

SETTING THE SCENE

2009 was a year of recovery following the worst global financial crisis in the post war period. Global share markets trended upwards during the year and Bond returns were mixed.

OUR INVESTORS

Parishes and other Anglican organizations as well as the General Trust, Dean and Chapter and Bishopric Estates are the investors in the funds administered by Church Property Trustees (“CPT”).

THE FUNDS WE ADMINISTER

CPT manages and administers a diverse portfolio of investment funds.

- **Balanced Growth Fund (“BGF”)**

The BGF invests in six classes of assets. (See figure 1).

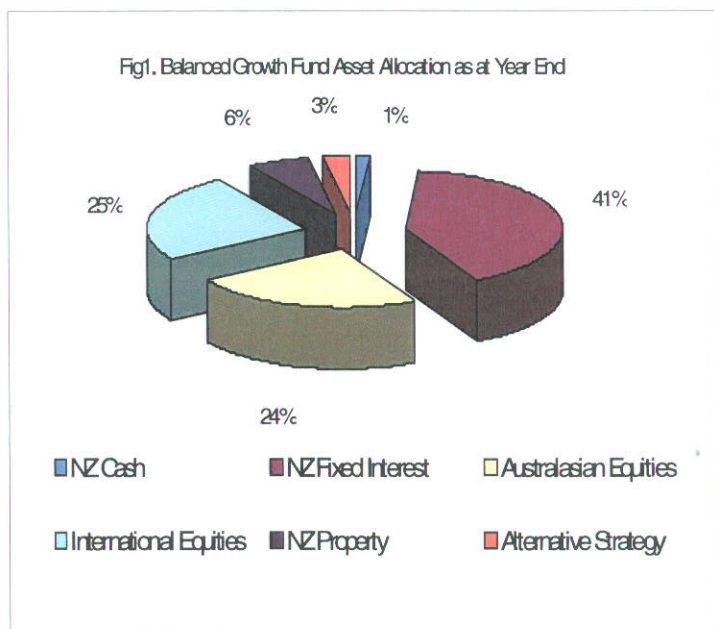
Economic recovery and successful asset allocation policy has meant the unit price for December 2009 closed at \$1.2872 up **7.84%** on 2008’s closing price of \$1.1936.

Net surplus for the year of \$1.266 million meant that 2008’s deficit of \$1.170 million was fully recovered.

- **Fixed Interest Fund (“FIF”)**

The FIF invests in bonds and fixed interest securities.

The fund made a net deficit for the year of \$426,171 compared to a net surplus of \$1,093,504 in 2008.



The deficit occurred because interest rates paid to investors were well above market interest rates. (See figure 2 below). This policy was applied as reserves were available due to the exceptional result achieved in 2008. Undistributed reserves at balance date are \$1.4 million (2008: \$1.8 million).

	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Average
FIF	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	6.50%	6.50%	6.50%	5.50%	5.50%	5.50%	7.00%
NAB	3.10%	4.60%	4.50%	4.50%	4.55%	4.55%	4.55%	4.50%	4.50%	5.00%	5.05%	4.70%	4.51%

Fig 2. FIF interest rates bench marked against National Bank 12 month term deposit rate

- **Forest Fund**

The Mohaka Coach Road Forest was established in 1995. At year end the forest was valued at \$1.8 million (2008: \$1.9 million). The forest crop will be ready for harvest in approximately 10 years.

- **Property Investment Fund**

The Property Investment Fund invests in one commercial property – Anglican Church House.