

Catholic Development Fund

20

Summary Annual Report

11





Foreword

Dear Supporters of the Catholic Development Fund

As Chancellor of the Diocese I write in Bishop Barry Jones's absence.

It is with much sadness that as I introduce the 2011 Annual Report, the third and main dome of the Cathedral of the Blessed Sacrament is being taken down because of continuing earthquake damage. Yet this sadness is tempered with much gratitude to all CDF investors, big and small, who continue to support the CDF with such loyalty. Their funds provide not only loan funds to diocesan projects but also produce a surplus each year without which it would be very difficult for the Church to operate.

This year has been no exception. A healthy surplus has been declared

which will be most gratefully received for the many extra costs associated with the earthquakes. I wish to thank most sincerely not only our investors but also the Trustees under the chairmanship of Des Boyle and Diocesan Staff.

Our thoughts are also with many of you who have not only damaged homes but also may have financial hardship, uncertainty and stress as a result of the earthquakes. May God's blessings go with you.

Yours sincerely

Monsignor Bill Middleton

August 2011

“this sadness is tempered with much gratitude to all CDF investors”

Chairman's Report

Since my last report the world economic crisis has continued. As I write, in the US the Democrats and Republicans are locked in battle as to how to ease their economic crisis namely, by raising taxes or reducing the cost of welfare. Unless this issue is resolved the country will be in default with dreadful consequences not only for the U. S. but for the rest of the world. It is anticipated that the crisis will be eased by lifting the borrowing cap to enable the country to meet its debt obligations but for what length of time and what will happen when that cap is reached?

On top of this crisis we have the European monetary problem. One can only hope that the strong European countries will continue to support the weak. It is encouraging to learn that private investors have agreed to assist.

As we are all aware it will take years for Canterbury to recover from our devastating quakes. The Church has formidable tasks ahead of it in the reconstruction of the parishes and in deciding which churches should be rebuilt. The future of our Cathedral is a major issue.

One consequence of the February 22 earthquake has been the relocation of the Diocesan Staff to premises

in Washington Way. The premises have good natural light and are well heated and the working environment is very good.

The financial year for the above reasons has been difficult, accordingly the focus has been on short term investments and placing funds on fixed deposit. The realisation of some investments has enabled the Trustees to make an initial distribution to the Diocese of \$1 million in June 2011.

I thank the Diocesan team for their guidance and assistance throughout the year notwithstanding the additional burden of the consequences of the earthquake.

I also thank all Board members for their valuable contribution towards making another successful year for the Development Fund.

On behalf of the Board I thank Bishop Jones for his continued support and trust he makes a full recovery from the health problems he has suffered during the year.

D J Boyle
Chairman

August 2011

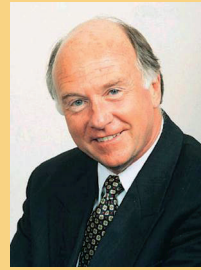
Members of the Board



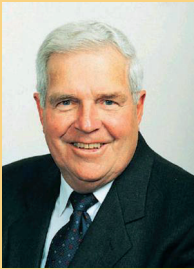
Mr Desmond Boyle
Chairman
Barrister and Solicitor
(Retired)



Mr Philip Baird
Solicitor (Retired)



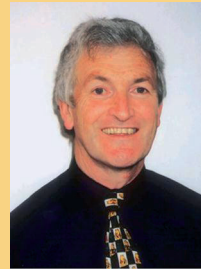
Mr Derek Craze
Chartered Accountant



Mr George Macfarlane
Banker (Retired)



Mr Jack O'Donnell
Businessman (Retired)



Dr Simon Roughan
Chiropractor

CDF Staff



Maria Rohs
Promotions Officer



Melanie Perry
Customer Services Officer

Summary Financial Statements

Statement of Comprehensive Income (for the year ended 31 March 2011)

Actual 2010 '000		Actual 2011 '000	Budget 2011 '000 (unaudited)
	Income		
2,348	Interest Received - Investments	2,606	2,387
<u>2,348</u>	<i>Total Income</i>	<u>2,606</u>	<u>2,387</u>
1,085	Interest & Commissions Paid	1,155	1,196
443	Operating Expenses	181	156
<u>1,528</u>	<i>Total Expenditure</i>	<u>1,336</u>	<u>1,352</u>
	Other Comprehensive Income		
1,530	Amounts Recognised Directly in Equity	255	0
<u>2,350</u>	<i>Total Comprehensive Income</i>	<u>1,525</u>	<u>1,035</u>

Statement of Changes in Equity (for the year ended 31 March 2011)

Actual 2010 '000		Actual 2011 '000	Budget 2011 '000 (unaudited)
3,403	Balance at 1 April as previously reported	5,353	5,353
1,530	Other Comprehensive Income	255	0
820	Net Surplus for the Year	1,270	1,035
<u>2,350</u>	Total Comprehensive Income for the year	<u>1,525</u>	<u>1,035</u>
	<i>Attributable to:</i>		
2,350	Catholic Diocese of Christchurch	1,525	1,035
0	Capital Injection from Catholic Diocese of Christchurch	0	0
(400)	Distribution to Catholic Diocese of Christchurch	(1,200)	(1,000)
<u>5,353</u>	Balance at 31 March	<u>5,678</u>	<u>5,388</u>

Statement of Financial Position (as at 31 March 2011)

2010 '000		2011 '000
	Assets	
4,008	Cash at Bank and in Hand	2,208
27,463	Available for Sale Financial Assets	30,653
4,353	Loans and Receivables	4,567
-	Intangibles Assets	11
<u>35,824</u>	Total Assets	<u>37,439</u>
	Liabilities & Equity	
30,417	Depositors' Funds	31,711
54	Accounts Payable	50
5,353	Equity	5,678
<u>35,824</u>	Total Liabilities & Equity	<u>37,439</u>

Statement of Cash Flows (for the year ended 31 March 2011)

2010 '000		2011 '000
	Net Cash Flows from (used in):	
821	Operating Activities	1,335
(1,054)	Investing Activities	(3,190)
2,189	Financing Activities	55
<u>1,956</u>	Net Increase/(Decrease) in Cash Held	<u>(1,800)</u>
2,052	Plus Opening Cash brought forward	4,008
<u>4008</u>	Ending Cash Carried Forward	<u>2,208</u>

The above information represents a summary of the audited financial statements.
Complete audited financial statements are available on request.

to the Summary Financial Statements

- for the Year Ended 31 March 2011

1. Significant Accounting Policies

The Fund is a Trust established by the Roman Catholic Bishop of the Diocese of Christchurch by Deed of Trust dated 21 December 1967. The trustees are appointed by the Roman Catholic Bishop of the Diocese of Christchurch and the Fund is domiciled in New Zealand.

The nature of the operations and principal activities of the Fund are to generate funds to assist the Roman Catholic Bishop of the Diocese of Christchurch to undertake his pastoral activities and to support the development of resources within the Catholic community. This is achieved by offering call and term deposit facilities and using the funds raised to invest in loans to the Catholic community for development or to externally invest to generate income.

The full and summary financial statements were authorised for issue by the Trustees on 30 August 2011.

The summary financial statements are presented for the Fund and are for the years ended 31 March 2011 and 31 March 2010. They have been prepared in accordance with FRS 43 – Summary Financial Statements, and comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) as it relates to summary financial statements.

The specific disclosures included in the summary financial statements have been extracted from the full financial statements dated 30 August 2011. The summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements. The full financial statements are available from the office of the CDF, Cathedral House on Washington, Unit 2, 9 Washington Way, Christchurch, alternatively they can be viewed on www.cdf.org.nz. The full financial statements have been audited and an unqualified audit report has been issued.

The summary financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

Auditor's Report


Chartered Accountants

Independent Auditor's Report To the Trustees of Catholic Development Fund

The summary financial statements on pages 4 to 6, which comprise the summary statement of financial position as at 31 March 2011, the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Catholic Development Fund for the year ended 31 March 2011. We expressed an unmodified audit opinion on those financial statements in our report dated 30 August 2011. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Catholic Development Fund.

This report is made solely to the trustees, as a body, in accordance with the Financial Reporting Act 1993. Our engagement has been undertaken so that we might state to the trustees those matters we are required to state to them in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the trustees as a body, for our

work, for this report, or for the opinions we have formed.

Trustees' Responsibilities

The trustees are responsible for the preparation of summary financial statements in accordance with FRS-43: Summary Financial Statements.

Auditor's Responsibilities

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA(NZ)) 810, "Engagements to Report on Summary Financial Statements."

Other than in our capacity as auditor we have no relationship with, or interest in, the trust.

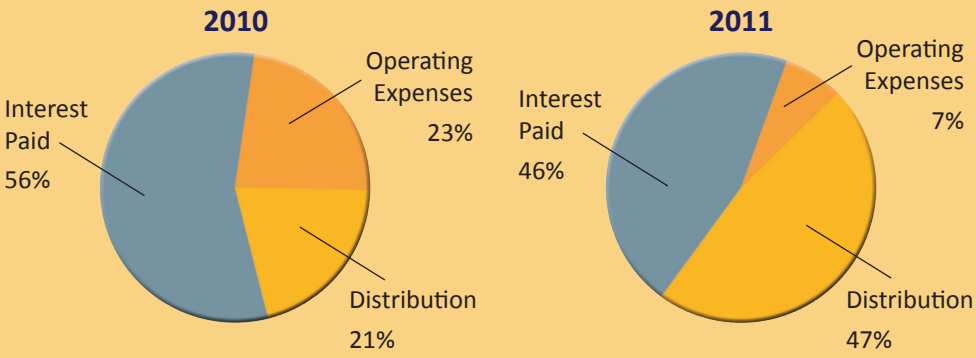
Partners and employees of our firm may deal with the trust on normal terms within the ordinary course of trading activities of the business of the trust.

Opinion

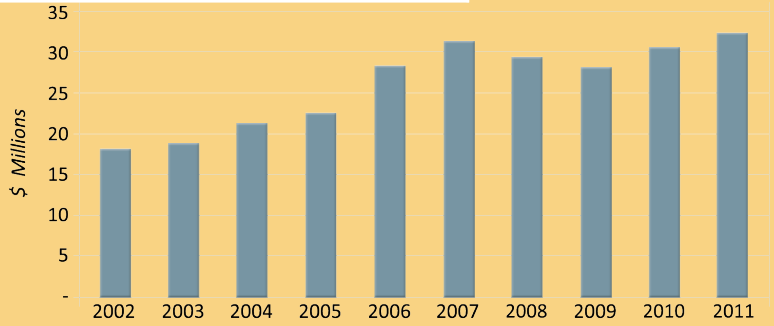
In our opinion, the summary financial statements derived from the audited financial statements of Catholic Development Fund for the year ended 31 March 2011 are consistent, in all material respects, with those financial statements, in accordance with FRS-43.


30 August 2011
Christchurch

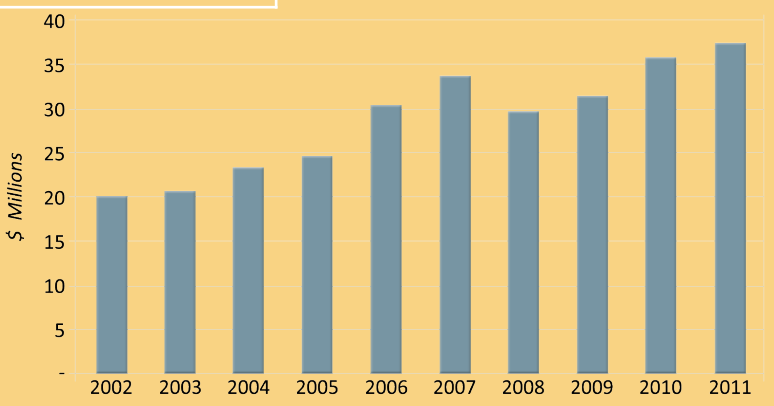
How Each Dollar is Spent



Depositors' Funds



Total Assets



“The people of the Church have shown huge support for and solidarity with us and we need to be grateful and include them in our prayers.”

- Bishop Barry Jones, 15 June 2011



St Joseph the Worker Parish Church, Lyttelton

Directory

Staff

Diocesan Financial Administrator
Finance Manager
Promotions Officer
Customer Service Officer

Paddy Beban
Janice Rennell
Maria Rohs
Melanie Perry

Registered Office

Cathedral House on Washington
PO Box 4544, Christchurch 8140
2/9 Washington Way, Christchurch 8011
Phone 366 9869 (from Christchurch)
0800 40 FUND (3863) (from out of Chch)

Auditors

Ernst & Young
P O Box 2091, Christchurch 8104

Solicitors

Cavell Leitch Law
Ground Floor, 6 Hazeldine Road
Addington, Christchurch

Investment Advisors

JB Were
Level 6, HSBC Tower
62 Worcester Boulevard, Christchurch

Bankers

Westpac
Level 2, 2 Show Place
Addington, Christchurch

CDF Agents

Timaru

Peter Cockburn
Footes Limited Accountants
30 Church Street
Phone: 03 684 5075

Greymouth

Anthony Whitcombe
Whitcombe Guinness & Kitchingham
13 Guinness Street
Phone: 03 768 9581