THE TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE (AFSL 503537) AS TRUSTEE FOR

DIOCESAN INVESTMENT FUND

A.B.N. 32 991 362 517

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2026

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THE TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE (AFSL 503537) AS TRUSTEE FOR THE DIOCESAN INVESTMENT FUND ABN 32 991 362 517

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Diocesan Investment Fund Concise Financial Report

The financial statements and disclosures in the concise financial report have been derived from the 2026 Financial Report of the Diocesan Investment Fund.

A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report.

Profit and Loss and Statement of Comprehensive Income

The Fund recorded a profit from ordinary activities after income tax for the year of $6,841,008 (2025: $7,458,685).

During the year the cash rate target, as determined by the Reserve Bank of Australia, was reduced by 0.50% which led to a decrease in interest earned. The decrease in interest earned of $2,154,233 (2025: $2,863,125 increase) was offset by a decrease in interest paid to investors of $2,209,731 (2025: $3,402,151 increase). The Fund disposed of its investment in Fixed Income Managed Funds which returned distribution income of $1,622,383 (2025: $1,615,528). The disposal resulted in a loss of $181,691 being realised.

Statement of Financial Position

Debentures issued increased by $5,687,917 (2025: $30,391,362 increase) and loans receivable increased by $19,898,344 (2025: $11,678,918 increase). Financial assets (bank term deposits) increased by $24,000,000 (2025: $7,000,000 increase) and Cash and cash equivalents increased by $3,972,869 (2025: $14,180,839 increase). Financial assets (managed funds) were disposed of during the year.

Total assets increased by $7,027,763 (2025: $32,646,731 increase). Equity as at 31 March 2026 totalled $42,816,381 (2025: $41,075,373).

Net Assets increased by $1,741,008 (2025: $1,958,685 increase) with a provision being made at year end for a distribution to the Lismore Diocese of $5,100,000 (2025: $5,500,000).

Statement of Cash Flows

Cash held at the end of the year increased by $3,972,869 (2025: $14,180,839 increase). Cash flows provided by operating activities totalled $7,587,974 (2025: $7,668,395).

Net cash flows used in investing activities was $3,223,484 whilst cash flows used in financing activities was $391,621.

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REPORT BY THE INVESTMENT FUND MANAGEMENT COMMITTEE

The Trustees of the Roman Catholic Church for the Diocese of Lismore (AFSL 503537) acting as Trustee of the Diocesan Investment Fund ("the Fund") submit their report for the year ended 31 March 2026.

Investment Fund Management Committee

The names of the members of the Investment Fund Management Committee in office during the financial year, and until the date of this report, unless otherwise stated are:

Mr Michael Shay (Chairman)
Mr Mark Dougherty
Rev Fr Max Gow
Mr Tony Bazzana

Principal Activities

The DIF has a charitable purpose of the advancement of religion. It achieves this by providing a stable source of long term finance at affordable rates of interest, for Catholic parishes and institutions of the Lismore Diocese. The Fund issues debentures to provide the proceeds for these loans and proceeds held in excess of loan requirements are invested at a margin to provide a distribution to the Diocese of Lismore to assist with the ongoing financial needs of the Diocese.

No significant change in the nature of these activities occurred during the year.

Fund Information

The Fund was established in 1964. The Trustees of the Roman Catholic Church for the Diocese of Lismore operate the Fund and obtained an Australian Financial Services Licence (AFSL) to allow it to continue to offer debentures to investors as retail, non-associated clients from 1 January 2018.

The principal place of business is 10 Orion Street Lismore NSW 2480.

Operating Results and Review of Operations for the year

The Fund made a profit of $6,841,008 for the year ended 31 March 2026 (2025: $7,458,685). There was a distribution to the Diocese of $5,100,000 (2025: $5,500,000). The profit was lower than last year due to an easing interest rate environment, combined with no unrealised gains on managed fund investments.

The investments of the Fund as at 31 March 2026 included loans to Catholic parishes and institutions of the Lismore Diocese (16%), term deposits (74%), and cash (10%).

Significant Changes in State of Affairs

There has been no significant changes in the state of affairs of the Fund during the year ended 31 March 2026.

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Significant Events After Balance Date

No matters have occurred since the end of the financial year which would require disclosure in this financial report.

Likely Developments and Expected Results

The Fund will continue to allow for the investment of funds from associated and non-associated retail clients and wholesale investors in order to continue its mission to assist with the ongoing financial needs of the Diocese of Lismore.

Environment Regulation and Performance

The operations of the Fund are now subject to the requirements of the ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 and APRA's Banking exemption No.1 of 2021. There have been no known significant breaches of any environmental requirements of the Fund.

Indemnification and Insurance of Directors and Officers

The Fund indemnifies its officers (not including auditors) for costs incurred in defending civil and legal proceedings in which judgement is given in that persons favour, or they are acquitted, or any other proceeding which the court grants relief to the person. During the year, the Fund paid an insurance premium in respect of a contract insuring each of the members of the Diocesan Finance Council and officers of the Fund. The disclosure of the amount of the premium is prohibited by a confidentiality clause. The auditors are not included as part of this policy.

Auditors' Independence Declaration

An independence declaration has been provided to the Investment Fund Management Committee by the auditor of the Diocesan Investment Fund, MF Partners Chartered Accountants and is attached to the Report by the Investment Fund Management Committee.

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Michael Shay
(Chairman)

Dated this 20th day of May 2026.

THE TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE (AFSL 503537) AS TRUSTEE FOR THE DIOCESAN INVESTMENT FUND
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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE MEMBERS OF THE INVESTMENT FUND MANAGEMENT COMMITTEE

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2026 there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to this audit; and
b. No contraventions of any Code of Professional Conduct of Chartered Accountants Australia and New Zealand in relation to the audit.

M.T. Clt

MF PARTNERS
MARK CHARTER
(Partner)
Dated at Ballina this 20th day of May 2026.
Address: 95 Tamar Street Ballina NSW 2478

THE TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE (AFSL 503537) AS TRUSTEE FOR THE DIOCESAN INVESTMENT FUND ABN 32 991 362 517

PROFIT AND LOSS AND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 $	2025 $
Revenues from investing activities	2	29,209,913	31,357,290
Other revenue	2	-	-
Interest incurred		(21,383,388)	(23,593,119)
Employee benefits expense		-	-
Service fee		(280,000)	(257,000)
Depreciation and amortisation expenses		-	-
Other expenses from ordinary activities		(705,517)	(509,223)
Changes in fair value of financial assets at fair value		-	460,737
Profit/(loss) from ordinary activities before income tax expense		6,841,008	7,458,685
Income tax expense relating to ordinary activities		-	-
Net profit /(loss) for the year after income tax expense attributable to Trustees of the Fund		6,841,008	7,458,685
Other comprehensive income		-	-
Change in net assets attributable to Trustees of the Fund		6,841,008	7,458,685

The accompanying notes form part of these financial statements.

THE TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE (AFSL 503537) AS TRUSTEE FOR THE DIOCESAN INVESTMENT FUND

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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	2026 $	2025 $
ASSETS		
Cash and cash equivalents	67,357,582	63,384,713
Financial assets – at amortised cost	509,000,000	485,000,000
Financial assets – at fair value through profit and loss	-	40,277,013
Loans and advances	108,334,412	88,436,068
Accrued interest	5,770,927	6,337,364
Property plant and equipment	-	-
TOTAL ASSETS	690,462,921	683,435,158
LIABILITIES		
Trade and other payables	5,204,898	5,606,059
Financial liabilities	642,441,643	636,753,726
TOTAL LIABILITIES	647,646,540	642,359,785
NET ASSETS	42,816,381	41,075,373
EQUITY		
Accumulated Funds	42,816,381	41,075,373
TOTAL EQUITY	42,816,381	41,075,373

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Accumulated Funds	Total
Balance at 1 April 2024	39,116,668	39,116,668
Profit attributable to the entity	7,458,685	7,458,685
Sub-total	46,575,373	46,575,373
Distribution to Diocese paid or provided for	(5,500,000)	(5,500,000)
Balance at 31 March 2025	41,075,373	41,075,373
Profit (loss) attributable to the entity	6,841,008	6,841,008
Sub-total	47,916,381	47,916,381
Distribution to Diocese paid or provided for	(5,100,000)	(5,100,000)
Balance at 31 March 2026	42,816,381	42,816,381

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	2026 $	2025 $
CASH FLOW FROM OPERATING ACTIVITIES		
Interest received	28,153,966	30,415,524
Distributions received	1,622,383	1,615,528
Interest paid	(21,383,388)	(23,593,119)
Other receipts	-	-
Payments to suppliers and employees	(804,987)	(769,538)
Net cash provided by (used in) operating activities	7,587,974	7,668,395
CASH FLOW FROM INVESTING ACTIVITIES		
Movement in loans - loans advanced	(41,181,705)	(25,990,682)
- loans repaid	21,862,899	10,194,977
Movement in financial assets – at amortised cost		
Purchases	(749,000,000)	(586,000,000)
Proceeds on maturity	725,000,000	579,000,000
Movement in financial assets – at fair value through profit and loss		
Sales	40,095,322	-
Purchases	-	-
Payment for plant and equipment	-	-
Net cash provided by (used in) investing activities	(3,223,484)	(22,795,705)
CASH FLOW FROM FINANCING ACTIVITIES		
Investor debentures received	547,722,454	558,708,089
Investor debentures repaid	(542,614,075)	(524,199,940)
Grant paid	(5,500,000)	(5,200,000)
Net cash provided by (used in) financing activities	(391,621)	29,308,149
Net increase (decrease) in cash held	3,972,869	14,180,839
Cash at beginning of year	63,384,713	49,203,874
Cash at end of year	67,357,582	63,384,713

The accompanying notes form part of these financial statements.

NOTES TO THE CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of the Diocesan Investment Fund. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of the Diocesan Investment Fund as the full financial report. A copy of the full financial report and auditors report will be sent to any member, free of charge, upon request.

The Diocesan Investment Fund is a not-for-profit entity as any profits generated are distributed back to the Trustees of the Roman Catholic Church for the Diocese of Lismore.

The accounting policies have been consistently applied by the Fund and are consistent with those of the previous financial year except where otherwise stated.

The Diocesan Investment Fund has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS).

NOTES TO THE CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026	2025
NOTE 2: REVENUE		$	$
Operating activities			
- Interest Earned	2a	27,587,529	29,741,762
- Managed Investment Distributions		1,622,383	1,615,528
- Other income		-	-
		29,209,913	31,357,290
Total revenue		29,209,913	31,357,290
a. **Interest from**			
— other persons		27,587,529	29,741,762

NOTE 3: SEGMENT REPORTING

The Fund operates predominantly in one business and geographical segment being the Finance sector principally in the Roman Catholic Church Diocese of Lismore. The fund produces monthly management reports based on this one segment and as such all significant operating decisions are based upon the fund as one segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.

NOTE 4: EVENTS SUBSEQUENT TO REPORTING DATE

No matters have occurred since the end of the financial year which would require disclosure in this financial report.

NOTE 5: DISTRIBUTIONS

There was a distribution accrued of $5,100,000 (2025: $5,500,000) to be paid to the Roman Catholic Diocese of Lismore. A distribution of $5,500,000 (2025: $5,200,000) was paid during the year.

NOTE 6: CHANGE IN OPERATIONS

There has been no change in operations during the financial year with the Banking Exemption No 1 of 2021 issued by APRA, and ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 last amended in the 2022 financial year.

THE TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE (AFSL 503537) AS TRUSTEE FOR THE DIOCESAN INVESTMENT FUND ABN 32 991 362 517

DECLARATION BY INVESTMENT FUND MANAGEMENT COMMITTEE

In accordance with a resolution of the members of the Investment Fund Management Committee:

1. The financial statements and notes, as set out in pages 5 to 10 :

   a. complies with Accounting Standard AASB 1039: Concise Financial Reports; and

   b. has been derived from and is consistent with the full financial report of the Diocesan Investment Fund.

2. In the members' of the Investment Fund Management Committee opinion there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the members of the Investment Fund Management Committee and is signed for and on behalf of the members by:

Chairman ______________________________

Michael Shay

Dated this 20th day of May 2026.

THE TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE (AFSL 503537) AS TRUSTEE FOR THE DIOCESAN INVESTMENT FUND ABN 32 991 362 517

INDEPENDENT AUDIT REPORT TO THE BISHOP AND THE TRUSTEES OF THE ROMAN CATHOLIC DIOCESE OF LISMORE

Opinion

We have audited the concise financial report of the Diocesan Investment Fund for the financial year ended 31 March 2026 as set out on pages 5 to 10, in order to express an opinion on it to the Bishop and the Trustees of the Diocese of Lismore. The concise financial report does not contain all disclosures required by the Australian Accounting Standards.

In our opinion the concise financial report of the Diocesan Investment Fund complies with Accounting Standard AASB 1039: Concise Financial Reports.

Basis for Opinion

We have 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 Diocesan Investment Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the 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 confirm that the independence declaration given to the Members of the Investment Fund Management Committee, would be in the same terms if given to the Members' as at the same time of this auditor's report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The members of the Investment Fund Management Committee are responsible for the other information. The other information comprises the information included in the Diocesan Investment Fund's annual report for the year ended 31 March 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be misstated. If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Members of the Investment Fund Management Committeefor the Financial Report

The members of the Investment Fund Management Committee are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: *Concise Financial Reports* (including the Australian Accounting Interpretations), statutory and other requirements. In preparing the financial report, the Members are responsible for assessing the Diocesan Investment 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 Members intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the Diocesan Investment Fund for the year ended 31 March 2026. Our audit report on the financial report for the year was signed on 20th May 2026 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039: *Concise Financial Reports.*

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

M.T. Clt

MF PARTNERS

MARK CHARTER

(Partner)

Dated at Ballina this 20th day of May 2026.

Address: 95 Tamar Street Ballina NSW 2478