



**Education**

**Pastoral**

**"Maximising  
resources  
within the Catholic  
community to promote  
the pastoral, educational  
and social service needs  
of the Diocese to assist  
delivering on the mission  
of the Church"**

**Our Purpose**



**Mission**



**Social  
Services**



**Catholic Development Fund - Diocese of Ballarat**



# ANNUAL REPORT 2018

# *CDF Staff*

## **FUND MANAGER**

Mr. Andrew Jirik

## **ASSISTANT MANAGER**

Mrs. Sharyn Simpson

## **CUSTOMER SUPPORT**

Mrs. Claire Blewitt

Mrs. Aasha Liversidge

**Address:** P.O. Box 576  
15 Lyons Street Sth  
Ballarat Vic 3350

**Phone:** 1800 134 100

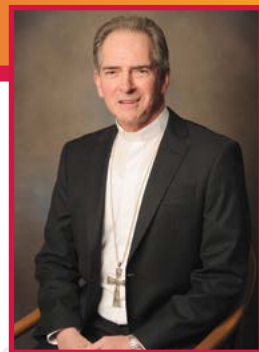
**Fax:** 03 53 315 625

**Web address:** [www.ballarat.catholic.org.au](http://www.ballarat.catholic.org.au)

**E-mail:** [cdf@ballarat.catholic.org.au](mailto:cdf@ballarat.catholic.org.au)



L-R: Mark Bromley, Sharyn Simpson, Philip Westbrook, Aasha Liversidge, Claire Blewitt and Andrew Jirik



Travel shows on TV sometimes feature journeys by train. The trip might be in a high-speed modern train. It might be in a vintage train, pulled by a steam engine, and then the presenter might reflect on the power of steam to drive the early stages of the industrial revolution. In our own time, we have another example of the power of steam. In this case, STEAM is in the educational field, bringing together learning across Science, Technology, Engineering, Arts and Mathematics. St Brigid's College, Horsham, will have a new building devoted to STEAM education. This will provide students and teachers with facilities specifically designed for learning in these subjects. This is one of the major projects being supported by our diocesan Catholic Development Fund.

Throughout 2018, our Catholic Development Fund provided loans for numerous school projects. These included new administration buildings for Siena Primary School in Lucas and St Michael's Primary School in Daylesford, and upgrades to general learning areas at Sacred Heart Primary School in Colac and Our Lady Help of Christians School in Wendouree. There was maintenance and refurbishment work at St Paul's Primary School in Mildura and St Joseph's Primary School in Redcliffs.

The Catholic Development Fund is also assisting with parish projects, including the further development of the Maryknoll Centre in Hamilton, providing rooms for community service agencies as well as medical suites and a pharmacy.

The CDF is a key player in capital works throughout our diocese – works for the good of communities all across the western half of Victoria.

I thank all those who have made deposits in our Catholic Development Fund. By making these deposits, they have provided a pool of resources from which parishes, schools and agencies can draw in order to finance new buildings and other vital resources.

I thank Mr Paul Foley, who has chaired the CDF Committee, and all the members of the Committee for their ongoing supervision of the Fund. I thank the fund manager, Mr Andrew Jirik, and the CDF staff who provide the daily services that the CDF offers.

I give thanks to God for the success of the Catholic Development Fund in 2018. I give thanks for the support the Fund has continued to give to the life of the Catholic Community throughout our diocese.

*+ Paul Bird*

*+ Paul Bird CSsR  
Bishop of Ballarat*



It is a great honour for me to present the 43rd Annual Report of the activities of the Catholic Development Fund - Diocese of Ballarat for the year ended 31st December, 2018.

The Committee and Management of the Fund are constantly presented with challenges at every time we meet and 2018 proved to be no different in this regard. As I have foreshadowed in recent years reports, opportunities for improved returns for the Fund are extremely limited given recent legislative changes and the low level growth that has been evident throughout the economy in 2018. These factors can potentially have an enormous impact on the operations and financial results of the Catholic Development Fund. I advise that in 2018, the Fund assets improved by \$20m to \$175m primarily due to the excellent support that have received from the Secondary School sector together with increased support from associated Catholic Agencies. It is important that we continue to improve our 'bond' with such depositors however the Committee is fully aware of how competitive that the Fund must be in order to attract such support into the future.

### FINANCIAL RESULTS

The surplus for the year of \$1.6M is another great result to have achieved given the tight margins that we encounter in the extremely competitive lending environment. Unfortunately, this reduced result is emphasised by the reduction in the gross margin of the Fund by over \$800,000 from 2017. I sincerely thank the on-going excellent management of the Fund by Mr Andrew Jirik and staff.

The Committee is constantly challenged by competitive markets throughout each year and I am proud of the thoughtful and prudent manner of the decision making process employed.

A synopsis of the year is below:

- Excellent surplus of \$1,591,535
- Assets exceed \$175m
- \$1,000,000 distribution to Diocese

The ability of the Committee to be able to maintain the distribution of \$1,000,000 to the Diocese is a fantastic achievement for the 2018 year given my previous comments. After consultation with the Diocesan Finance Committee it has been determined that a distribution to the Retired Priest Facilities is not required as sufficient funds are held in reserve to provide for the accommodation of our retired priests.

## THE COMMITTEE

The Committee meets on six occasions during the year to assist and provide guidance to the management of the Fund, assessing and approving loans, policy implementation and reviewing interest rates. A key to the on-going success of the CDF is the determination by the Committee to maintain a rate structure that is fair to borrowers and depositors.



I thank all Committee members for their thoughtful and considered contributions to the overall management of the Catholic Development Fund in 2018.

## LOANS

Lending is primarily provided to primary and secondary schools throughout the Diocese. Loans settled during the year exceed \$8m.

Every school, both primary and secondary has benefited in some way in recent years with the assistance of the Fund.

## STAFF

I must acknowledge Mr Andrew Jirik for his astute financial management of the Fund.

Andrew has administered the Fund in a most efficient, effective and caring manner throughout 2018 whilst constantly looking for opportunities closely aligned to our core purpose.

Assistant Manager Sharyn Simpson plays an important role for the Fund and her vast experience in the banking sector is critical to the sound management of the Fund.

Customer Support Officers Claire Blewitt and Aasha Liversidge, provide competent and friendly service to all who have contact with the Fund.

## APPRECIATION

I extend my appreciation to Bishop Paul Bird for his on-going guidance, confidence, support and trust he places in all the Committee members of the Fund. It is a privilege and a pleasure to be able to serve the Catholic Church in the Diocese.

I thank all Committee members who willingly volunteer their own valuable time and expertise in the assistance of the management of the Fund.

## CONCLUSION

I must acknowledge the support and loyalty that the Fund continues to receive from the clergy, parishes, schools and colleges throughout the Diocese of Ballarat. The Fund is delighted to continue to be seen as the preferred lender to our parishes and schools for the important projects that they require financial funding to assist to maintain and grow their assets. The Fund is acutely aware it can only achieve any financial success from the loyalty and support of all sectors of the Diocese.

The Fund continues to strive to provide a caring, efficient and competitive service for the Diocese of Ballarat.

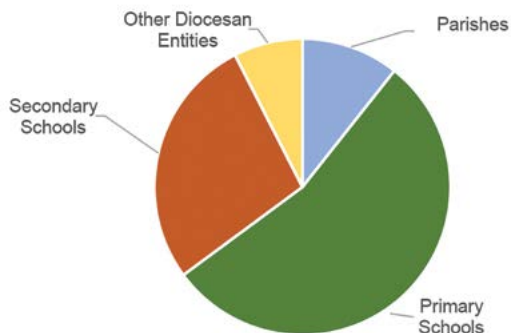
*Paul D. Foley*  
CHAIRMAN

*Helping each other  
and building  
a stronger church  
and community*

## Loans Advanced 2018

\$Mil

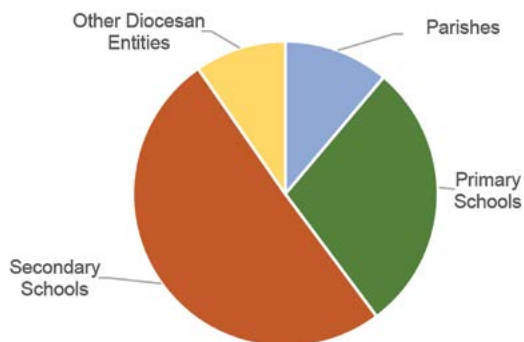
Parishes	1.0
Primary Schools	4.0
Secondary Schools	2.0
Other Diocesan Entities	1.0



## Loans Outstanding (as at 31/12/18)

\$Mil

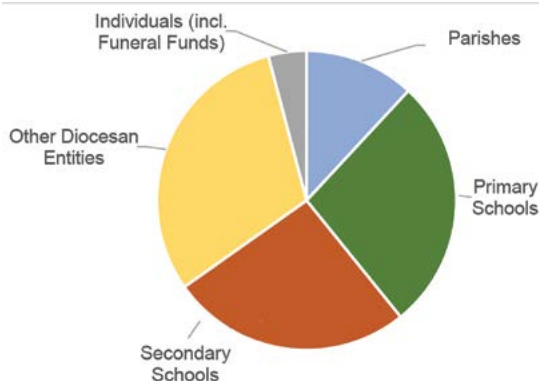
Parishes	6.10
Primary Schools	15.7
Secondary Schools	27.7
Other Diocesan Entities	5.30



## Deposits Held (as at 31/12/18)

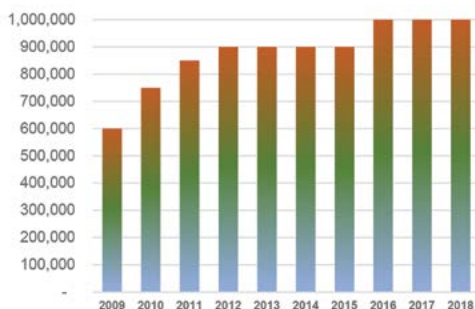
\$Mil

Parishes	18.5
Primary Schools	42.3
Secondary Schools	40.4
Other Diocesan Agencies	47.6
Individual (incl. Funeral Funds)	6.4



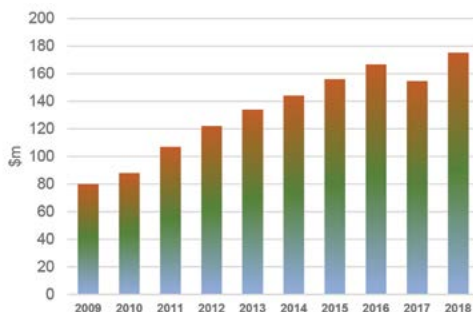
## Distribution to the Diocese \$

2009	600,000
2010	750,000
2011	850,000
2012	900,000
2013	900,000
2014	900,000
2015	900,000
2016	1,000,000
2017	1,000,000
2018	1,000,000



## Total Assets \$Mil (as at 31/12/18)

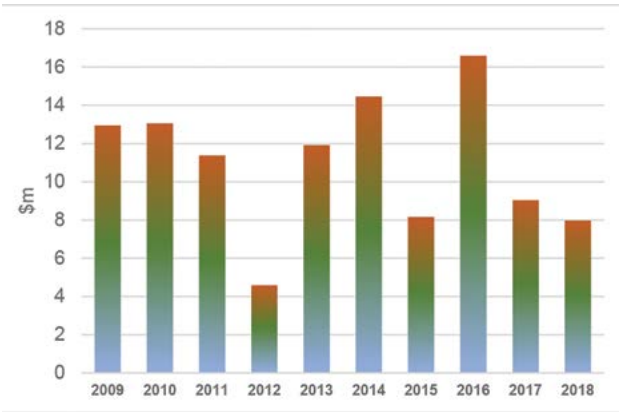
2009	80
2010	88
2011	107
2012	122
2013	134
2014	144
2015	156
2016	167
2017	155
2018	175



Loans Funded                      \$Mil

2009	12.9
2010	13.1
2011	11.4
2012	4.6
2013	11.9
2014	14.5
2015	8.2
2016	16.6
2017	9.0
2018	8.0

TOTAL (last 10 years)    110.2



*Recent Projects*



Siena Catholic Primary School, Lucas



St Mary Mackillop Parish, Hamilton



St Paul's Primary School, Mildura

*Recent Projects*



Bayview College, Portland



St Michael's Primary School, Daylesford



St Patrick's Primary School, St Arnaud

# Statement of Income and Expenditure

For the Year Ended 31st December 2018

<b>INCOME</b>	<b>2018</b>	<b>2017</b>
	\$	\$
Interest on Loans	2,434,677	2,720,375
Other income	3,390	---
Interest on Investments	2,835,960	3,269,158
<b>Total Income</b>	<b>\$5,274,027</b>	<b>\$5,989,533</b>
<b>EXPENDITURE</b>		
Interest paid to Depositors	3,143,191	3,055,590
Operating Expenditure	539,301	536,662
<b>Total Expenditure</b>	<b>\$3,682,492</b>	<b>\$3,592,252</b>
<b>SURPLUS FOR THE YEAR</b>	<b>\$1,591,535</b>	<b>\$2,397,281</b>
<b>Allocated as follows:</b>		
Distribution to Diocese	1,000,000	1,000,000
Transferred to Reserve Funds	591,535	1,397,281
	<b>\$1,591,535</b>	<b>\$2,397,281</b>
Reserve Funds at Beginning of Year	19,096,871	17,699,590
Add Surplus Transferred to Reserves	591,535	1,397,281
<b>Reserve Funds at End of Year</b>	<b>\$19,688,406</b>	<b>\$19,096,871</b>

Completed Audited Financial Statements are available on request from the Fund Office

# Balance Sheet

For the year ended 31st December 2018

<b>ASSETS</b>	<b>2018</b>	<b>2017</b>
	\$	\$
Loans Advanced	54,858,227	58,493,809
Investments	119,586,356	95,658,344
Accrued Income/Prepaid Expenses	116,468	---
Accrued Interest Receivable	646,609	469,787
Fixed Assets	20,023	28,303
<b>Total Assets</b>	<b>\$175,227,683</b>	<b>\$154,650,243</b>
<b>LIABILITIES</b>		
Depositors' Funds	155,161,840	135,235,642
Sundry Creditors	10,426	14,262
Accrued Interest Payable	282,988	227,294
Provision for Leave Entitlements	84,023	76,174
<b>Total Liabilities</b>	<b>\$155,539,277</b>	<b>\$135,553,372</b>
<b>Net Assets</b>	<b>\$19,688,406</b>	<b>\$19,096,871</b>
<b>EQUITY</b>		
Accumulated Surplus	8,188,406	7,596,871
Retired Priests Facility Reserve	1,500,000	1,500,000
General Reserve	10,000,000	10,000,000
<b>Total Equity</b>	<b>\$19,688,406</b>	<b>\$19,096,871</b>

## *Our Purpose*

*Our aim is to maximise the use of resources within the Catholic community in order to provide facilities to invest funds, offer loans at favourable cost for capital and other projects, and provide the means of promoting the pastoral and educational needs of the Ballarat Diocese.*



## *Church Clients*

**With the CDF – Ballarat Parishes and schools have access to a fund which is user friendly.**

The continuing support of the Fund from parishes and schools is most important, as it ensures that we can continue our mission within the Diocese. The CDF provides a range of financial services, including fee-free accounts with a competitive return on investments and also offers low-cost loans with minimum fuss.

**Our Savings and Term Investments are available to all parishes and schools.**

The CDF provides loans to all parishes, schools and catholic organisations within the Ballarat Diocese.

- No fees / minimal paperwork
- Affordable Interest rates
- Negotiable repayment terms

**Please contact the CDF for more information.**

Bishop Paul BIRD

Mr. Paul FOLEY (Chairperson)

Rev. Kevin MALONEY

Ms. Julie DUYNHOVEN

Mr. Luke DUNNE

Mr. Jeff PRIMMER

Mr. Luke RIENIETS

Ms. Jo BREWER

Mr. Andrew JIRIK

## *Auditors Report*

We have audited the financial reports of the Ballarat Catholic Development Fund in accordance with Australian Auditing Standards. Extracts from the Income Statement and Balance Sheet are included in this Annual Report. In our opinion the financial report presents fairly the financial position of the Ballarat Catholic Development Fund as at the 31 December 2018 and the results of its operations for the year ended.

In our opinion, the information given in this report is consistent with the unabridged financial reports.

BALLARAT  
13 March, 2019

CHRIS KOL  
*McLaren Hunt.*





The Diocese of Ballarat – Catholic Development Fund (the **Fund**) is required by law to make the following disclosure. The Fund is not prudentially supervised by the Australian Prudential Regulation Authority nor has it been examined or approved by the Australian Securities and Investments Commission. An investor in the Fund will not receive the benefit of the financial claims scheme or the depositor protection provisions in the Banking Act 1959 (Cth). Investments in the Fund are intended to be a means for investors to support the charitable religious and educational works of the Catholic Diocese of Ballarat and for whom the consideration of profit are not of primary relevance in the investment decision. The investments that the Fund offers are not subject to the usual protections for the investors under the Corporations Act (Cth) or regulation by Australian Securities and Investments Commission. Investors may be unable to get some or all of their money back when the investor expects or at all and any investment of the Fund are comparable to investments with banks, finance companies or fund managers. The Fund's identification statement may be viewed at [www.ballarat.catholic.org.au](http://www.ballarat.catholic.org.au) or by contacting the Fund. The Fund does not hold an Australian Financial Services Licence.