assessable realised capital gains) is fully distributed to unitholders.

The unit price is based upon fair values of underlying assets and this may include a share of unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed so that the Fund is not subject to capital gains tax.

Net realised capital losses are not distributed to unitholders, but are retained to be offset against any future realised capital gains. When realised assessable capital gains exceed realised capital losses, the excess is distributed to unitholders as assessable income. The benefits of imputation credits are passed onto the unitholders.

(h) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables as disclosed in the balance sheet represent the Fund's investment in UCA Cash Management Fund. The value of the receivable is measured at amortised cost using the effective interest rate. These investments are redeemable at call.

Interest income is accrued at the balance sheet date from the date of last payment, using the effective interest method.

(i) Goods and Services Tax (GST)

Where applicable, GST incurred by the Fund, that is not recoverable from the Australian Taxation Office, has been recognised as part of the expense to which it applies. Receivables and payables are stated with any applicable GST in their value.

The amount of any GST recoverable from, or payable to, the Australian Taxation Office is included as a receivable or payable in the balance sheet. Cash flows relating to GST are included in the cash flow statement on a gross basis.

(j) Transfers to/from unitholders' funds

Non-distributable income is transferred directly to unitholders' funds and may consist of unrealised changes in the net fair value of investments, accrued income not yet assessable, expenses provided or accrued for which are not yet deductible, net capital losses and tax free or tax deferred income. Net capital gains on the realisation of any investments (including any adjustments for tax deferred income previously taken directly to unitholders' funds) and accrued income not yet assessable will be included in the determination of distributable income in the same year in which it becomes assessable for tax.

(k) Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are therefore classified as financial liabilities. The units can be redeemed by unitholders at any time for cash equal to the proportionate share of the Fund's net asset value. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption price) at the balance sheet date if unitholders exercised their right to redeem units. Because the Fund's redemption unit price is based on different valuation principles to that applied in financial reporting, a valuation difference exists, which has been treated as a separate component of net assets attributable to unitholders. Changes in the value of this financial liability are recognised in the income statement as they arise.

(l) New accounting standards and UIG interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting periods. The Fund's assessment of the impact of these new standards (to the extent relevant to the Fund) and interpretations is set out below.

(i) *AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8*

AASB 8 and AASB 2007-3 are effective for annual reporting periods beginning on or after 1 January 2009. The Fund has not adopted these standards early. Application of these standards will not affect any of the amounts recognised in the financial statements.

(ii) *Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101* A revised AASB 101 was issued in September 2007 and is applicable for annual reporting periods beginning on or after 1 January 2009. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Fund intends to apply the revised standard from 1 January 2009.

(iii) *AASB 132 Financial Instruments: Presentation and AASB 2008-2 Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations Arising on Liquidation (Revised AASB 132).*

Revised AASB 132 is applicable for reporting periods beginning on or after 1 January 2009. The Fund has not adopted this standard early. Application of this standard will not affect any of the amounts recognised in the financial statements as the Fund is obligated to distribute all of its taxable income in accordance with the Fund's Constitution. Accordingly, there will be no change to classification of unitholders' funds as a liability and therefore no impact on profit or loss and equity.

(m) Use of estimates

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Note 3: FUND COMMENCEMENT

The Fund commenced on 7 July 2003 and will continue in operation for 80 years from that date unless it is terminated earlier pursuant to the provisions of the Fund's Deed Poll.

NOTE 4: INTEREST INCOME

The table below shows the average balance for each of the major categories of interest-bearing assets, the amount of interest revenue and the average interest rate. The average balances are calculated using daily balances.

2008	Interest Income \$'000	Average Balance \$'000	Average Rate %
Receivables - UCA Cash Management Fund	492	5,683	8.66%
	492	5,683	8.66%
2007	Interest Income \$'000	Average Balance \$'000	Average Rate %
Receivables - UCA Cash Management Fund	238	3,830	6.21%
	238	3,830	6.21%

Note 5: DIVIDEND AND DISTRIBUTION INCOME

	2008 \$'000	2007 \$'000
Listed equities	986	756
Units in unlisted unit trust	-	13
	986	769

Note 6: NET UNREALISED GAIN/(LOSS) ON FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	2008 \$'000	2007 \$'000
Listed equities	(5,593)	2,172
Units in unlisted unit trust	-	(21)
	(5,593)	2,151

Note 7: NET REALISED GAIN/(LOSS) ON FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	2007	2008
	\$'000	\$'000
Listed equities	1,301	1,569
Units in unlisted unit trust	(63)	-
	1,238	1,569

Note 8: MANAGEMENT FEE

Uniting Growth Fund Limited (UGFL), is the Trustee of the Fund and is responsible for the management of all aspects of the Fund, including custodial services. Under the Fund's Deed Poll, UGFL is entitled to receive:

- (a) for managing the Fund in all respects other than providing and arranging custodial services, a management fee calculated as 1.265% per annum including GST. The management fee paid by the Fund for the year ended 30 June 2008 was \$344,000 (2007: \$236,000); and
- (b) for providing and arranging custodial services, a custodial services fee calculated as 0.345% per annum including GST,

in each case of the value of the Fund from its commencement to its termination, payable at the end of each calendar month and calculated daily.

UGFL may waive any fee in whole or in part or may defer any claim to a fee in whole or in part indefinitely or for any period. Pursuant to this provision of the Fund's Deed Poll, UGFL resolved to waive the custodian fee for the year ended 30 June 2008. In addition, UGFL has at this time resolved not to claim certain reimbursable expenses (including auditors' remuneration) out of the Fund.

The indirect cost ratio (ICR) for the year to 30 June 2008 was 1.265% (30 June 2007: 1.155%).

Note 9: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2008	2007
	\$'000	\$'000
Listed equities	22,564	19,475
Units in unlisted unit trust	-	1,632
	<u>22,564</u>	<u>21,107</u>

Material investments

The following investments constituted 5% or more by value of the total value of investments of the Fund at 30 June 2008:

ANZ Banking Corporation	8.30%
Companhia Vale Do Rio	8.19%
National Australia Bank	7.52%
Sims Group Limited	5.41%
Woodside Petroleum	5.98%

The following investments constituted 5% or more by value of the total value of investments of the Fund at 30 June 2007:

BIAM Australia Ethical International Fund	7.73%
National Australia Bank	7.73%
St George Bank Limited	5.82%
Westpac Banking Corporation	8.81%

Note 10: NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Movements in unitholders' funds during the year were:

2008	No.of units	\$'000
Opening balance	16,829,371	25,228
Applications	6,746,592	9,979
Reinvestments	2,029,926	2,822
Redemptions	(3,541,355)	(4,972)
Net profit from ordinary activities		(3,316)
Distributions paid and payable		(2,225)
Closing balance at 30 June 2008	22,064,534	27,516
2007	No.of units	\$'000
Opening balance	11,070,066	14,779
Applications	6,767,995	9,915
Reinvestments	537,194	746
Redemptions	(1,545,884)	(2,387)
Net profit from ordinary activities		4,453
Distributions paid and payable		(2,278)
Closing balance at 30 June 2007	16,829,371	25,228

Note 11: DISTRIBUTIONS PAID AND PAYABLE

	2008	2008	2007	2007
	\$'000	CPU	\$'000	CPU
The distributions were paid/ payable as follows:				
31 December 2007/2006	614	2.91	398	3.04
Payable at 30 June 2007			1,880	11.33
Paid at 30 June 2008	1,611	7.61		
	<u>2,225</u>		<u>2,278</u>	

Note 12: RELATED PARTIES

(a) Trustee

The Trustee of the Fund is Uniting Growth Fund Limited, a company controlled by the Uniting Church in Australia Property Trust (Victoria).

(b) Key management personnel

Directors

The names of the persons who were the directors of Uniting Growth Fund Limited at any time during the year were:

F K Alfredson (retired 11 August 2008)

R J Carter

J Etherington (appointed 17 January 2008)

D F Hawkey

R E Male

R G Moore

S C Norman

J C Simkiss

S J Taylor

Key management personnel holdings

2008

Unitholder	Number of units held (units)	Interest held (%)	Number of units acquired (units)	Number of units disposed (units)	Distributions Paid/payable by the Fund (\$)
S Norman	78,742	.36%	12,528	0	15,228

2007

Unitholder	Number of units held (units)	Interest held (%)	Number of units acquired (units)	Number of units disposed (units)	Distributions Paid/payable by the Fund (\$)
S Norman	66,214	0.39%	5,831	0	9,435

Other key management personnel

Except for the Directors listed above, there were no other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial year.

(c) Key management personnel compensation

No amounts are paid by the Fund directly to the directors of the Trustee. Payments made by the Fund to the Trustee do not include any amounts attributable to the compensation of key management personnel.

(d) Other transactions within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at year end.

(e) Trustee's fees

Uniting Growth Fund Limited, is the Trustee of the Fund and is responsible for the management of all aspects of the Fund, including custodial services. Refer Note 8.

(f) UCA Cash Management Fund

Uniting Growth Fund invests its cash holdings in UCA Cash Management Fund.

	2008	2007
	\$'000	\$'000
Funds invested - Receivables	4,720	5,713
Interest received	492	238
Interest receivable	227	136

Maturity analysis: The amount invested with UCA Cash Management Fund is at call.

NOTE 13: FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Fund's risk management strategies seek to minimise potential adverse effects of market movements on the Fund's performance. Financial risk management is the responsibility of the Chief Investment Manager; this responsibility is discharged having regard to policies approved by the Board of Directors. Compliance with Board policies is monitored by the Board's Investment Committee and reported to the Board of Directors quarterly.

The objective of the Fund is to provide moderate tax effective income and long term capital growth. The Fund aims to produce a total return of 3% above inflation (as measured by the Consumer Price Index) on a rolling five year basis.

(a) Market risk

Market risk is the risk that the value of the Fund's investments in equities, cash and fixed interest will fluctuate as a result of changes in market values.

(i) Foreign exchange risk

The equities held in the investment portfolio, and in particular, the international equities are subject to foreign exchange risk. The Fund holds assets denominated in currencies other than the Australian dollar, the functional currency.

The objective in holding foreign currencies is to lower the overall risk of the portfolio, so that the overall portfolio is less exposed to a single currency, the Australian Dollar. Hence the Fund's policy is not to hedge foreign exchange.

International equities have been managed by the Bank of Ireland Asset Management; this mandate was terminated with effect from 13 August 2007. Foreign currency was purchased in October 2007 and international equities were purchased in February 2008.

Foreign exchange risk is monitored regularly by examination of movements in exchange rates. If the Chief Investment Manager believes that the Australian dollar will rise relative to foreign currencies, he may reduce the proportion of assets held in international shares, and / or reduce the dollar amount and / or number of domestic shares that rely heavily on offshore earnings. The Chief Investment Manager may also remove cash balances from foreign currencies back into Australian dollars. Foreign currency is invested for a term of seven days; examination of movements in exchange rates determines the proportion of assets held in specific currencies.

The performance of foreign currency and international equities is monitored by the Board of Directors, through its Investment Committee, on a quarterly basis.

The table below summarises the Fund's exposure to foreign exchange risk.

	30 June 2008		
	USD A\$'000	AUD A\$'000	Total A\$'000
Cash & cash equivalents	-	-	-
Receivables	-	4,720	4,720
Accrued income	-	232	232
Equity securities	2,915	19,649	22,564
Units in unlisted unit trusts	-	-	-
	30 June 2007		
	USD A\$'000	AUD A\$'000	Total A\$'000
Cash & cash equivalents	-	-	-
Receivables	-	5,713	5,713
Accrued income	-	288	288
Equity securities	-	19,475	19,475
Units in unlisted unit trusts	-	1,632	1,632

The table in note (e) summarises the sensitivities of the Fund's financial assets to foreign exchange risk. The analysis is based on the assumption that the Australian dollar weakened/strengthened by 10% (2007; 5%) against other currencies to which the Fund is exposed.

(ii) Interest rate risk

The Fund's interest-bearing assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. 17% of the Fund's financial assets are floating rate interest bearing investments in UCA Cash Management Fund. The capital invested in UCA Cash Management Fund is guaranteed by The Uniting Church in Australia Property Trust (Victoria). As a result the risk of fluctuations in interest rates is limited to the income payable to the Fund. The table in 13 (e) summarises the impact of an increase / decrease in interest rates on the Fund's net assets attributable to unit holders.

The interest rate risk disclosures are prepared on the basis of the Fund's direct investments and not on a look-through basis for investments held indirectly through other funds. Consequently the disclosure of interest rate risk in this note may not represent the true interest rate risk profile of the Fund where the Fund has significant investments in other funds which also have exposure to the interest rate markets.

2008

	Floating interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial Assets			
Cash & cash equivalents	-	-	-
Receivables	4,720	-	4,720
Accrued income	-	232	232
Equity securities	-	22,564	22,564
Units in unlisted unit trusts	-	-	-
Total	4,720	22,796	27,516
Weighted average interest rate	7.88%	0.00%	

2007

	Floating interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial Assets			
Cash & cash equivalents	-	-	-
Receivables	5,713	-	5,713
Accrued income	-	288	288
Equity securities	-	19,475	19,475
Units in unlisted unit trusts	-	1,632	1,632
Total	5,713	21,395	27,108
Weighted average interest rate	6.13%	0.00%	

Financial liabilities

Payables	-	1,880	1,880
Total	-	1,880	1,880
Weighted average interest rate	0.00%	0.00%	

The Fund's interest bearing investments (which are all floating rate) are its investments in the UCA Cash Management Fund and its investment in foreign currency. The unit price of UCA Cash Management Fund is \$1 and this price is not marked to market. The capital invested in the Fund is guaranteed by The Uniting Church in Australia Property Trust (Victoria). The Fund is exposed to interest rate risk with its foreign exchange, but the exposure is not material. As a result no further measurement or monitoring is required.

The carrying value of this investment as at 30 June 2008 was \$4,720,000 (2007 \$5,713,000).

This investment is redeemable at call.

Interest rate risk is measured by calculating the yield on the UCA Cash Management Fund, which is reported to the Investment Committee. The Chief Investment Manager also monitors movements in interest rates regularly and the Board of Directors, through its Investment Committee, monitors movements in interest rates quarterly.

(iii) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Fund is exposed to equity security price risk. All equities present a risk of loss of capital. This risk is moderated through appropriate diversification and careful stock selection within specified limits for individual asset classes. The following measures have been adopted to manage this risk:

The strategic asset allocation approved by the Board is as follows:

	TACTICAL RANGE	STRATEGIC ALLOCATION
	%	%
Australian shares & listed property	50 - 80	70
Fixed interest & cash	0 - 25	20
Overseas shares	0 - 20	10

The strategic asset allocation has not changed during the reporting period or the prior year. The actual asset allocation is measured regularly and is monitored by the Board of Directors, through the Investment Committee, quarterly.

The following techniques are employed to measure risk: portfolio tracking error by sector and by stock, the alpha and beta analysis of the portfolio, liquidity versus the benchmark S&P/ASX 300 and the proportion of stocks held in the top S&P/ASX 50. These measurements are monitored on a regular basis with data provided by Goldman Sachs JB Were and IRESS.

In addition performance of the portfolio is measured against the S&P/ASX 300 Accumulation Index and the CPI.

Due to constraints imposed by the ethical investment policy of the Uniting Church in Australia, approximately 21% of the S&P/ASX300 is not available for investment. This restriction of the investment universe poses a potential risk because it limits diversification and excluded sectors may out perform the market.

The allocation to international equities was designed to compensate for sectors within the S&P/ASX300, which are prohibited for ethical reasons (particularly diversified resources), rather than to provide a diversified international portfolio. Consequently no additional benchmark is used to measure performance for the international equities.

The Chief Investment Manager takes active positions with respect to both sectors and individual stocks.

The Fund's market positions are monitored and performance against benchmarks (with the exception of international equities) is tracked on a daily basis. The Board of Directors, through the Investment Committee, reviews the portfolios and performance against benchmarks on a quarterly basis.

The table in note (e) summarises the impact of increases / decreases of the S&P/ASX 300 Accumulation Index on the Fund's net assets attributable to unit holders at 30 June 2008. The analysis is based on the assumption that the index increased / decreased by 10% (2007 5%) with all other variables held constant and that the Fund's equity securities moved according to the historical correlation with the index.

(b) Credit Risk Exposure

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. 82 % of the Fund's assets are non interest bearing with the Fund's exposure to credit risk being limited to its investment in UCA Cash Management Fund. The capital is guaranteed by The Uniting Church in Australia Property Trust (Victoria). The Fund is also exposed to credit risk with its investment in foreign currency. The foreign currency is held with Westpac Banking Corporation and their credit rating is AA.

(c) Liquidity and cash flow risk

Liquidity risk is the risk that the Fund will experience difficulty in either realising assets or raising sufficient funds to satisfy commitments associated with individual financial instruments. Cash flow risk is the risk that the future cash flows derived from holding financial instruments will fluctuate. The risk management guidelines adopted are designed to minimise liquidity and cash flow risk through:

- Ensuring that there is no significant exposure to illiquid or thinly traded financial instruments, and
- Applying limits to ensure there is no concentration of liquidity risk to a particular counterparty or market.

Net assets attributable to unitholders are at call. Distributions payable are due within one month after 30 June and 31 December each year.

The Fund is exposed to daily cash redemptions of redeemable units. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

Liquidity and cash flow risk is monitored and measured regularly by analysis of the equities portfolio, including the proportion of cash held in UCA Cash Management Fund. The asset allocation of the Fund is measured monthly. All of the measures outlined are reported to the Board of Directors quarterly through its Investment Committee.

The Fund's listed securities are considered readily realisable, as they are listed on the Australian Stock Exchange and, from February 2008, on the New York Stock Exchange.

(d) Fair values of financial assets

The carrying amounts of all the Fund's assets at balance sheet date approximated their fair values as all financial assets not fair valued are short term in nature. The accounting policies in note 2(c) set out how the fair values for the Fund's investments are determined.

(e) Sensitivity analysis

The following table summarises the sensitivity of the Fund's operating profit and net assets attributable to unitholders to interest rate risk, foreign exchange risk and price risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates, historical correlation of the Fund's investments with the S&P/ASX 300 Accumulation Index and market volatility. However actual movements in the risk variables may be greater or less than anticipated due to a number of factors. Given the current unprecedented level of market volatility, historic variations in risk variables are unlikely to be a definitive indicator of future variations in the risk variables.

2008**Impact on operating profit/ net assets attributable to unitholders**

	Carrying Amount	Interest Rate Risk		Foreign Exchange Risk		Price Risk	
		-100 bps \$'000	+100 bps \$'000	-10% \$'000	+10% \$'000	-10% \$'000	+10% \$'000
Cash & cash equivalents	-	-	-	-	-	-	-
Receivables	4,720	(47)	47	-	-	-	-
Accrued income	232	-	-	-	-	-	-
Financial assets through profit or loss	-	-	-	-	-	-	-
Equity securities	22,564	-	-	(291)	291	(2,256)	2,256
Units in unlisted unit trusts	-	-	-	-	-	-	-
Total increase/(decrease)	27,516	(47)	47	(291)	291	(2,256)	2,256

2007**Impact on operating profit/ net assets attributable to unitholders**

	Carrying Amount	Interest Rate Risk		Foreign Exchange Risk		Price Risk	
		-100 bps \$'000	+100 bps \$'000	-5% \$'000	+5% \$'000	-5% \$'000	+5% \$'000
Cash & cash equivalents	-	-	-	-	-	-	-
Receivables	5,713	(57)	57	-	-	-	-
Accrued income	288	-	-	-	-	-	-
Financial assets through profit or loss	-	-	-	-	-	-	-
Equity securities	19,475	-	-	-	-	(974)	974
Units in unlisted unit trusts	1,632	-	-	-	-	-	-
Total increase/(decrease)	27,108	(57)	57	-	-	(974)	974

Note 14: REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor.

	2008	2007
	\$	\$
<i>Assurance Services</i>		
Audit of financial report with Corporations Act 2001	20,000	17,000
<i>Taxation and other services</i>	5,885	6,985
	25,885	23,985

Note 15: NOTE TO CASH FLOW STATEMENT**(a) Reconciliation of net profit/(loss) to net cash inflow/(outflow) from operating activities**

	2008	2007
	\$'000	\$'000
Net profit for the year	-	-
Increase/(decrease) in net assets attributable to unitholders	(5,541)	2,175
Distribution paid/ payable to unitholders	2,225	2,278
(Increase)/decrease in receivables	993	(2,526)
(Increase)/decrease in accrued income	56	(93)
Net proceeds from sale and purchase of financial assets	(5,812)	(5,309)
Net (gain)/loss on financial assets held at fair value through profit and loss	4,355	(3,720)
Net cash inflow/(outflow) from operating activities	(3,724)	(7,195)

(b) Significant non-cash items

Distribution reinvested	2,822	746
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Note 16: SEGMENT INFORMATION

The Fund operates in one business segment (the funds management industry) based solely in Australia. Consequently, no segment reporting is provided in the Funds financial statements.

Note 17: EVENTS OCCURRING AFTER BALANCE SHEET DATE

With the exception of the current market volatility, which is reflected in the daily unit prices, there have been no other significant events which have occurred since balance sheet date which would impact on the financial position of the Fund disclosed in the balance sheet as at 30 June 2008 or on the results and cash flows of the Fund for the year ended on that date.

Note 18: CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

There are no outstanding contingent assets and liabilities or commitments as at 30 June 2008 or at 30 June 2007.

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