

**ARCHDIOCESE OF PERTH**  
**CATHOLIC DEVELOPMENT FUND**  
**ANNUAL REPORT 2017**

**ARCHDIOCESE OF PERTH**  
**CATHOLIC DEVELOPMENT FUND**  
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**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
DECLARATION OF COMMITTEE**

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The Committee has determined that the Fund is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the Financial Statements.

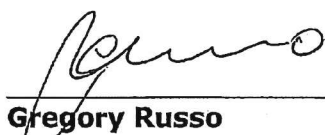
In the opinion of the Committee, the financial report:

1. Presents fairly the financial position of the Catholic Development Fund as at 31 December 2017 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Catholic Development Fund will be able to pay its debts as and when they fall due.



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**Anthony Wheeler**  
**Chairman CDF Committee**



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**Gregory Russo**  
**Chief Executive Officer – Administration**

DATED at Perth this *14 MARCH 2018*

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
INDEPENDENT AUDIT REPORT**

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**INDEPENDENT AUDITOR'S REPORT**

To The Archbishop of Perth

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of The Archdiocese of Perth Catholic Development Fund (the Entity), which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a statement of accounting policies, and the Catholic Development Fund Committee's declaration.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 31 December 2017 and of its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in Note 1.

**Basis for opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of matter - Basis of accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Archdiocese of Perth Catholic Development Fund to meet the requirements of The Roman Catholic Archbishop of Perth. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of The Catholic Development Fund Committee for the Financial Report**

The Catholic Development Fund Committee is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Roman Catholic Archbishop of Perth and for such internal control as the Committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, The Catholic Development Fund Committee is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
INDEPENDENT AUDIT REPORT (CONT'D)**

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The Catholic Development Fund Committee are responsible for overseeing the Entity's financial reporting process.

**Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'P. Murdoch', written over a horizontal line.

Phillip Murdoch

Director

Perth, 14 March 2018

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Interest Income		
Loans	12,038,212	12,879,016
Investments	4,776,669	5,546,189
Other Income	7,415	3,000
	<hr/>	<hr/>
Total Income	16,822,296	18,428,205
Less: Interest Expense	5,903,228	6,562,706
	<hr/>	<hr/>
Net Interest Income	10,919,068	11,865,499
Less: Operating Expenditure		
Marketing	8,230	7,430
Information Technology	33,326	37,574
Auditors Remuneration	23,075	22,500
Administration	326,376	307,819
Depreciation	14,179	20,521
Motor Vehicle	12,414	13,971
Employee Benefits	826,592	823,598
	<hr/>	<hr/>
Total Operating Expenditure	1,244,192	1,233,413
	<hr/>	<hr/>
<b>Surplus for the Year</b>	9,674,876	10,632,086
	<hr/>	<hr/>
<b>Total Comprehensive Income for the Year</b>	9,674,876	10,632,086
	<hr/>	<hr/>

*The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.*

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	<b>NOTE</b>	<b>2017 \$</b>	<b>2016 \$</b>
<b>CURRENT ASSETS</b>			
Cash	3	49,974,195	49,446,459
Receivables	4	386,188	380,179
Financial Assets	5	34,600,000	33,600,000
Loans	6	26,578,738	24,059,487
Prepayments		4,712	15,301
<b>TOTAL CURRENT ASSETS</b>		<u>111,543,833</u>	<u>107,501,426</u>
<b>NON CURRENT ASSETS</b>			
Loans	6	290,359,828	267,522,910
Plant and Equipment	7	21,897	59,947
Financial Assets	5	30,000,000	35,000,000
<b>TOTAL NON CURRENT ASSETS</b>		<u>320,381,725</u>	<u>302,582,857</u>
<b>TOTAL ASSETS</b>		<u>431,925,558</u>	<u>410,084,283</u>
<b>CURRENT LIABILITIES</b>			
Deposits	8	389,661,939	370,451,833
Payables	9	769,082	832,439
Provisions	10	1,295,277	1,388,849
<b>TOTAL CURRENT LIABILITIES</b>		<u>391,726,298</u>	<u>372,673,121</u>
<b>NON CURRENT LIABILITIES</b>			
PROVISIONS	10	47,257	37,721
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>47,257</u>	<u>37,721</u>
<b>TOTAL LIABILITIES</b>		<u>391,773,555</u>	<u>372,710,842</u>
<b>NET ASSETS</b>		<u>40,152,003</u>	<u>37,373,441</u>
<b>ACCUMULATED FUNDS</b>			
Accumulated Surplus		38,852,003	36,073,441
Capital Reserve	11	1,300,000	1,300,000
<b>TOTAL ACCUMULATED FUNDS</b>		<u>40,152,003</u>	<u>37,373,441</u>

*The above Statement of Financial Po Position should be read in conjunction with the accompanying notes.*

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Total accumulated funds at the beginning of the financial year</b>	<u>37,373,441</u>	<u>34,285,441</u>
<b>Total Comprehensive Income for the year</b>	9,674,876	10,632,086
Less:		
Interim distribution to the Archdiocese	5,319,903	5,839,082
Provision for final distribution to the Archdiocese	1,106,088	1,234,508
Interim distribution to Broome Diocese	62,871	57,374
Provision for final distribution to Broome Diocese	61,030	44,252
Interim distribution to Geraldton Diocese	288,684	319,792
Provision for final distribution to Geraldton Diocese	<u>57,738</u>	<u>49,078</u>
	<u>2,778,562</u>	<u>3,088,000</u>
<b>Total accumulated funds at the end of the financial year</b>	<u>40,152,003</u>	<u>37,373,441</u>

*The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.*



**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	NOTE	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees (inclusive of goods and services tax)		(1,240,572)	(1,279,793)
Interest received from loans		12,042,792	12,996,652
Interest received from investments		4,784,084	5,549,189
Interest paid to depositors		<u>(5,937,080)</u>	<u>(6,520,245)</u>
Net cash inflow from operating activities	12(i)	<u>9,649,224</u>	<u>10,745,803</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net repayment of member loans		(25,356,169)	(12,252,111)
Net Payments/(proceeds) for fixed assets		23,870	(12,247)
Net sale/(purchase) of deposits		<u>5,000,000</u>	<u>-</u>
Net cash outflow from investing activities		<u>(20,332,299)</u>	<u>(12,264,358)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Distributions paid		(6,999,296)	(7,454,455)
Net proceeds from deposits		<u>19,210,106</u>	<u>13,998,919</u>
Net cash inflow from financing activities		<u>12,210,810</u>	<u>6,544,464</u>
Net increase in cash and cash equivalents		1,527,735	5,025,909
Cash and cash equivalents at the beginning of the financial year		<u>83,046,460</u>	<u>78,020,551</u>
Cash and cash equivalents at the end of the financial year	12(ii)	<u>84,574,195</u>	<u>83,046,460</u>

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes.*

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. STATEMENT OF ACCOUNTING POLICIES**

The Archdiocese of Perth Catholic Development Fund ("The Fund") provides financial services to the Roman Catholic Archdiocese of Perth and the Dioceses of Geraldton and Broome.

The Fund's principal activity is the acceptance of deposits from parishes, schools, religious organisations and individuals and the provision of loans to parishes, schools, religious orders, and other Catholic bodies which either fall under the control of the Catholic Archbishop/Bishop, or are a recognised Juridic entity.

The financial report is a special purpose financial report prepared in order to satisfy the reporting requirements of the Roman Catholic Archbishop of Perth.

The Archbishop, together with the members of the Investment and Loans Committee, has determined that the Fund is not a reporting entity.

The Fund has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The report has been prepared in accordance with the following Australian equivalents to International Financial Reporting Standards and Australian Accounting Interpretations:

AASB 101:	Presentation of Financial Statements
AASB 107:	Cash Flow Statements
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031:	Materiality
AASB 1048:	Interpretation of Standards
AASB 1054:	Australian Additional Disclosure

No other Australian equivalents to International Financial Reporting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historic costs.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)**

a) Employee Entitlements

Provision is made for employee entitlements arising from services rendered by employees to 31 December 2017. Employee entitlements expected to be settled within one year together with entitlements arising from annual leave have been measured at their nominal amount. Other entitlements payable later than one year have been measured at the present value of estimated future cash outflows to be made for those entitlements.

Contributions that are made to an employee superannuation fund are charged as expenses when incurred.

The provision for Long Service Leave covers all employees with one or more years of service, taking into consideration the probability of expected future payments to be incurred. The current provision for Long Service Leave is calculated on the basis that all employees entitled to take Long Service Leave or have it paid out will do so within the 12 month period.

b) Income Tax

The Fund is exempt from income tax by virtue of Section 50 (15) of the Income Tax Assessment Act 1997.

c) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

***Depreciation***

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The estimated useful lives used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Useful Life</b>
Plant and Equipment	1-10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income.

**NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**ARCHDIOCESE OF PERTH**

**CATHOLIC DEVELOPMENT FUND**

**1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)**

Property, plant and equipment is derecognised and removed from the statement of financial position on disposal or when no future economic benefits are expected. Gains and losses from derecognition are measured as the difference between the net disposal proceeds, if any, and the carrying amount and are recognised in profit or loss.

Subsequent costs are included in the property, plant and equipment's carrying value or recognised as a separate asset when it is probable that future economic benefits associated with the item will be realised and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss.

d) Loans

Loans are recognised at recoverable amount, after assessing required provisions for doubtful debts. Non-recovery of a loan is provided for when there is reasonable doubt that not all the principal and interest can be collected in accordance with the terms of the loan agreement.

The loan interest is calculated on the daily balance outstanding and is charged in arrears to a customer's account on the last business day of the month.

Bad debts are written off when identified. If a provision for doubtful debts has been recognised in relation to a loan, write-offs for bad debts are made against the provision. If no provision for doubtful debts has previously been recognised, write-offs for bad debts are recognised as expenses in the Statement of Profit or Loss and Other Comprehensive Income.

e) Revenue

Interest revenue is calculated on an accrual basis using the effective interest method taking into account the interest rate applicable to the financial assets.

All revenue received arises from the operating activities of the financial institution.

f) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by fund during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

g) Working Capital deficiency

As of 31 December 2017, the Catholic Development Fund had a working capital deficiency of \$280,182,465 (2016: \$265,171,695). A working capital deficiency is considered normal for the Fund as it arises due to the Fund's business model of borrowing on a short term basis (creating current liabilities) and lending on a longer term basis (creating non-current assets). A strong increase in deposits contributed to the majority of this movement due to the nature of such organisations. The Catholic Development Fund does not consider the deficiency is indicative of any concerns in respect of its ability to pay its debts as and when they fall due.

**NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND**

**1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)**

Australian Prudential Regulation Authority (APRA) had granted all Catholic Development Funds a transition period of 12 months until 31 December 2017 following the expiry of exemption from the banking act on 31 December 2016. The Catholic Development Fund did not apply for a banking licence and as such was required to return all Lay client deposits. At 31 December 2017 the Catholic Development did not hold any Lay client deposits. The Committee believes that in spite of the increased cost of operating, the Fund will continue to be a going concern following the change in status from Retail Fund to Wholesale Fund.

h) Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and bank overdrafts. For statement of financial position presentation purposes, cash includes cash on hand and held -to- maturity assets include deposits held at call with financial institutions.

i) Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow or resources will be required to settle the obligation and the amount has been reliably established.

Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

j) Fair value estimation

The fair values of loans advanced and deposits held is consistent with their carrying values.

k) New accounting standards and interpretations

There are a number of accounting standards and interpretations that have been issued but are not yet effective. The impact of these has been assessed and they are not expected to have any material impact on the financial statements of the Fund.

l) Held-to-maturity Investments

Financial Assets are recorded at their face value.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is The Fund's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months are the end of the reporting period. (All other investments are classified as current assets.)

If during the period the Fund sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

**NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND**

**1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)**

o) Financial Instruments

***Initial recognition and measurement***

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that The Fund commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

***Long-Term Investments***

Long-term investments represent Floating Rate Notes purchased from banks and are recorded at cost less any provision for permanent diminution in value.

***Classification and subsequent measurement***

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost.

*Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. All other loans and receivables are classified as non-current assets.

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. SEGMENT REPORTING**

The Fund operates in one industry segment being the provision of financial services and one geographical segment being Australia.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>3. CASH</b>		
<u>CDF</u>		
Cash on hand	5,274	1,848
Cash at bank	46,575,412	45,045,715
	<u>46,580,686</u>	<u>45,047,563</u>
 <u>GDF</u>		
Cash on hand	3,000	3,000
Cash at bank	3,390,509	4,395,896
	<u>3,393,509</u>	<u>4,398,896</u>
	<u>49,974,195</u>	<u>49,446,459</u>
 <b>4. RECEIVABLES</b>		
<u>CDF</u>		
Sundry debtors	4,216	8,137
Interest accrued due	381,019	318,544
	<u>385,235</u>	<u>326,681</u>
 <u>GDF</u>		
Interest accrued due	953	53,498
	<u>386,188</u>	<u>380,179</u>

**ARCHDIOCESE OF PERTH**  
**CATHOLIC DEVELOPMENT FUND**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>5. FINANCIAL ASSETS</b>		
CURRENT		
<u>CDF</u>		
Bank bills/notes	<u>34,000,000</u>	<u>26,000,000</u>
	<u>34,000,000</u>	<u>26,000,000</u>
 <u>GDF</u>		
Bank bills/notes	<u>600,000</u>	<u>7,600,000</u>
	<u>34,600,000</u>	<u>33,600,000</u>
 NON CURRENT		
<u>CDF</u>		
Bank bills/notes	<u>30,000,000</u>	<u>30,000,000</u>
 <u>GDF</u>		
Bank bill/notes	<u>-</u>	<u>5,000,000</u>
	<u>30,000,000</u>	<u>35,000,000</u>



**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>6. LOANS</b>		
<u>CDF</u>		
CURRENT		
Archbishop of Perth		
AFO (i)	2,212,518	1,605,554
Parishes, school etc (ii)	15,995,376	12,944,566
Other		
Educational inst., agencies and religious orders (iii)	7,008,354	8,554,279
	<u>25,216,248</u>	<u>23,104,399</u>
<u>GDF</u>		
CURRENT		
Bishop of Geraldton		
Parishes, schools etc (iv)	1,362,490	955,088
	<u>1,362,490</u>	<u>955,088</u>
	<u>26,578,738</u>	<u>24,059,487</u>
<u>CDF</u>		
NON CURRENT		
Archbishop of Perth		
AFO (i)	31,711,351	30,284,385
Parishes, schools etc (ii)	160,186,171	150,554,030
Other		
Educational inst., agencies and religious orders (iii)	80,138,758	76,192,271
	<u>272,036,280</u>	<u>257,030,686</u>
<u>GDF</u>		
NON CURRENT		
Bishop of Geraldton		
Parishes, schools etc (iv)	18,323,548	10,492,224
	<u>18,323,548</u>	<u>10,492,224</u>
	<u>290,359,828</u>	<u>267,522,910</u>

**ARCHDIOCESE OF PERTH**  
**CATHOLIC DEVELOPMENT FUND**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**6. LOANS (CONT'D)**

These loans are secured as noted below:

- (i) This represents the net amount due at 31 December 2017 in respect to various Loans owing to the CDF from the Catholic Archdiocese of Perth. The repayment of this amount is supported by the assets of the Archdiocese.
- (ii) The repayment of these loans is secured by real property, cash and by the assets of The Roman Catholic Archbishop of Perth.
- (iii) These loans are supported by deposits made by the borrowers and secured by mortgages, letters of comfort, fixed and floating charges.
- (iv) The repayment of these loans is secured by real property, cash and by The Roman Catholic Bishop of Geraldton.
- (v) The rate charge to borrowers is the Bank Bill Swap Rate (BBSW) plus an operating margin determined by the CDF Committee.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>7. PLANT AND EQUIPMENT</b>		
<u>CDF</u>		
Office furniture and fittings - at cost	12,931	9,568
Less: Accumulated depreciation	<u>(7,989)</u>	<u>(7,398)</u>
	<u>4,942</u>	<u>2,170</u>
 Computer hardware/software - at cost	 103,318	 98,307
Less: Accumulated depreciation	<u>(97,254)</u>	<u>(93,882)</u>
	<u>6,064</u>	<u>4,425</u>
 Motor vehicles - at cost	 22,570	 69,595
Less: Accumulated depreciation	<u>(12,306)</u>	<u>(17,212)</u>
	<u>10,264</u>	<u>52,383</u>
 Office Equipment	 1,871	 1,871
Less: Accumulated depreciation	<u>(1,244)</u>	<u>(902)</u>
	<u>627</u>	<u>969</u>
 Total Cost	 140,690	 179,341
Total Accumulated Depreciation	<u>(118,793)</u>	<u>(119,394)</u>
	<u><u>21,897</u></u>	<u><u>59,947</u></u>

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**7. PLANT AND EQUIPMENT (CONT'D)**

Reconciliations

Reconciliations of the carrying amounts of each class of fixed asset at the beginning and end of the current financial year are set out below:

	<b>Office Furniture &amp; Fittings</b>	<b>Office Equipment</b>	<b>Motor Vehicles</b>	<b>Computer Hardware &amp; Software</b>	<b>Total</b>
Opening WDV 1 January 2017	2,170	969	52,383	4,425	59,947
Additions	3,364	-	-	5,010	8,374
Disposals	-	-	(32,245)	-	(32,245)
Depreciation	(592)	(342)	(9,874)	(3,371)	(14,179)
Closing WDV 31 December 2017	4,942	627	10,264	6,064	21,897

	<b>2017 \$</b>	<b>2016 \$</b>
<b>8. DEPOSITS</b>		
<u>CDF</u>		
<b>Savings at call</b>		
Archbishop of Perth		
Schools and parishes	180,344,140	158,473,898
Other		
Educational inst and religious orders	10,589,210	12,431,156
Other	22,472,874	25,470,075
	<u>213,406,224</u>	<u>196,375,129</u>

<u>GDF</u>		
<b>Savings at call</b>		
Bishop of Geraldton		
Schools & parishes	7,218,338	7,908,794
Other	2,261,046	2,218,038
	<u>9,479,384</u>	<u>10,126,832</u>

<u>CDF</u>		
<b>Fixed term deposit</b>		
Archbishop of Perth		
Schools & parishes	106,078,599	90,609,473
Other		
Educational Institute & Religious Orders	19,907,746	11,872,887
Other	30,971,165	47,329,653
	<u>156,957,510</u>	<u>149,812,013</u>

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>8. DEPOSITS (CONT'D)</b>		
<u>GDF</u>		
<b>Fixed term deposit</b>		
Bishop of Geraldton		
Schools and parishes	5,626,184	6,342,752
Other	4,192,637	7,795,107
	<u>9,818,821</u>	<u>14,137,859</u>
	<u>389,661,939</u>	<u>370,451,833</u>
<b>9. PAYABLES</b>		
<u>CDF</u>		
Interest accrued due	673,816	692,130
Creditors and Accruals	<u>53,308</u>	<u>82,813</u>
	<u>727,124</u>	<u>774,943</u>
<u>GDF</u>		
Interest accrued due	<u>41,958</u>	<u>57,496</u>
	<u>769,082</u>	<u>832,439</u>
<b>10. PROVISIONS</b>		
CURRENT		
<u>CDF</u>		
Long service leave	44,334	34,819
Annual leave	26,087	26,192
Distribution (i)	<u>1,224,856</u>	<u>1,327,838</u>
	<u>1,295,277</u>	<u>1,388,849</u>
NON CURRENT		
<u>CDF</u>		
Long service leave	<u>47,257</u>	<u>37,721</u>
	<u>47,257</u>	<u>37,721</u>

- (i) Represents provision for proposed final distribution to the Archdiocese of Perth \$1,106,088 (2016: \$1,234,508) the Broome Diocese \$61,030 (2016: \$44,252) and the Geraldton Diocese \$57,738 (2016: \$49,078). Interim dividend relating to 2017 of \$5,671,458 was paid during the year.

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>11. CAPITAL RESERVE</b>		
The capital reserve was established for the purpose of maintaining the capital adequacy ratio of the Catholic Development Fund in accordance with the Prudential Guidelines policy set by the Committee.	1,300,000	1,300,000
<b>12. CASH FLOW INFORMATION</b>		
(i) Reconciliation of surplus from operating activities to net cash inflow from operating activities.		
Surplus for the Year	9,674,876	10,632,086
Depreciation	14,179	20,521
(Increase)/Decrease in Receivables	4,580	117,636
Increase/(Decrease) in Payables	(63,357)	23,220
Increase/(Decrease) in Provisions	18,946	(47,660)
	<u>9,649,224</u>	<u>10,745,803</u>
(ii) Reconciliation of Cash and Cash Equivalents		
For the purposes of this statement of cash flows, cash includes:		
- Cash on hand;		
- Cash at bank;		
- Net of overdrafts;		
- Bank bills and on call deposits with banks;		
and		
- The Archdiocesan Finance Office.		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash (note 3)	49,974,195	49,446,460
Bank bills (note 5)	<u>34,600,000</u>	<u>33,600,000</u>
	<u>84,574,195</u>	<u>83,046,460</u>

**ARCHDIOCESE OF PERTH  
CATHOLIC DEVELOPMENT FUND  
NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**13. RELATED PARTIES INFORMATION**

a) CDF Committee

This committee is a sub-committee of the Archbishop's Finance Council and manages the operations of the CDF.

The following are the names of the members who served on the committee during the year and at the date of this report:

Fr G Gomez	Parish Priest	
Mrs D Hegarty	Consultant	Onsavii
Mr G Gaunt	Executive Chairman	HHG Legal Group
Mr A Wheeler	Retired Banker	
Mr G Russo	Chief Executive Officer	Archdiocese of Perth
Mr G Cornelius	Executive Officer	Archdiocese of Perth
Mr N Watson	Retired Accountant	Diocese of Geraldton
Mr S Halley-Wright	Business Manager	Newman College
Ms J Ronchi	Financial Consultant	CEWA

- b) There were no loans to any of the Committee Members at the year-end or during the year. Certain committee members have savings accounts with CDF on normal commercial terms and conditions.

**14. COMPARATIVE FIGURES**

Where required comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**15. EVENTS OCCURRING AFTER THE 31 DECEMBER 2017**

No matter or circumstance has arisen since 31 December 2017 which has significantly affected, or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in subsequent financial years.

**16. COMMITMENTS**

There were no commitments at the financial year-end.

**17. CONTINGENCIES**

There were no contingent assets or liabilities at the financial year-end.

**18. AUDITOR'S REMUNERATION**

Included in the Audit Fees disclosed in the Statement of Profit or Loss and Other Comprehensive Income is \$23,075 (2016: \$22,500) in relation to audit and financial statement review services provided by BDO Audit (WA) Pty Ltd. No non-audit services were provided during these years.