

NEYM Board of Managers of Investments & Permanent Funds
2022 Annual Report for fiscal year 4/1/2021 through
3/31/2022

In the midst of the appearance of the COVID-19 virus and the resultant financial uncertainty, the Board of Managers of Investments and Permanent Funds presents its 2022 Annual Report to New England Yearly Meeting. The Pooled Fund is a professionally managed investment fund which NEYM offers to its member meetings. As of March 31, 2022, 36 meetings and Quaker based organizations have total investments of \$13,921,638.93 in accounts ranging from under \$10,000 to over \$1,000,000.

In Fiscal Year 2022 ending on third month 31, 2022, annual income distributed to constituents from the Pooled Funds was \$0.196357 per unit paid in quarterly installments for an annual return of 3.77%. The unit value increased from \$5.414680 to \$5.556868 or 2.63% over the year. When combined with the distributions this resulted in a total return of 6.40% for the year. A history of the performance of the Pooled Funds including income and capital appreciation is attached to this report.

Income distribution is based on a 3-year average of unit value so the distribution for FY2023 (April 1, 2022, to March 31, 2023) will increase slightly to \$0.200592 per unit. It will be paid at a rate of \$0.0501479 per unit each quarter.

Total expenses during the fiscal year amounted to \$103,218 or 0.78% of the value of the fund at the beginning of the year.

For the benefit of the constituents, the Board of Managers manages the portfolio to provide income for our constituents and competitive appreciation in the value of the investment. The Board achieves this by investing in companies whose businesses are aligned with Quaker values. The Board seeks companies that are making a positive contribution to the world's need for goods and services and are providing work in a healthy, equal opportunity environment. Furthermore, the Board of Managers avoids investments that are inconsistent with Friends' testimonies, including companies that depend upon war materials, alcoholic beverages, tobacco or gambling, and companies that conduct unfair employment practices or pollute the environment. The policies and procedures are described in the Board of Manager Investment Guidelines & Procedures page which is available online at: <https://neym.org/board-managers/investment-guidelines-procedures>.

The Board of Managers reviews each company proposed by the deBurlo Group, our financial advisor, prior to purchase based on these principles. All holdings (including preferred stocks and bonds) held in the portfolio are re-screened on a triennial basis to ensure continued suitability.

The Board remains committed to investing a portion (approximately 2%) of the Pooled Funds in locally controlled community development funds throughout the New England states. These investments support affordable housing, small businesses, community facilities, education, farms, and fisheries.

The NEYM Board of Managers of the Pooled Funds has begun the process of developing a new suite of charts that will allow for better comparison to other investment options. The pie chart shows proportion of Pooled Fund investments by sector is being replaced by a bar chart comparing them to the S&P 500.

The Board intends to have additional charts available sometime within the 2023 fiscal year. The goal is to allow better presentation of investment characteristics and performance so that organizations considering the NEYM Pooled Fund as an investment option have the best data available to compare to alternatives.

For the Board of Managers,

Erik Philbrook, clerk
Shearman Taber, treasurer

NEYM Pooled Funds

FY 2022 –Year End Financial Report (April 1, 2021 – March 31, 2022)

	Total	Units *	Unit Value
<u>Market Value – April 1, 2021</u>	\$ 12,476,282.36	2,304,159	\$ 5.414680
Income for Year:			
Dividends & Interest	\$ 172,367.50		
Community Funds	\$ 6,191.71		
Total Income	<u>\$ 178,559.21</u>		
Expenses for Qtr:			
Bank fee	(\$ 6,132.82)		
Advisor fee	(\$ 96,086.00)		
Bookkeeper fee	(\$ 1,000.00)		
Other Expenses	\$ 0.00		
Total Expense	<u>(\$ 103,218.82)</u>		
Net Income:	\$ 75,340.39		
Quarterly Distributions **	(\$ 470,835.35)		\$ 0.196360
<u>Change in Market Value</u>	\$ 690,436.39		
Adj'd Market Value	<u>\$ 12,771,223.78</u>		
Member Investments			
Net Deposits	\$ 1,081,500.00		
Total Reinvestments	\$ 68,915.15		
Net Additions	<u>\$ 1,150,415.15</u>		
Market Value – March 31, 2022	<u>\$ 13,921,638.93</u>	2,505,303	\$ 5.556868
Expenses as % of Avg. Assets	0.78%		
FY20 Yield (per Unit)			
Principal	2.63%		
Distributions	3.63%		
Total Yield	6.25%		

** Quarterly distributions were based on \$0.19636 per unit for the year paid at \$0.049089 per unit held at the end of each quarter.

* Investments in the Pooled Funds are made in terms of Units. The value of a unit is recalculated at the end of each Quarter based on the total value of the fund.

Q1

<u>Market Value</u>	01-Apr-21	12,476,282.36	1-Jul-21
<u>Income for Qtr:</u>			
Dividends & Interest	41,711.62		42,228.06
Community Funds ^A	2,038.29		1,500.00
<u>Total Income</u>	43,749.91		43,728.06
Expenses for Qtr:			
Bank fee	(1,431.77)		(1,585.10)
Advisor fee	(22,152.00)		(23,284.00)
Bookkeeper fee	(250.00)		(250.00)
Other Expenses	-		-
<u>Total Expense</u>	(23,833.77)		(25,119.10)
<u>Net Income:</u>		19,916.14	
Quarterly Distribution ^B		(113,109.28)	
Change in Market Value (after Distribution)		716,429.63	
Adj'd Market Value	30-Jun-21	13,099,518.84	30-Sept-21
Additions to Pool			
Net Deposits	88,850.00		751,500.00
Total Reinvestments ^C	16,471.79		16,606.68
Net Additions		105,321.79	
Market Value	1-Jul-21	13,204,840.64	1-Oct-21
	1-Jul-21	13,204,840.64	1-Oct-21

Q2		Q3		Q4	Tt
13,204,840.64	01-Oct-21	13,877,052.95	01-Jan-22	14,862,954.20	
	44,991.16		43,436.66		172,367.50
	<u>1,253.42</u>		<u>1,400.00</u>		<u>6,191.71</u>
	46,244.58		44,836.66		178,559.21
	(1,564.97)		(1,550.98)		(6,132.82)
	(24,456.00)		(26,194.00)		(96,086.00)
	(250.00)		(250.00)		(1,000.00)
	<u>(26,270.97)</u>		<u>(27,994.98)</u>		<u>(103,218.82)</u>
18,608.96		19,973.61		16,841.68	
(114,018.70)		(120,699.52)		(123,007.85)	
<u>(484.63)</u>		<u>806,862.99</u>		<u>(832,371.61)</u>	
13,108,946.27	31-Dec-21	14,583,190.03	31-Mar-22	13,924,416.42	
	263,000.00		(21,850.00)		1,081,500.00
	<u>16,764.17</u>		<u>19,072.50</u>		<u>68,915.15</u>
768,106.68		279,764.17		(2,777.50)	
13,877,052.95	01-Jan-22	14,862,954.20	01-Apr-22	13,921,638.93	
13,877,537.58	01-Jan-22	14,863,804.20	01-Apr-22	13,921,638.93	

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12,476,282.36

75,340.39

(470,835.35)

690,436.39

12,771,223.78

1,150,415.15

13,921,638.93

New England Yearly Meeting of Friends Pooled Funds – 2022

Comparative Figures for Fiscal Years Ending March 31

Income (per unit)	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Projected Distribution	\$0.0600	\$0.0600	\$0.0495	\$0.0510	\$0.0490	\$0.0550	\$0.1684	\$0.1774	\$0.1831	\$0.1964
Actual Distribution	\$0.0630	\$0.0614	\$0.0519	\$0.0518	\$0.0451	\$0.0400	\$0.1684	\$0.1774	\$0.1831	\$0.1964
Market Values										
Total Value (in thousands)	\$8,455	\$9,509	\$10,568	\$10,973	\$10,803	\$10,598	\$11,322	\$10,837	\$12,476	\$13,922
Total # of Units (in thousands)	2,450	2,512	2,622	2,701	2,609	2,396	2,387	2,372	2304	2505
Market Value Per Unit	\$3.4510	\$3.7847	\$4.0297	\$4.0623	\$4.1409	\$4.4236	\$4.7422	\$4.5698	\$5.4147	\$5.5569
Returns										
Appreciation	3.52%	9.67%	6.47%	0.81%	1.93%	6.83%	7.20%	-3.64%	18.49%	2.63%
Income	<u>1.89%</u>	<u>1.78%</u>	<u>1.37%</u>	<u>1.28%</u>	<u>1.11%</u>	<u>0.97%</u>	<u>3.81%</u>	<u>3.74%</u>	<u>4.01%</u>	<u>3.63%</u>
Total	5.41%	11.45%	7.84%	2.09%	3.05%	7.79%	11.01%	0.11%	22.50%	6.25%
Lipper Balanced Fund Average	9.0%	11.2%	6.1%	-2.3%	10.2%	8.1%	3.7%	-6.1%	33.9%	3.6%
Multi-Year Returns										
				<u>3 yrs</u>	<u>5 yrs</u>	<u>7 yrs</u>	<u>10 yrs</u>			
Lipper Balanced Fund				9.2%	7.9%	6.7%	7.3%			
NEYM Pooled Funds				9.22%	9.29%	7.32%	7.59%			

Notes:

1. Except for the Lipper returns, return figures are rounded to the nearest .01%.
2. NEYM returns are simple annual rates of return, calculated net of expenses. The appreciation return is calculated by dividing the change in the market value per unit during the year by the beginning market value. The income return is calculated by dividing the income distributed per unit during the year by the beginning market value.
3. Please note that the NEYM Pooled Funds are subject to social and other constraints which are not applicable to the Lipper Balanced Fund Average.