Catholic Development Fund
Special Purpose Financial Statements
For the year ended 31 December 2025

Catholic Development Fund
Contents
For the year ended 31 December 2025

William Buck
ACCOUNTANTS & ADVISORS

Catholic Development Fund
Independent auditor's report to the Roman Catholic Bishop of the Diocese of Hamilton

Report on the audit of the special purpose financial statements

Our opinion on the special purpose financial statements

In our opinion, the accompanying financial statements of Catholic Development Fund, present fairly, in all material respects:

— the financial position of the Catholic Development Fund as at 31 December 2025, and

— its financial performance and its cash flows for the year then ended

in accordance with the accounting policies outlined in Notes 2 to 3 to the financial statements.

What was audited?

We have audited the financial statements of the Catholic Development Fund, which comprise:

— the statement of financial position as at 31 December 2025,

— the statement of comprehensive revenue and expense for the year then ended,

— the statement of changes in equity for the year then ended,

— the statement of cash flows for the year then ended, and

— notes to the financial statements, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the entity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Catholic Development Fund.

Emphasis of matter – Basis of accounting

We draw attention to Notes 2 to 3 to the financial statements, which describe the basis of accounting. The financial statements have been prepared at the request of the Roman Catholic Bishop of the Diocese of Hamilton ("the Bishop") to ensure consistency with the Bishop's other reporting entities. Our opinion is not modified in respect of this matter..

Bishop's responsibilities for the financial statements

The Bishop is responsible for:

— the preparation and fair presentation of the financial statements in accordance with the accounting policies disclosed in Note 2 to 3 to the financial statements, and

— for such internal control as the Bishop determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Bishop are responsible for assessing the Catholic Development Fund'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 Bishop either intend to liquidate the Catholic Development Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (NZ) 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 these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:
https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-s2/

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Richard Dey.

Restriction on distribution and use

This independent auditor's report is made solely to the Bishop. Our audit work has been undertaken so that we might state to the Bishop those matters which we are required to state to them in the independent auditor's 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 Bishop, for our audit work, this independent auditor's report, or for the opinions we have formed.

William Buck

William Buck Audit (NZ) Limited
Tauranga, 31 March 2026

Catholic Development Fund
Directory
For the year ended 31 December 2025

Diocesan Finance Council
Mr P Barnett
Mr T Follows
M G Harris
Mrs S Kenrick
Mr T Muller
Ms M Parker
Most Rev R Laurenson

Registered Office
47-53 Clyde Street,
Hamilton East,
Hamilton 3247

Nature of Business
The Catholic Development Fund (the "Fund") operates as a deposit taker and investment operation for the purposes of giving financial support to The Catholic Diocese of Hamilton (the "Diocese").

Independent Auditor
WilliamBuck (NZ) Limited

Catholic Development Fund
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2025

	Notes	2025 $	2024 $
Finance Income	7	925,079	959,608
Finance costs	7	(978,147)	(883,585)
Net finance surplus		**(53,068)**	**76,022**
Other income	7	918,128	761,845
Gross Surplus		**865,060**	**837,867**
Operating expenses			
Marketing		3,837	5,464
Service charges		104,066	107,043
Administration		263,044	273,022
Total operating expenses	8	**370,947**	**385,529**
Realised net gain on sale of investments		-	-
Operating Surplus for the year		**494,113**	**452,339**
Distribution to the Catholic Diocese		(1,000,000)	(1,000,000)
Surplus / (deficit) for the year		**(505,887)**	**(547,661)**
Other comprehensive revenue and expense			
Gain/(loss) on revaluation of financial assets at FVOCRE	5(a)	102,422	2,997,607
Total other comprehensive revenue and expense for the year		**102,422**	**2,997,607**
Total comprehensive revenue and expense attributable to the owner		**(403,465)**	**2,449,946**

These special purpose financial statements should be read in conjunction with the accompanying notes and auditor's report.

William Buck Audit

Catholic Development Fund
Statement of Changes in Net Assets / Equity
For the year ended 31 December 2025

	Notes	Accumulated revenue and expense $	Reserves $	Total net assets/ equity $
Balance at 1 January 2024		**1,337,887**	**2,197,999**	**3,535,886**
Comprehensive Revenue				
Surplus for the year	5 (b)	452,339	-	452,339
Other comprehensive revenue				
Transfer realised gains on disposal		452,382	(452,382)	-
Movement in reserves	5 (a)	-	3,449,989	3,449,989
Total comprehensive revenue and expense for the year		**904,721**	**2,997,607**	**3,902,328**
Transactions with owners				
Distribution to the Catholic Diocese		(1,000,000)	-	(1,000,000)
Balance at 31 December 2024		**1,242,608**	**5,195,606**	**6,438,214**
Balance at 1 January 2025		**1,242,608**	**5,195,606**	**6,438,214**
Comprehensive Revenue				
Surplus for the year	5 (b)	494,113	-	494,113
Other comprehensive revenue				
Transfer realised gains on disposal		694,535	(694,535)	-
Movement in reserves	5 (a)		796,957	796,957
Total comprehensive revenue and expense for the year		**1,188,648**	**102,422**	**1,291,070**
Transactions with owners				
Distribution to the Catholic Diocese		(1,000,000)	-	(1,000,000)
Balance at 31 December 2025		**1,431,256**	**5,298,028**	**6,729,284**

These special purpose financial statements should be read in conjunction with the accompanying notes and auditor's report.

Catholic Development Fund
Statement of Financial Position
As at 31 December 2025

	Notes	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	9	5,598,568	8,075,001
Related party advances	10	6,495,167	2,375,167
Financial Assets fair valued through other comprehensive revenue	11	589,038	651,519
Interest and Distribution receivable		96,260	89,703
Total current assets		**12,779,032**	**11,191,390**
Non-current assets			
Related party advances	10	1,406,585	2,318,936
Financial Assets fair valued through other comprehensive revenue	11	34,149,986	33,913,757
Intangible assets	12	582	1,164
Total non-current assets		**35,557,153**	**36,233,857**
Total assets		**48,336,185**	**47,425,247**
Liabilities			
Current liabilities			
Trade and other creditors	14	453,229	449,821
Interest bearing liabilities – depositors' funds	15	40,366,259	39,746,796
Total current liabilities		**40,819,488**	**40,196,617**
Non-current liabilities			
Interest bearing liabilities – depositors' funds	15	787,414	790,416
Total non-current liabilities		**787,414**	**790,416**
Total liabilities		**41,606,902**	**40,987,033**
Net assets		**6,729,283**	**6,438,214**
NET ASSETS / EQUITY			
Reserves (Available-for-sale financial assets fair value reserve, Foreign currency translation reserve)	5(a)	5,298,028	5,195,606
Accumulated net comprehensive revenue and expense	5(b)	1,431,256	1,242,608
Total Net Assets/Equity attributable to the owners of the entity		**6,729,283**	**6,438,214**

For and on behalf of the Roman Catholic Bishop of the Diocese of Hamilton, who authorised the issue of these financial statements on the date shown below:

R C Bishop of the Diocese of Hamilton

31 March 2026

Date

Diocesan General Manager

31 March 2026

Date

These special purpose financial statements should be read in conjunction with the accompanying notes and auditor's report.

William Buck Audit

Catholic Development Fund
Statement of Cash Flows
For the year ended 31 December 2025

	Notes	2025 $	2024 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(373,749)	(407,331)
Distribution to Diocese		(1,000,000)	(1,000,000)
Dividends received		534,967	537,521
Interest received		925,079	959,608
Other revenue		1,108,055	3,651,129
Interest paid		(978,954)	(788,977)
Net cash inflow from operating activities	13	**215,398**	**2,951,950**
Cash flows from investing activities			
Purchase of short term deposits		(6,300,000)	-
Payments of loans to related parties		(3,207,648)	-
Purchase of financial assets fair valued through other comprehensive revenue and expense		(100,644)	(4,886,211)
Increase / (Decrease) in deposits		616,461	4,349,975
Proceeds from maturity of short term deposits		6,300,000	-
Proceeds from sale of property, plant and equipment		-	-
Proceeds from sale of financial assets fair valued through other comprehensive revenue and expense		-	-
Repayment of loans by related parties		-	944,397
Net cash inflow from investing activities		**(2,691,831)**	**408,161**
Net increase / (decrease) in cash and cash equivalents		**(2,476,433)**	**3,360,111**
Cash and cash equivalents at the beginning of the financial year		8,075,001	4,714,890
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at end of the financial year		**5,598,568**	**8,075,001**
Represented by:			
Cash and cash equivalents	9	5,598,568	8,075,001
		5,598,568	**8,075,001**

Catholic Development Fund
Notes to the Special Purpose Financial Statements
For the year ended 31 December 2025

1 Reporting Entity

The Catholic Development Fund (the 'Fund') is a separate internal division within the Catholic Diocese of Hamilton (the 'Diocese'). The Fund is not a separate legal entity. The Fund operates as a deposit taker and investment operation for the purposes of giving financial support to the Diocese for its stated charitable purposes.

The Roman Catholic Bishop of Hamilton ('RCBDH') is the beneficial owner and governing body of the Fund and the Diocese. RCBDH is a Corporation Sole under the Roman Catholic Bishops' Empowering Act 1997, domiciled in New Zealand. The address of its registered office is 47-53 Clyde St, Hamilton. It is a charity registered under the Charities Act 2005 and is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013. The RCBDH is defined as an FMC Reporting Entity. The RCBDH financial statements, which comply with GAAP, can be found on the Disclose Register section of the New Zealand Companies Office website at https://disclose-register.companiesoffice.govt.nz/home-2/

2 Basis of Preparation

(a) Statement of compliance

These financial statements are special purpose financial statements as the Fund is not a separate legal entity and has no legal obligation to prepare financial statements in its own right. These special purpose financial statements have been prepared in accordance with Public Benefit Entity International Public Sector Accounting Standards ('PBE Standards') to ensure consistency with the RCBDH's financial statements. These financial statements have been approved for issue by the RCBDH on 31 March 2026. The RCBDH does not have the power to amend these financial statements after issue.

(b) Measurement basis

These financial statements have been prepared on the basis of historical cost as modified by the fair value measurement of:
- Available-for-sale financial assets.
- The initial measurement of assets received from non-exchange transactions.

(c) Functional and Presentational Currency

These financial statements are presented in New Zealand dollars ($) which is the Funds functional currency. All financial information has been rounded to the nearest dollar.

3 Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Foreign currency translation

Foreign currency transactions are translated into NZ$ (the functional currency) using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the surplus or deficit component of the Statement of Comprehensive Revenue and Expense.

(b) Revenue recognition

Revenue earned by the Fund is either exchange or non-exchange revenue. Exchange revenue is earned on exchange transactions where one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange. Non-exchange transactions are transactions that are not exchange transactions. Non-exchange revenue is earned on non-exchange transactions where an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.
Revenue is recognised as follows:

Revenue from exchange transactions

(i) Finance income
Interest income is recognised on a time-proportion basis using the effective interest method and includes interest income from debt securities. Interest receivable amounts which are expected to be collected in one year or less are classified as current assets.

(ii) Dividend income
Dividend income is recognised when the right to receive payment is established and can be reliably measured. Provision is made for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date.

Revenue from non-exchange transactions

(iii) Donations
Donations received are recognised in the surplus and deficit component of the statement of comprehensive revenue and expense at the right to receive.

(c) Employee benefits - short term

(i) Wages and salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. These are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

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3 Summary of significant accounting policies (continued)

(d) Income tax

The Fund has been granted charitable status by the Inland Revenue Department, and therefore is exempt from income tax. Accordingly no provision has been made for income tax.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

(f) Financial instruments

(i) Recognition and initial measurement

Trade and other receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the RCBDH becomes a party to the contractual provisions of the instrument. The RCBDH classifies its financial instruments either at amortised cost, fair value through other comprehensive revenue and expense or fair value through surplus or deficit. Financial instruments are not reclassified subsequent to their initial recognition unless the RCBDH changes its management model for managing financial instruments

(ii)Classification and subsequent measurement of financial assets

Financial assets at fair value through other comprehensive revenue and expense (FVOCRE)

The RCBDH classifies its investment in equity and debt securities through fair value through other comprehensive revenue and expense (FVOCRE). The RCBDH's management model over these securities is set by the Investment Manager and the Diocesan Financial Council. This model is achieved by both collecting contractual cash flows and selling financial assets. The contractual terms of these securities give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. Debt instruments in this category are listed bonds.

Financial assets in this category that are equity instruments designated as FVOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within net assets. The RCBDH designates into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

Financial assets at amortised cost

Trade and other receivables are measured at amortised cost. The RCBDH management model is to hold them to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest of the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus and deficit.
Impairment on trade and other receivables is based on an unexpected credit loss model in terms PBE IPSAS 41.

(iii) Recognition of financial assets

RCBDH derecognises a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or are waived or it transfers the financial asset.

(iv) Classification, subsequent measurement and gains and losses of financial liabilities

The RCBDH's financial liabilities include trade and other payables, interest accruals, loans and borrowings and depositors funds.

All financial liabilities are initially recognised at fair value, using an effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on de-recognition is also recognised in surplus of deficit.

(v) Derecognition of financial instruments

On derecognition of debt investments, gains and losses accumulated in OCRE are reclassified to surplus or deficit. On derecognition of equity investments, net gains and loss are recognised in OCRE and are never reclassified to surplus or deficit

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3 Summary of significant accounting policies (continued)

(g) Intangible Assets

Software costs are measured at cost less accumulated amortisation and impairment. Amortisation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of the intangible assets.

- Software	50% DV

Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Fund, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Fund prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) Goods and Services Tax (GST)

The Statement of Comprehensive Revenue and Expense and the Statement of Financial Position have been prepared so that all components are stated inclusive of GST.

(j) Depositors' funds

Depositors' funds are accounts where members place funds in current, 90 day, 12 month, or 12 month plus deposits with the Fund. These are classified as current liabilities unless the Fund has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(k) Distributions

The Fund, from time to time, and at the discretion of the Bishop and the Finance Council, will distribute retained earnings to the Catholic Diocese of Hamilton, a related party also under the governance of the Roman Catholic Bishop.

(l) Significant judgments and estimates

The preparation of financial statements requires the use of judgements, estimates and assumptions based on historical experiences and other factors that are considered to be relevant that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The uncertainty from these assumptions and estimates could result in outcomes that may result in a material adjustment to the carrying amount of the asset or liability.

The Fund based its assumptions and estimates on information available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

The key significant judgements and estimates used in the preparation of these financial states are as follows:

(i) Financial Assets at FVOCRE

All financial assets *at* FVOCRE financial instruments held by the Fund have an active market. The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Fund is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

All other financial assets and financial liabilities (for example, cash, related party advances, trade and other payables and depositors funds) have a carrying value that approximates fair value at year end.

(ii) Classification of revenue

RCBDH makes judgements in terms of classifying revenue between exchanges or non-exchange revenue. Refer to note 3(b) which defines exchange and non-exchange revenue.

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(iii) Impairment of property, plant and equipment
RCBDH at least annually makes judgments in determining whether any indicators of impairment exist for items of property, plant and equipment.

4 Financial instruments

The carrying amount of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

Assets as per Statement of Financial Position	**Amortised Cost**	**FVOCRE**	**Total**
	$	**$**	**$**
At 31 December 2025			
Cash and cash equivalents	5,598,567	-	5,598,567
Financial Assets at FVOCRE	-	34,739,024	34,739,024
Related party advances (including interest receivable)	7,971,397	-	7,971,397
	13,569,964	34,739,024	48,308,988
At 31 December 2024			
Cash and cash equivalents	8,075,000	-	8,075,000
Financial Assets at FVOCRE	-	34,565,276	34,565,276
Related party advances (including interest receivable)	4,760,379	-	4,760,379
	12,835,378	34,565,276	47,400,654

Liabilities as per Statement of Financial Position	**Measured at amortised cost**	**Total**
	$	**$**
At 31 December 2025		
Trade and other payables	445,248	445,248
Depositors funds	41,153,673	41,153,673
	41,598,921	41,598,921
At 31 December 2024		
Trade and other payables	445,074	445,074
Depositors funds	40,537,212	40,537,212
	40,982,286	40,982,286

The Fund's activities exposes it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Fund. The Fund uses different methods to measure different types of risk to which it is exposed.

(a) Market risk

(i) Foreign currency risk

The Fund is exposed to foreign currency risk in respect of its financial assets that are held in foreign currencies. Equity securities are denominated in New Zealand and Australian dollar currencies, which are converted by Craigs Investment Partners, who manages all the investments. As a result, there is exposure to price risk in relation to the currency risk on these non–monetary assets.

(ii) Price risk

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund and classified on the Statement of Financial Position as Financial Assets at fair value through other comprehensive revenue and expense. The Fund is not exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Fund.

The Fund's equity investments are publicly traded and are included in the NZX 50 Index, ASX 50, NASDAQ, or the FTSE.

The table below summarises the impact of increases/decreases of these two indices on the Fund's profit for the year and on equity. The analysis is based on the assumption that the equity indices had increased/decreased by 10% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index.

Index	**Impact on surplus**			**Impact on equity**		
	2025	**2024**	**2025**	**2025**	**2024**	**2024**
	Decrease	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**
NZX 50 (10% Movement)	-	-	(571,792)	571,792	(619,160)	619,160
NASDAQ (10% Movement)	-	-	(752,570)	752,570	(801,570)	801,570
ASX 50 (10% Movement)	-	-	(476,920)	476,920	(479,540)	479,540
FTSE (10% Movement)	-	-	(230,970)	230,970	(191,050)	191,050
ENX (10% Movement)	-	-	(112,040)	112,040	(82,440)	82,440

The impact on surplus is nil, due to the Fund recognising fair value gains/losses through other comprehensive revenue and expense, and not through the Statement of Comprehensive Revenue and Expense, as the Fund does not trade securities on a regular basis.

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Buck
Audit

4 Financial instruments (continued)

(iii) Cash flow and fair value interest rate risk
The Fund's main interest rate risk arises from current short term deposits. Deposits issued at variable rates expose the Fund to cash flow interest rate risk.

The Fund manages its cash flow interest rate risk by reviewing deposit terms and bank interest rates as they come due and where necessary transferring deposits between banks.

The risk is measured by sensitivity analysis.

(iv) Concentrations of interest rate exposure
The Fund's main interest rate risk arises from current short-term deposits. Deposits issued at variable rates expose the Fund to cash flow interest rate risk. Deposits issued at fixed rates expose the Fund to fair value interest rate risk.

Summarised sensitivity analysis
The following table summarises the sensitivity of the Fund's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

		Interest rate risk				Foreign currency risk				Other price risk			
		-1%		1%		-1%		1%		-1%		1%	
31-Dec-25	Carrying amount	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
	$	$	$	$	$	$	$	$	$	$	$	$	$
Financial assets													
Cash and cash equivalents	5,598,567	(55,986)	(55,986)	55,986	55,986	17,379	17,379	(12,418)	(12,418)	-	-	-	-
Financial Assets fair valued through other comprehensive revenue and expense	34,739,022	-	-	-	-	-	-	-	-	-	(340,033)	-	340,033
Related party Advances and Interest Receivable	7,971,397	(1,462)	(1,462)	1,462	1,462	-	-	-	-	-	-	-	-
Financial liabilities													
Trade payables	445,248	-	-	-	-	-	-	-	-	-	-	-	-
Depositors' Accounts	41,153,672	306,467	306,467	(306,467)	(306,467)	-	-	-	-	-	-	-	-
Total increase/ (decrease)		**249,019**	**249,019**	**(249,019)**	**(249,019)**	**17,379**	**17,379**	**(12,418)**	**(12,418)**	**-**	**(340,033)**	**-**	**340,033**

		Interest rate risk				Foreign currency risk				Other price risk			
		-1%		1%		-1%		1%		-1%		1%	
31-Dec-24	Carrying amount	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
	$	$	$	$	$	$	$	$	$	$	$	$	$
Financial assets													
Cash and cash equivalents	8,075,000	(80,750)	(80,750)	80,750	80,750	10,152	10,152	(7,638)	(7,638)	-	-	-	-
Financial Assets fair valued through other comprehensive revenue and expense	34,565,275	-	-	-	-	-	-	-	-	-	(345,653)	-	345,653
Related party Advances and Interest Receivable	4,760,378	(2,010)	(2,010)	2,010	2,010	-	-	-	-	-	-	-	-
Financial liabilities													
Trade payables	445,074	-	-	-	-	-	-	-	-	-	-	-	-
Depositors' Accounts	40,537,211	320,104	320,104	(320,104)	(320,104)	-	-	-	-	-	-	-	-
Total increase/ (decrease)		**237,344**	**237,344**	**(237,344)**	**(237,344)**	**10,152**	**10,152**	**(7,638)**	**(7,638)**	**-**	**(345,653)**	**-**	**345,653**

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4 Financial instruments (continued)

(b) Credit risk

Credit risk is the risk of financial loss to the Fund if a counterparty to a financial instruments fails to meet its contractual obligations. The Fund is mainly exposed to credit risk from its financial assets, including cash and cash equivalents, deposits with banks and financial institutions, receivables and debt securities.

The credit risks for cash and cash equivalents, short term investments and long term investments is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. No impairment loss has been recorded in relation to the cash, deposits and bonds portfolio held by the Fund as all investments in bonds have been graded AA- by Standard & Poors and the bonds are not past due.

The carrying amounts disclosed above are the Fund's maximum possible credit risk exposure in relation to these instruments.

The Fund's policy is to deal only with creditworthy counterparties. No collaterals held by the Fund in respect of its exposure to credit risk.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Fund acts as both the treasury arm of the Diocese and as an investment and development fund, and the Fund continues to return a good surplus year after year. The Diocese's own funds are invested in the Fund. In addition all parishes and catholic entities are required to invest their surplus funds in the Fund, and parish funds can only be withdrawn after receiving the approval of the Bishop, Diocesan Finance Council and College of Consultors (Priests Council). In regard to the individual parishioner accounts the majority of the funds invested with the Fund remain invested for long periods, with the investor's prime motive being to support the Church rather than for the return on the investment

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

31 December 2025	Call $	Less than 1 year $	Between 1 and 2 years $	Contractual cash flow $	Carrying amount $
Financial liabilities					
Interest accrual	382,327	-	-	382,327	382,327
Trade creditors	62,922	-	-	62,922	62,922
Depositors' funds	9,986,953	30,379,305	787,414	41,153,673	41,153,673
	10,432,202	30,379,305	787,414	41,598,921	41,598,921

31 December 2024	Call $	Less than 1 year $	Between 1 and 2 years $	Contractual cash flow $	Carrying amount $
Financial liabilities					
Interest accrual	383,133	-	-	383,133	383,133
Trade and other payables	61,941	-	-	61,941	61,941
Depositors' funds	10,698,426	29,048,371	790,416	40,537,212	40,537,212
	11,143,500	29,048,371	790,416	40,982,286	40,982,286

(d) Fair value estimation

The fair value of financial instruments traded in active markets (such as Financial Assets fair valued through other comprehensive revenue and expense securities, bonds and property units) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Fund is the current bid price.

The carrying value less impairment provision of related party advances and trade and other payables is a reasonable approximation of their fair values due to the short-term nature of the financial assets and liabilities.

The table below analyses financial instruments carried at fair value, by valuation method.

The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

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4 Financial instruments (continued)

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Fund's assets that are measured at fair value at 31 December 2025:

Assets	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets fair valued through other comprehensive revenue and expense				
- Equity securities	22,293,140	-	-	22,293,140
- Debt securities	10,522,525	-	-	10,522,525
- Property Units	1,923,359	-	-	1,923,359
Total assets	**34,739,024**			**34,739,024**

The following table presents the Fund's assets that are measured at fair value at 31 December 2024:

Assets	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets fair valued through other comprehensive revenue and expense				
- Equity securities	21,737,584	-	-	21,737,584
- Debt securities	10,921,624	-	-	10,921,624
- Property Units	1,906,068	-	-	1,906,068
Total assets	**34,565,276**			**34,565,276**

There were no liabilities measured at fair value at the end of the reporting period (2024: $Nil).

(e) Capital risk management

The Fund's capital is its reserves and retained surpluses, which are represented by the Fund's net assets.

The Fund's Trust Deed requires the Diocesan Finance Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently. The objective of managing the Fund's capital is to ensure the Fund effectively achieves its objectives and purpose, whilst remaining a going concern.

(f) Capital adequacy

A new Trust Deed was entered into on 23 November 2016 with Covenant Trustee Services Limited.

The requirement on Capital ratio is:

That the total equity for the Catholic Development Fund, and Catholic Diocese of Hamilton, combined must be greater than 10% of the total assets using a risk weighted capital adequacy model.

The liquidity coverage ratio requirement is that total cash of Catholic Diocese of Hamilton and Catholic Development Fund combined shall not fall below 7% of tangible assets.

All covenants in regards to capital adequacy have been complied with during the year. The total equity percentage as at 31 December is 19.7% (2024: 19.9%).

5 Reserves and retained earnings

(a) Reserves

Movements in reserves were as follows:

	2025 $	2024 $
Balance at 1 January	5,195,606	2,197,999
Disposals	(641,601)	(155,588)
Fair value gains for the year as recognised in Other Comprehensive Revenue and Expense	744,023	3,153,195
Net Movements for the year	102,422	2,997,607
Balance at 31 December	**5,298,028**	**5,195,606**

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5 Reserves and retained earnings (continued)

(b) Retained earnings

Movements in retained earnings were as follows:	2025 $	2024 $
Balance 1 January	1,242,608	1,337,887
Transfer realised gains on disposal	694,535	452,382
Net operating surplus for the year	494,113	452,339
Distribution to the Diocese	(1,000,000)	(1,000,000)
Balance 31 December	**1,431,256**	**1,242,608**

6 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor:

	2025 $	2024 $
(a) Assurance services		
Audit services		
Audit of financial statements and Trustee Certificates	50,559	49,279
Total Assurance services	**50,559**	**49,279**

7 Revenue

Revenue from exchange transactions includes:

Net Finance surplus

	2025 $	2024 $
Finance income		
Interest received – bank	279,344	279,266
Interest received – bonds	527,282	515,033
Interest received – loans	118,452	165,309
	925,079	**959,608**
Finance Costs		
Interest paid – depositor funds	(978,147)	(883,585)
	(978,147)	**(883,585)**
Other revenue from exchange transactions:		
Dividends / Distributions Received	614,628	560,706
Foreign exchange gain	311,098	201,138
Gain/Loss on Bond Transfer	(7,597)	-
Sundry Income	-	-

8 Operating expenses

The following items are included in operating expenses:	2025 $	2024 $
Amortisation – Software	582	1,163
Employee benefits	90,167	83,588

9 Cash and cash equivalents

	2025	2024
	$	$
Cash at bank and on hand	5,598,568	8,075,001
Deposits at call	-	-
	5,598,568	**8,075,001**

10 Related party advances

	2025	2025
	$	$
Total related party advances shown as:		
Current		
Non-interest bearing advances (note 19c)	6,495,167	2,375,167
	6,495,167	**2,375,167**
Non-Current		
Interest bearing advances (note 19c)	1,406,585	2,318,936
	1,406,585	**2,318,936**

Related party advances do not contain impaired assets and are not past due. Based on the credit history of these related party advances, it is expected that these amounts will be received when due.

11 Financial Assets fair valued through other comprehensive revenue and expense

	2025	2024
	$	$
Listed debt securities	10,522,525	10,921,624
Listed equity securities	22,293,140	21,737,584
Property Units	1,923,359	1,906,068
	34,739,024	**34,565,276**

(a) Fair values

Financial Assets fair valued through other comprehensive revenue and expense include the following:

	2025	2024
	$	$
Bonds New Zealand debt securities	10,522,525	10,921,624
New Zealand listed equity securities	6,453,671	6,191,604
Australian listed equity securities	4,497,899	4,558,158
International equity securities	11,341,570	10,987,822
Property Units	1,923,359	1,906,068
	34,739,024	**34,565,276**
Financial Assets fair valued through other comprehensive revenue and expense financial assets:		
Current portion: Bonds New Zealand debt securities	589,038	651,519
Non-current: Bonds, Equity and property Units	34,149,986	33,913,757
	34,739,024	**34,565,276**

The fair value of related party advances is equivalent to the carrying value as shown above.

Interest bearing advances are charged interest of 5.5%-7.5% (2024: 5.5%-7.5%). They are repayable over terms of 5 to 25 years.

Non-interest bearing advances are repayable on request.

(b) Impairment and risk exposure

With respect to financial assets fair valued through other comprehensive revenue and expense the maximum exposure to credit risk at the reporting date is the carrying amount of the debt security investments.

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12 Intangible assets

	2025	2024
Computer software:	$	$
Cost	5,763	5,763
Disposals	-	-
Accumulated amortisation	(5,182)	(4,600)
Net book value	**582**	**1,163**

	2025	2024
Computer software:	$	$
Opening net book value	1,164	2,326
Additions	-	-
Disposals	-	-
Amortisation charge	(582)	(1,163)
Closing net book value	**582**	**1,164**

13 Reconciliation of surplus/ deficit to net cash inflow from operating activities

	2025	2024
	$	$
Surplus for the year	494,113	452,339
Depreciation	-	-
Amortisation of Software	582	1,163
Accrued interest receivable on bonds	(3,370)	(5,517)
Accrued Distribution Receivable	(76,290)	(17,669)
Net gain on sale of investments	1,108,055	3,651,128
Accrued interest payable movement	(807)	94,608
Net exchange differences	(311,098)	(201,138)
Distribution to the Catholic Diocese	(1,000,000)	(1,000,000)
Change in operating assets and liabilities		
Decrease (Increase) in other operating assets	-	-
Increase (Decrease) in trade creditors	4,214	(22,964)
Net cash inflow from operating activities	**215,399**	**2,951,950**

14 Trade and other payables

	2025	2025
	$	$
Payables from exchange transactions	62,922	61,941
Employee entitlements	7,980	4,747
Accrued Interest payable on depositor accounts	382,327	383,133
	453,229	**449,821**

The carrying value of trade payables approximates fair value.

15 Interest bearing liabilities – depositors' funds

	2025	2025
	$	$
Depositors funds – current	40,366,259	39,746,796
Depositors funds – non-current	787,414	790,416
	41,153,673	**40,537,212**

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16 Contingent assets and liabilities

As at 31 December 2025 the Fund had no contingent assets or liabilities (2024:$Nil).

17 Commitments

As at 31 December 2025 the Fund had no capital commitments (2024:$Nil).

18 Events after the reporting period

There have been no significant events after the reporting period.

19 Related party transactions

(a) Related entities

The Fund is the deposit holder for the Hamilton Diocese, the Hamilton Diocese Schools, Diocese Catholic Integrated Schools Office and the Hamilton Parishes, Catholic Family Support Services, Jubilee Early Childhood Limited and the Common Good Foundation, The Bernadette Charitable Trust. These entities are all related to the Roman Catholic Bishop of Hamilton as Corporation Sole, and therefore are related parties of the Fund.

(b) Transactions with related parties

The following transactions occurred with related parties:

	2025 $	2024 $
Income:		
Interest on related party advances	**118,452**	**165,309**
Expenses:		
Internal charges	120,408	116,581
Interest paid on related party deposits	810,945	699,655
	931,353	**816,236**
Distribution to the Diocese	**(1,000,000)**	**(1,000,000)**
Advances to related parties		
Advances to (Repayments from) - Diocese Catholic Integrated Schools Office	**(912,351)**	**(625,892)**
Deposits from related parties		
Deposited from:		
Diocese	3,087,510	11,455
Diocese Catholic Integrated Schools Office	25,883,198	27,408,696
Schools and Jubilee Early Childhood Limited	2,542,089	3,468,197
Parishes, Clergy Trust, Common Good Foundation, The Bernadette Charitable Trust	5,741,096	3,890,303
Catholic Family Support Services	22,436	27,078
Employees	2,738	19,251
Depositor repayments to:		
Diocese	-	(338)
Diocese Catholic Integrated Schools Office	(26,929,047)	(24,243,304)
Schools and Jubilee Early Childhood Limited	(2,999,871)	(4,374,619)
Parishes, Clergy Trust, Common Good Foundation, The Bernadette Charitable Trust	(6,513,019)	(964,930)
Catholic Family Support Services	(103,705)	(405,935)
Employees	(186)	(12,318)
	733,239	**4,823,536**

(c) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2025 $	2024 $
Current receivables		
Diocese Current Account	6,495,167	2,375,167
Total	**6,495,167**	**2,375,167**
Advances to Diocese Catholic Integrated Schools Office and Hamilton Parishes	1,406,585	2,318,936
Accounts payable	11,809	12,632
Depositors balance:		
Diocese	8,413,295	5,325,785
Diocese Catholic Integrated Schools Office	11,584,712	12,630,562
Schools and Jubilee Early Childhood Limited	4,357,843	4,815,624
Parishes, Clergy Trust, Common Good Foundation, The Bernadette Charitable Trust and Catholic Family Support Services	13,521,523	14,374,716
Employees	33,975	31,423

(d) Key management personnel

The Fund does not directly employ key management personnel. Finance Council members do not receive compensation from the Fund. Key Management Personnel are employed by the Catholic Diocese of Hamilton.