



*Catholic Development Fund*

ANNUAL REPORT 2008





*"The Cross invites us to pray and give testimony to our faith – that God loves everyone and invites us into relationship."*

Most Rev Peter Ingham DD  
BISHOP OF WOLLONGONG



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Diocese of Wollongong

Catholic Church Offices

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86-88 Market Street

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Wollongong NSW 2500

[www.cdfwollongong.org.au](http://www.cdfwollongong.org.au)



*Catholic Development Fund*

# Mission

The Catholic Development Fund's primary mission is to create sustainable financial support for the Diocese of Wollongong.

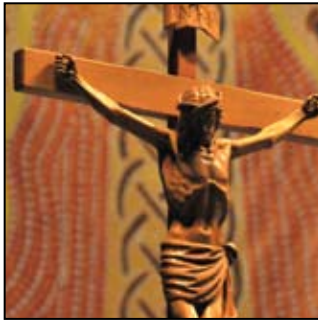
Ongoing financial support of Diocese, parish, education, aged care and social welfare needs, is core to the CDF's being.

## Advisory Council

Name and Profession Parishioner of	Appointment	Sub-committee
Most Rev Peter Ingham Bishop of Wollongong		
Michael Gamble Solicitor Council Chairman Cathedral Parish, Wollongong	2004	Finance, Audit and Insurance
Rev Chris Roberts Parish Priest Ss Peter & Paul Parish, Kiama	2000	Marketing / Business Development
Greg Parrish Executive Manager Finance Immaculate Conception Parish, Unanderra	2006	Finance, Audit and Insurance
Mary Ellen Bland Retired Teacher St John the Evangelist Parish, Campbelltown	2005	Marketing / Business Development
Camtu Pham Managing Director St John Vianney's Parish, Fairy Meadow	2004	Marketing / Business Development
Tony Sanderson General Manager St Paul's Parish, Albion Park	2001	Finance, Audit and Insurance, Marketing / Business Development
Mark O'Donoghue Diocesan Financial Administrator Ss Peter & Paul Parish, Kiama	2007	Finance, Audit and Insurance
Michael Grew Chartered Accountant St Michael's Parish, Thirroul	1997	Finance, Audit and Insurance
Debbie Gates Development Manager Holy Family Parish, Ingleburn	2002	Marketing / Business Development

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## Bishop's Message

In the Autumn 2008 issue of *Journey*, our diocesan quarterly magazine in relation to the WYD Cross I wrote, "The Cross helps us to front up to the hard things in life. The Cross invites us to pray and give testimony to our faith – that God loves everyone and invites us into relationship." It is not by chance or by the stroke of a graphic design genius that the Catholic Development Fund has the Cross central to its logo, as the Fund continues to facilitate God's work by providing the financial resources to allow us to dream differently. The right dream not acted upon may be considered a lost opportunity.



The CDF continues to provide sustainable financial support, regardless of global financial turmoil, to make many good things possible in our Diocese. As we welcomed the arrival of the World Youth Day Cross and Icon of Mary and then celebrated World Youth Day Sydney last July, the CDF's platinum sponsorship allowed these significant faith events to touch the hearts and minds of young and old alike.

My invitation to all Catholics in our Diocese to support the CDF by raising deposit funds, will allow for the continued growth and future needs of our local Church communities. As our Diocese keeps growing, so does the need for parish communities, Churches, schools and welfare infrastructures. So may I ask you to consider a deposit in the CDF first, rather than in a profit-oriented commercial organisation.



I am most grateful for the time and expertise given by my CDF Advisory Council chaired by Mr Michael Gamble. I farewell and sincerely thank outgoing Chair, Mrs Rita Reid, for her generous service over eight years. I also extend a welcome to Mr Greg Parrish who joined the Council in 2006. Our CDF Advisory Council generously share their professional gifts, their time and their talents for the benefit of the Diocese.

These results presented to you would not have been possible without the support of our growing number of clients – thank you.

With every blessing and best wish

Most Rev Peter W Ingham DD  
BISHOP OF WOLLONGONG



We are grateful for the support of the CDF in the provision of loans for the refurbishment of the new Library and the construction of our new "Open Plan Learning Space" for Kindergarten. Both areas provide a modern and innovative approach to learning and teaching.

*Irena Blinkhorn, Principal  
St Michael's Catholic Primary School  
Nowra*



Corpus Christi Catholic High School is grateful for the ongoing support provided by the Catholic Development Fund and its staff in our ongoing work to create a school where students and staff have the opportunity to create a technology-rich learning environment.

*Jenny Allen, Principal  
Corpus Christi Catholic High School  
Oak Flats*

Through the ongoing support and involvement of the CDF, St Patrick's College has been able to provide new and innovative facilities for the students. With shrinking Government grants and increasing financial pressures on families, schools struggle to attract the income that will meet the costs incurred to provide the best learning environment available for their students. With the support of the CDF, St Patrick's College has been able to provide current and valuable resources for the students within a sustainable budget. We have broadened the opportunities, experiences and life prospects for our students as a result.

*Sue Lennox, Principal  
St Patrick's College  
Campbelltown*

St Mary Star of the Sea College is most appreciative of the support provided by the Catholic Development Fund which has enabled us to provide 'top class' facilities for our students, preparing them for life well into the 21st Century.

*Fay Gurr, Principal  
St Mary Star of the Sea College  
Wollongong*

# Joint Report from the Chairman and General Manager

On behalf of Bishop Peter Ingham and our fellow Advisory Council members, we wish to update our diocesan stakeholders and clients on the year that was 2007-2008.

The financial year saw a significant change in the world financial markets led by the US sub-prime mortgage crisis and the 'credit crunch' that followed. The CDF, through its governance, investment and risk policies, has been able to maintain its provision of loans to clients, while protecting depositors' funds with liquidity levels in excess of industry guidelines.

CDF support of the Diocese for World Youth Day resources called for the Fund to provide a significant increase in its distribution. This would not have been possible if the CDF had not provided for the accumulation of reserves in years gone by. Equally important is the support of our local clients and Catholic communities which allows the ongoing provision of loans at competitive interest rates while continuing to increase returns on deposit funds.

This is highlighted by the following results:

- Increase in total assets of 7%
- Increase in loans outstanding of 20.1%
- Increase in interest returned to clients of 24%
- Increase in investment income of 22.4%
- Containing operating expenses to an increase of 3.54%

Product and service development is central to the CDF meeting the demands of an ever-growing Diocese. New savings products paying high returns, while providing our clients with easy access to their funds, have been established. EFTPOS, Card services and B-Pay have all been possible through direct arrangements with our central banker.

The images and colour plates of this Annual Report have been designed to reflect the many and varied ways the CDF reaches the length and breadth of our Catholic Communities as we continue to provide a financial means for promoting the pastoral, charitable and educational activities of our Diocese.

On behalf of our fellow Advisory Council members we extend our thanks to Bishop Peter Ingham for his leadership and his invitation to serve. To the CDF staff, Trevor, Michelle, Anne, Carmel and Brent, thank you for your untiring efforts and outstanding service in ministering to the Diocese. Our thanks are also extended to the staff of the Office of the Bishop and the staff of all Agencies across our Diocese for their ongoing collaboration and support.

Finally, to our clients, who make these results possible, thank you for your ongoing support in making a practical and substantial contribution to our Diocese.



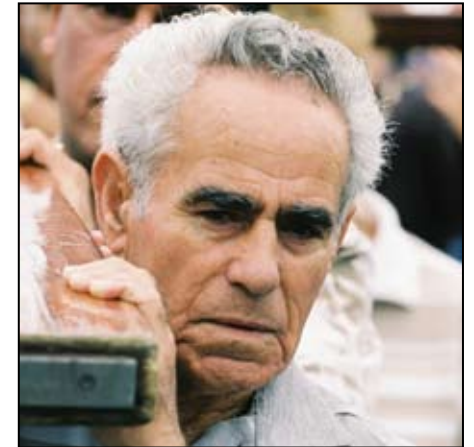
Michael Gamble  
Chairman

Tony Sanderson  
General Manager

As a personal client of the CDF for 28 years I have always found their interest rates to be competitive, with staff who provide both professional and informative service.

On a professional level, I greatly appreciate the CDF's ongoing generous support of Centacare's work.

*Kathleen McCormack AM  
Director, Centacare*



The Diocesan Finance Council is grateful for the support and involvement of the Catholic Development Fund in the life of the Diocese. The CDF makes a valuable contribution in many areas of diocesan life, most notably in assisting with the financing of Catholic school, church and parish amenities.

The CDF also provides Catholics with the opportunity to invest in and support their Church while earning a healthy return on funds. I congratulate the CDF on its outstanding work and thank the staff and Advisory Council members for their ongoing support of the Diocesan Finance Council.

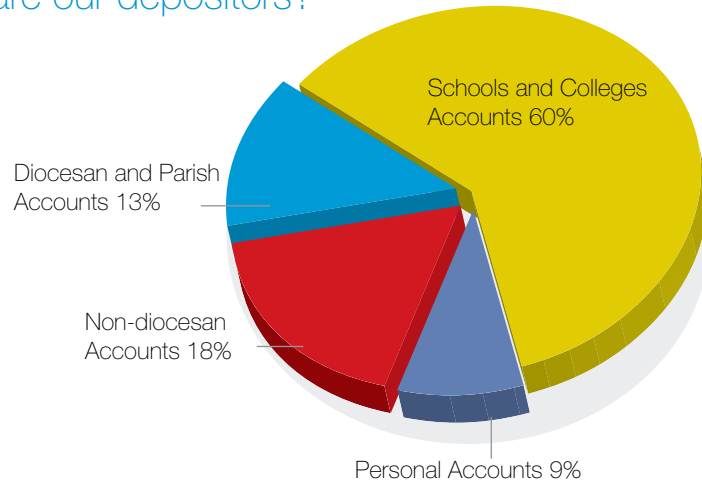
*Frank Pitt  
Chairman, Diocesan Finance Council*

I'm greeted by a familiar face every week, staff who are really friendly and helpful. With competitive interest rates and virtually no fees, I choose the CDF over other institutions because it makes good sense - it's all about my relationship as a Catholic in supporting my local church.

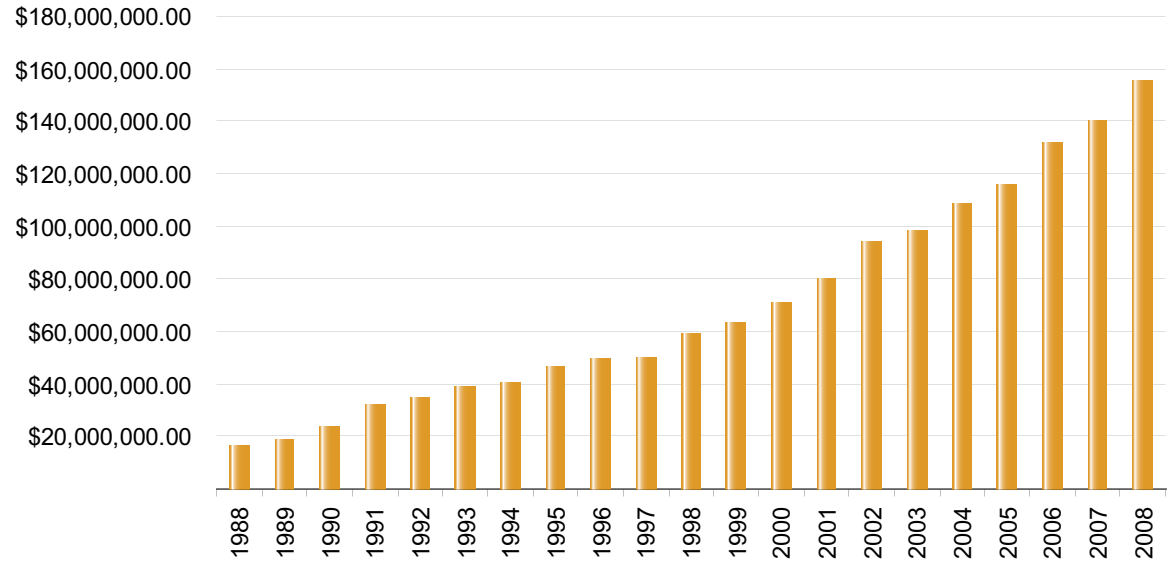
*Mr Leo Vaassen  
CDF client for over 20 years*

# Income and expenditure

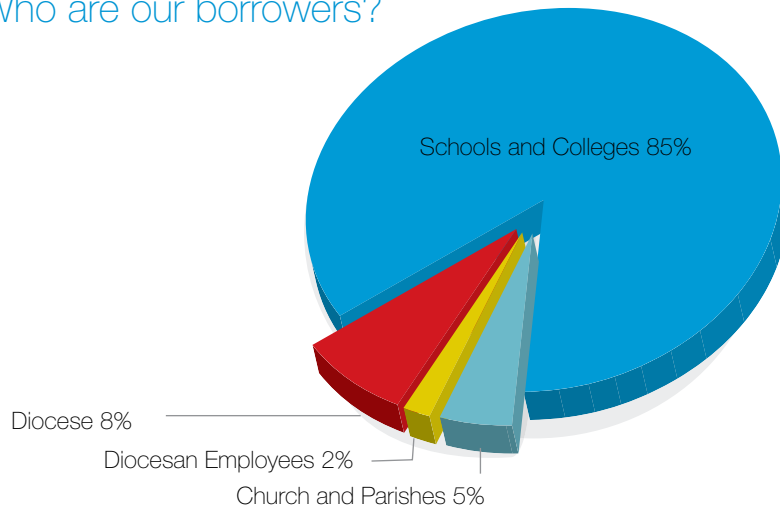
## Who are our depositors?



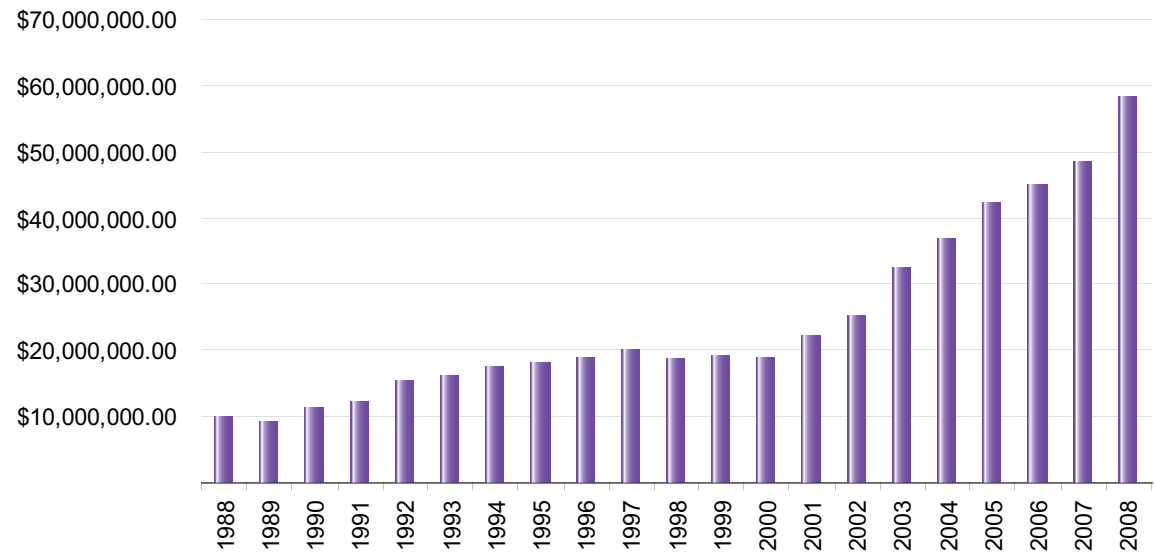
## Total Deposits held last 20 years



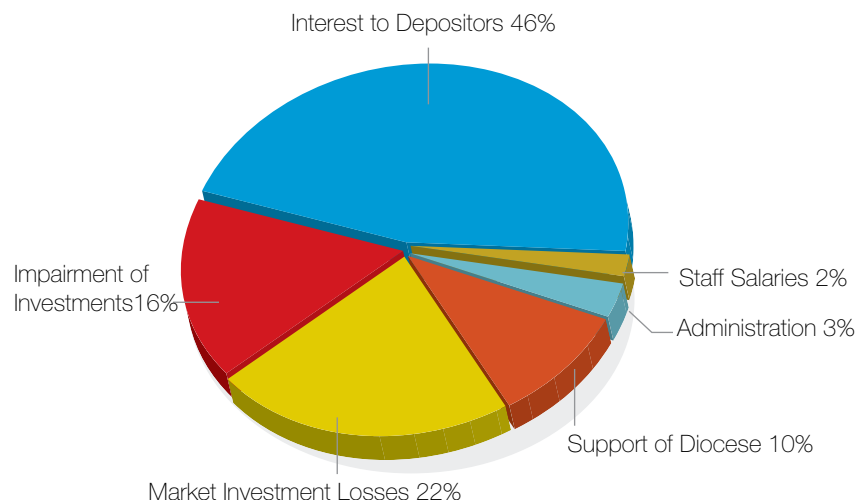
## Who are our borrowers?



## Total Loans outstanding last 20 years



## Distribution of Gross Income



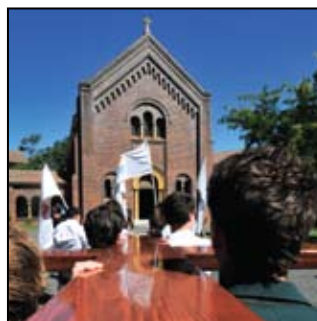
### Audit Opinion

In our opinion, the financial report represents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements of the Catholic Development Fund Diocese of Wollongong as at 31 March 2008 and the results of its operations and cash flows for the year then ended.

Peter King  
Partner

1 May 2008  
Bush & Campbell Pty Ltd

Banker – Commonwealth Bank of Australia



## BALANCE SHEET

as at 31 March 2008

	Year Ended 31/03/2008	Year Ended 31/03/2007
<b>ASSETS</b>		
Cash	4,491,084	385,670
Investments	91,602,193	100,244,792
Loans	58,392,963	48,607,189
Receivables	5,496,365	236,843
Other Current Assets	10,207	10,839
Plant and Equipment	87,753	75,385
<b>TOTAL ASSETS</b>	<b>160,080,565</b>	<b>149,560,718</b>
<b>LIABILITIES</b>		
Interest Bearing Liabilities	155,279,940	140,253,359
Payables	62,462	39,683
Provisions	61,862	50,685
<b>TOTAL LIABILITIES</b>	<b>155,404,264</b>	<b>140,343,727</b>
<b>NET ASSETS</b>	<b>4,676,301</b>	<b>9,216,991</b>
<b>EQUITY</b>		
Retained Profits	4,676,301	9,216,991
<b>TOTAL EQUITY</b>	<b>4,676,301</b>	<b>9,216,991</b>

## STATEMENT OF INCOME AND EXPENDITURE

for the year ended 31 March 2008

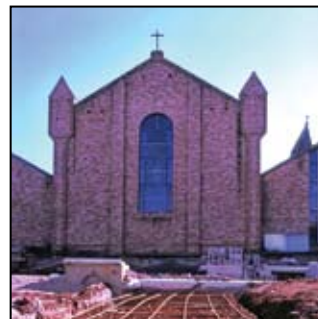
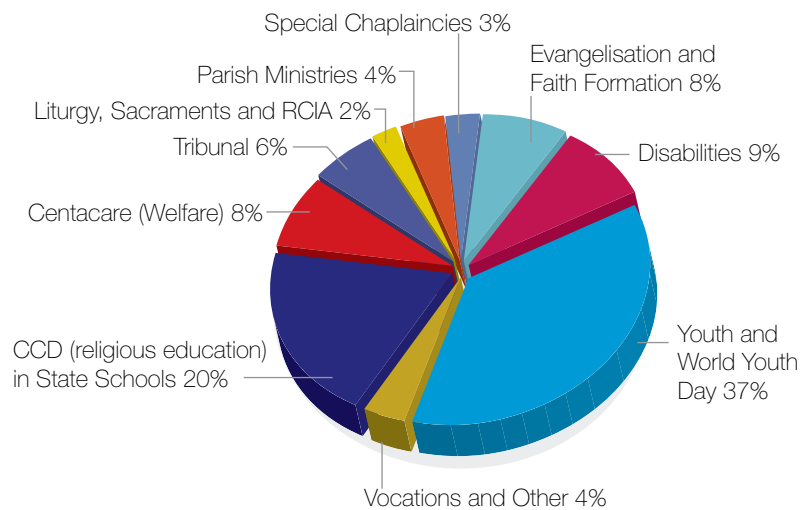
	Year Ended 31/03/2008	Year Ended 31/03/2007
<b>INCOME</b>		
Interest from Investments	6,459,829	5,276,122
Interest from Loans	4,224,208	3,673,274
Other Income	1,209	1,251
<b>LESS</b>		
Interest paid to Depositors	7,015,628	5,656,051
Mark to Market Investment Losses	3,412,930	132,552
<b>GROSS PROFIT</b>	<b>256,688</b>	<b>3,162,044</b>
<b>LESS</b>		
Provision for Impairment	2,500,000	-
Bad Debt Expense	7,446	-
Operating Expenses	787,218	762,479
Loss on Sale of Fixed Assets	2,714	429
<b>Surplus (Loss) for year</b>	<b>(3,040,690)</b>	<b>2,399,136</b>
Accumulated Funds brought forward	9,216,991	8,017,855
Less: Appropriation to Diocese	1,500,000	1,200,000
<b>ACCUMULATED FUNDS</b>	<b>4,676,301</b>	<b>9,216,991</b>

## Distribution to Bishop and Diocese

Each year the CDF provides the Bishop with a cash distribution to enable him to fund the ongoing expenses of diocesan activities.

In the past 10 years this distribution has risen from \$550,000 in 1998 to \$1.5m in 2008.

The following chart details how this distribution directly supports expenses and ministries in our Diocese this year.



## Assisting our Catholic Communities

The Catholic Development Fund is an agency that exists to assist the Bishop in advancing the pastoral work of the Catholic Church in the Diocese of Wollongong. It does this in the following ways:

- ✓ The CDF raises deposit funds from all diocesan Agencies, Parishes, Schools, Religious Orders and other Catholic entities throughout our Diocese.
- ✓ We also actively seek deposits from parishioners, parents in schools, grandparents and anyone supportive of the works of our local Catholic communities.
- ✓ From this pool of funds the CDF is able to provide all the loan finance requirements for our Diocese, Parishes, Schools, Religious Orders, diocesan Agencies, and other Catholic organisations in our Diocese. Loans are made for the construction of and renovations to churches, presbyteries and schools; the supply of motor vehicles, plant and equipment including computers and office equipment.
- ✓ By lending at lower than comparable rates, with no establishment fees or charges, our borrowers save on interest repayments – freeing up valuable funds for their ministry.

Every parish and school in our Diocese has benefitted at some time by borrowing from the CDF.

Camden is one of the fastest growing local government areas in Australia, resulting in significant resources being required for our Catholic communities. The CDF has provided, and will continue to provide, the financing of our schools and churches, while also providing an opportunity for local Catholics to invest and support their Church. It's not about donations ... keep up the great work CDF!

*Rev Michael Williams PP  
Camden Parish*

## CDF gives to local Catholic Communities

CDF support of communities across our Diocese occurs in many other ways, from sponsoring special events in schools and colleges to assisting parishes financially in keeping abreast of their IT needs.

Some regularly sponsored events that make a difference are:

- Stewardship education and support
- Diocesan Primary Schools Public Speaking Competition
- Mater Dei School Camden - Special Needs Scholarship
- Diocesan Excellence in Schooling Awards
- Annual CDF Sports Awards
- Supply of marquees, sample bags and giveaways for fundraising, school and cultural events
- *Journey* our quarterly diocesan magazine
- Catholic Women's League newsletter support

Opportunities for us all to support CDF – a financial decision of the heart...

Bishop Peter regularly speaks of what it is to be a 'Steward of the vineyard', using your God-given gifts of time, talent and treasure in a positive way.

The CDF provides all of us the opportunity to steward our financial treasure to help our local Church.

It is not about asking for a donation.

The CDF provides competitive interest returns on deposit funds, with products designed to pay an additional incentive to your nominated Catholic Community in the Diocese you may even forego interest for the benefit of the Church.

Your support is essential to the Fund, providing for the growth and future needs of our local Church communities.

## What to do NOW?

1. Please take the time to reflect on the quote from II Corinthians 9:8 on the inside back page.
2. Read about our products and services, and our disclosure statement on page 13.
3. Call us on 1800 047 703 if you have any questions.
4. Complete the application form enclosed and send it to us.

You can really

Make money and make a difference.



All Catholics are provided the opportunity to support the local Church through the use of Catholic Development Fund products and services. By becoming a CDF client you in fact have made a conscious commitment to support the Diocese of Wollongong in fulfilling its mission.



## Products and Services

for Individuals, Employees, Parishes, Schools, Parents & Friends and Church Communities



### TERM DEPOSITS

Term Deposits are an effective way to guarantee a return in a specified period. Deposits start from \$1,000 and offer a selection of terms from three to twelve months.

### INCENTIVE PLUS

Incentive Plus accounts offer you at-call access while providing an opportunity to support your parish, schools or Church organisation with an added bonus.

### CDF ONLINE

CDF Online internet enquiry system allows you to conveniently access your accounts.

### LOANS

By investing with the CDF you are contributing a source of funds to support our growing local Church. A major function of the CDF is to provide loans for parishes and schools.

### MONEY FOR CHRISTMAS

Money for Christmas savings account helps you to save throughout the year.

### REGULAR ELECTRONIC PLANNED GIVING

Regular Electronic Planned Giving provides parishioners an alternative to the envelope collection system at Mass. This is an effective and secure way to give, as your funds are credited directly to your parish's account.

There is also an opportunity for Catholics who wish to support the works of the Bishop in our Diocese by foregoing interest on their savings with the CDF.

Call the CDF on 1800 047 703  
to discuss your personal circumstances



Disclosure: The Catholic Development Fund, Diocese of Wollongong (CDF) is not subject to the provisions of the Corporation Act 2001 nor has it been examined or approved by the Australian Securities and Investments Commission (ASIC). Deposits with CDF are guaranteed by CDFP Limited, a company established by the Australian Catholic Bishops Conference for this purpose. We welcome your investment with the CDF rather than with a profit oriented commercial organisation as a conscious commitment by you to support the Charitable, Religious and Educational works of the Catholic Church. CDF nor the Trustees of the Roman Catholic Church for the Diocese of Wollongong are prudentially supervised by the Australian Prudential Regulation Authority (APRA); contributions to CDF do not obtain the benefit of the depositor protection provisions of the Banking Act 1959; the CDF provides an opportunity for persons wishing to promote the charitable purpose of the Diocese.



**Delivery Address:**  
PO Box 1494  
WOLLONGONG DC NSW 2500

No stamp required  
if posted in Australia



The Manager  
Catholic Development Fund  
Reply Paid 1494  
WOLLONGONG DC NSW 2500

FOLD HERE



Please separate this page, fill in the details below and  
freepost back to us to open your new CDF account.

Phone: 1800 047 703  
www.cdfwollongong.org.au

**ACCOUNT HOLDER**

Title: Mr  Mrs  Miss  Ms  Other \_\_\_\_\_  
 Surname \_\_\_\_\_  
 Given names \_\_\_\_\_  
 Client number (if existing client) \_\_\_\_\_  
 Postal address \_\_\_\_\_  
 Residential address \_\_\_\_\_  
 Date of birth \_\_\_\_\_ Tax file number/exemption \_\_\_\_\_  
 Fax number \_\_\_\_\_  
 Home phone \_\_\_\_\_  
 Work phone \_\_\_\_\_  
 Mobile phone \_\_\_\_\_  
 Email \_\_\_\_\_

**ACCOUNT DETAILS**

I wish to establish a new account:  
 Incentive Plus   
 Money for Christmas Savings Account   
 (/we require an encoded deposit book for the account)   
 I wish to access CDF Online   
 Term Deposit Account:  
     3 months  6 months  12 months   
 Amount \_\_\_\_\_  
 Cheque enclosed   
 Transfer from existing CDF Account number \_\_\_\_\_  
 If you wish to transfer funds from another institution, please provide:  
 BSB \_\_\_\_\_ Account number \_\_\_\_\_


**SIGNING AUTHORITY**

Signature \_\_\_\_\_  
 Date \_\_\_\_\_

A full Terms and Conditions will be forwarded to you upon opening of the account. If not provided, interest may be taxed at 46.5% (General Withholding Tax).

All signatories will be required to supply 100 points of identification when opening an account with the CDF. We will send you the appropriate forms.



A wooden cross stands in the center of the image, set against a bright blue sky with scattered white clouds. Numerous red balloons are attached to the cross and float around it, some tied to the wooden beams and others floating freely. The scene is bright and celebratory.

*"God can multiply his favours among you so that you may always have enough of everything and even a surplus for good works."*

*II Corinthians 9:8*



[www.cdfwollongong.org.au](http://www.cdfwollongong.org.au)

Southern Highlands  
Shoalhaven  
Macarthur  
Illawarra