

ANNUAL REPORT 2021



Catholic Development Fund - Diocese of Ballarat



From the Bishop



Over the past couple of months, I have been on the road again, travelling around the diocese. This is in contrast to the last couple of years when travel has been limited because of the COVID pandemic. While the virus is still having an impact, sometimes causing severe illness, we have been able to resume many of our usual activities. This includes moving around more freely. For this I am most grateful, because it has allowed me to resume visits to our parishes and schools. This has brought home to me how much people all around our diocese have done to bring their communities through the pandemic and how much they are doing to help one another as we resume more normal activities in our parishes and schools and our lives as a whole.

Our Catholic Development Fund has provided strong support through these years and will continue to do so in the years ahead. During the pandemic, schools have increased their use of technology to connect teachers with students working from home and parishes have kept in touch with parishioners through live-streaming of Masses. Our CDF has supported these initiatives through technology loans. Now local communities are ready to move ahead with some building projects that were postponed because of the pandemic. Our CDF Board has approved loans for new classrooms in Ballarat East and the refurbishment of learning areas in Port Fairy, as well as loans for multipurpose buildings and administration areas in Ballarat and Robinvale.

I thank all those who have made deposits in our Catholic Development Fund. This has provided a pool of resources from which parishes, schools and diocesan agencies can draw in order to finance works that serve our Catholic community and the wider community. This has been important to help us through the pandemic and will continue to be important for the developments to come.

I thank Mr Paul Foley, who chairs the CDF Committee of Management, and all the members of the committee for their careful supervision of the fund. I thank the fund manager, Mr Andrew Jirik, and the CDF staff who deliver the daily services that our depositors and our customers need.

I give thanks to God for the success of the Catholic Development Fund in 2021. I give thanks for the support the fund has continued to provide to communities throughout our diocese.

+ Paul Bird

*+ Paul Bird CSsR
Bishop of Ballarat*

FUND MANAGER

Mr. Andrew Jirik

ASSISTANT MANAGER

Mrs. Sharyn Simpson

CUSTOMER SUPPORT

Mrs. Claire Blewitt

Mrs. Aasha Liversidge

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15 Lyons Street Sth
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**Helping each other
and building
a stronger church
and community**

Chairman's Report 2021



It is a pleasure for me to present the 46th Annual Report of the activities of the Catholic Development Fund - Diocese of Ballarat for the year ended December 31, 2021. The 2021 year was a much improved result despite the on-going COVID pandemic effects that were still being felt throughout the financial markets. The 2021 represents a 100% improvement of the 2020 result, I am also pleased to advise that the Fund's assets grew to \$197m.

The Fund maintains its strong commitment to its depositors and customers and we were pleased to be able to maintain extremely competitive interest rates on our savings accounts.

The Committee continues to be constantly challenged by markets throughout the year, trying to balance the interest rates it set for its savings accounts and loans, its capital requirements and the surplus it needs to generate. Given the lower result the distribution to Diocese in 2022 will be \$1.25M however there was no requirement to distribute an amount from reserves in 2021 to provide for additional retired clergy accommodation after the three property purchases were made in 2020.

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. The Committee of Management meet on four 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. Once again, I thank all Committee members for their thoughtful and considered contribution to the overall management of the Catholic Development Fund in 2021.

Lending has primarily been provided to primary and secondary schools throughout the Diocese. In 2021 loans approved were in excess of \$14M including St Patrick's College Ballarat to assist with funding the new multi-purpose centre.

I must acknowledge Mr. Andrew Jirik for his management of the Fund. Andrew has administered the Fund in a prudent manner throughout 2021 whilst constantly looking for opportunities aligned to our core purpose. Assistant Manager Sharyn Simpson plays a critical 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, continued to provide competent and friendly service to everyone who has contact with the Fund.

Chairman's Report 2021

Finally, I once again acknowledge the support and loyalty that the Fund receives from the parishes, schools and agencies of the Diocese of Ballarat. The Fund is privileged to continue to be seen as the preferred lender for the important projects they undertake, and remains acutely aware it can only achieve any financial success from the loyalty and support shown by its customers. The Fund continues to strive to provide a caring, efficient and competitive service for the Diocese of Ballarat.

***Paul D. Foley,
Chairman***



St Brigid's College, Horsham

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 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.

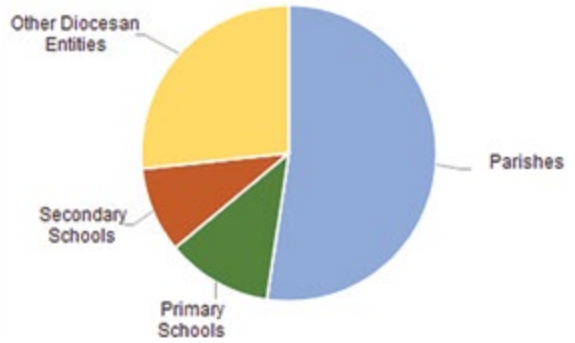
- Competitive Interest Rates
- Negotiable Repayment Terms
- Support through the whole process

Please contact the CDF for more information.

2021 at a glance.....

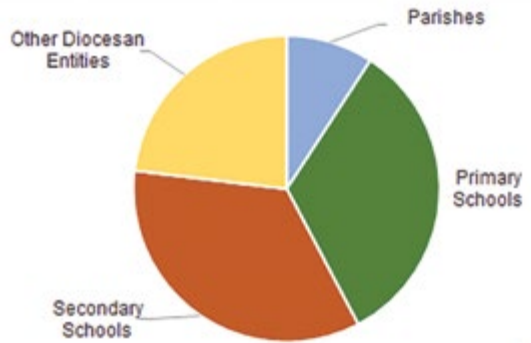
Loans Advanced 2021 \$Mil

| | |
|-------------------------|-----|
| Parishes | 5.6 |
| Primary Schools | 1.2 |
| Secondary Schools | 1.0 |
| Other Diocesan Entities | 2.9 |



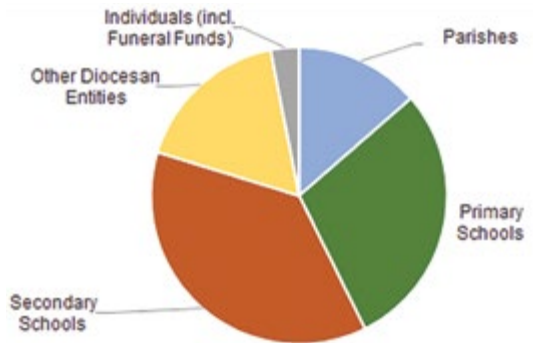
Loans Outstanding (as at 31/12/21) \$Mil

| | |
|-------------------------|------|
| Parishes | 4.0 |
| Primary Schools | 14.2 |
| Secondary Schools | 14.9 |
| Other Diocesan Entities | 9.9 |



Deposits Held (as at 31/12/21) \$Mil

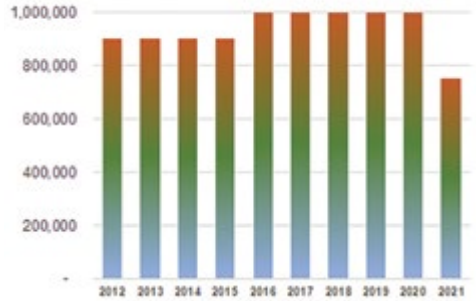
| | |
|----------------------------------|------|
| Parishes | 23.7 |
| Primary Schools | 50.5 |
| Secondary Schools | 64.6 |
| Other Diocesan Entities | 29.9 |
| Individual (incl. Funeral Funds) | 5.4 |



2021 at a glance.....

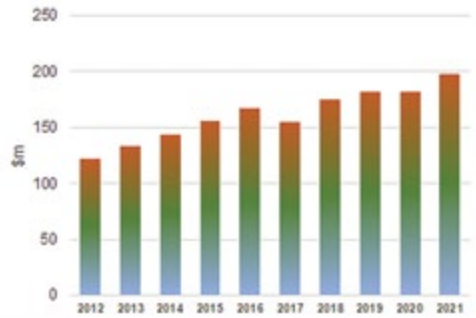
Distribution to the Diocese \$

| | |
|------|-----------|
| 2017 | 1,000,000 |
| 2018 | 1,000,000 |
| 2019 | 1,000,000 |
| 2020 | 1,000,000 |
| 2021 | 750,000 |



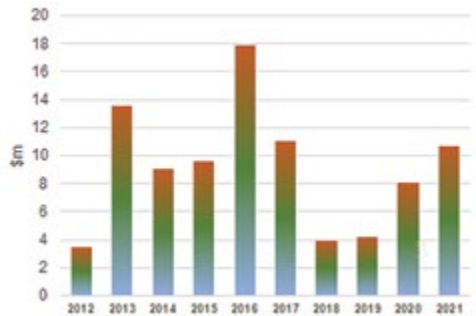
Total Assets (as at 31/12/21) \$Mil

| | |
|------|-----|
| 2017 | 155 |
| 2018 | 175 |
| 2019 | 182 |
| 2020 | 182 |
| 2021 | 197 |



Loans Funded \$Mil

| | |
|------|------|
| 2017 | 11.1 |
| 2018 | 3.9 |
| 2019 | 4.1 |
| 2020 | 8.0 |
| 2021 | 10.7 |



TOTAL (last 10 years) 91.4

Funded Projects



Emmanuel College, Warrnambool



St Patrick's Primary School, Koroit



St James Parish School, Sebastopol

Statement of Income and Expenditure

For the Year Ended 31st December 2021

| INCOME | 2021 | 2020 |
|-------------------------------------|---------------------|---------------------|
| | \$ | \$ |
| Interest on Loans | 1,657,231 | 1,783,110 |
| Other income | 53,596 | 947 |
| Interest on Investments | 3,130,950 | 2,654,730 |
| Total Income | \$4,841,777 | \$4,438,787 |
| EXPENDITURE | | |
| Interest paid to Depositors | 1,695,071 | 2,638,607 |
| Operating Expenditure | 603,382 | 540,023 |
| Total Expenditure | \$2,298,453 | \$3,178,630 |
| SURPLUS FOR THE YEAR | \$2,543,324 | \$1,260,157 |
| Allocated as follows: | | |
| Distribution to Diocese | 750,000 | 1,000,000 |
| Transferred to Reserve Funds | 1,793,324 | 260,157 |
| | \$2,543,324 | \$1,260,157 |
| Reserve Funds at Beginning of Year | 22,397,429 | 22,137,272 |
| Add Surplus Transferred to Reserves | 1,793,324 | 260,157 |
| Reserve Funds at End of Year | \$24,190,753 | \$22,397,429 |

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

Balance Sheet

For the year ended 31st December 2021

| ASSETS | 2021 | 2020 |
|---------------------------------|----------------------|----------------------|
| | \$ | \$ |
| Loans Advanced | 43,005,240 | 49,718,253 |
| Investments | 154,106,957 | 132,117,672 |
| Accrued Income/Prepaid Expenses | 137,827 | 89,822 |
| Accrued Interest Receivable | 143,625 | 119,336 |
| Fixed Assets | 20,242 | 28,942 |
| Total Assets | \$197,413,891 | \$182,074,025 |

LIABILITIES

| | | |
|----------------------------------|----------------------|----------------------|
| Depositors' Funds | 174,328,410 | 159,348,597 |
| Sundry Creditors | 30,505 | 25,637 |
| Accrued Interest Payable | 211,913 | 181,900 |
| Provision for Leave Entitlements | 152,310 | 120,462 |
| Total Liabilities | \$174,723,138 | \$159,676,596 |
| Net Assets | \$22,690,753 | \$22,397,429 |

EQUITY

| | | |
|----------------------------------|---------------------|---------------------|
| Accumulated Surplus | 6,190,753 | 4,397,429 |
| Retired Priests Facility Reserve | - | 1,500,000 |
| General Reserve | 16,500,000 | 16,500,000 |
| Total Equity | \$22,690,753 | \$22,397,429 |

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.

CDF Committee of Management

Bishop Paul BIRD

Mr. Paul FOLEY (Chairperson)

Rev. Kevin MALONEY

Ms. Leonie MCGUCKIAN

Mr. Luke DUNNE

Mr. Paul JANS

Mr. Luke RIENIETS

Mr. Andrew JIRIK

Auditors Report

We have audited the special purpose 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, in all material respects the financial position of the Ballarat Catholic Development Fund as at the 31 December 2021 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

In our opinion, the information given in this report is consistent with the unabridged financial Statements which are available on request from the Fund Office.

BALLARAT
11 March, 2022

NARELLE MCLEAN
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 or by contacting the Fund. The Fund does not hold an Australian Financial Services Licence.