

South Australian Commission for
Catholic Schools Inc.
ABN: 84 572 437 441

Education Asset Fund

Special Purpose Financial Report
for the Year Ended 31 December 2022

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
For the year ended 31 December 2022

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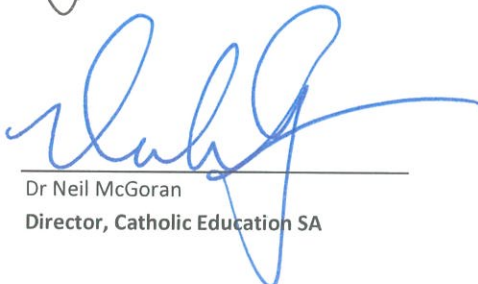
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South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Statement by the Committee of SACCS INC.

1. In the opinion of the Committee of the South Australian Commission for Catholic Schools Inc. (SACCS Inc.):
 - (a) the Education Asset Fund (the Fund) is not a reporting entity nor publicly accountable;
 - (b) the financial statements and notes, set out on pages 2 to 14:
 - (i) present fairly the financial position of the Fund as at 31 December 2022 and its financial performance for the year ended on that date in accordance with the basis of preparation described in Note 2; and
 - (ii) comply with Australian Accounting Standards to the extent described in Notes 1-3; and
 - (c) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.
2. In respect of the year ended 31 December 2022 the Fund has;
 - (a) kept such accounting records that correctly record and explains its transactions and financial position; and
 - (b) kept its accounting records that financial statements of the Fund that are presented fairly can be prepared from time to time;

Signed in accordance with a resolution of the Committee.


Mr John Neate
Chairperson of SACCS


Dr Neil McGoran
Director, Catholic Education SA

Dated this 23 day of May 2023

South Australian Commission for Catholic Schools Inc.**Education Asset Fund****Statement of Income and Expenditure***For the year ended 31 December 2022*

	Note	2022 \$'000s	2021 \$'000s
Income			
Rental Income	6	2,000	2,023
Interest Income		41	23
Other Income		2	-
Net Gain from Disposal of Non-Current and Other Assets	7	606	488
Total Income		2,649	2,534
Expenses			
Employee Benefits	8	-	20
Supplies and Services	9	1,863	2,061
Interest Expense		80	45
Depreciation	10	1,281	1,245
Amortisation of software		242	186
Total Expenses		3,466	3,557
Total Surplus (Deficit) for the year		(817)	(1,023)

The above statement should be read in conjunction with the accompanying notes.

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Statement of Financial Position
As at 31 December 2022

	Note	2022 \$'000s	2021 \$'000s
ASSETS			
Current Assets			
Cash and Cash Equivalents	12	6,483	4,031
Trade and Other Receivables	13	316	2,142
Total Current Assets		6,799	6,173
Non-Current Assets			
Property, Plant and Equipment	14	5,061	4,838
Intangibles	15	569	259
Total Non-Current Assets		5,630	5,097
TOTAL ASSETS		12,429	11,270
LIABILITIES			
Current Liabilities			
Trade and Other Payables	16	989	504
Borrowings	17	1,768	945
Total Current Liabilities		2,757	1,449
Non-Current Liabilities			
Borrowings	17	1,998	1,330
Total Non-Current Liabilities		1,998	1,330
TOTAL LIABILITIES		4,755	2,779
Net Assets		7,674	8,491
EQUITY			
Retained Earnings		7,674	8,491
Total Equity		7,674	8,491

The above statement should be read in conjunction with the accompanying notes.

South Australian Commission for Catholic Schools Inc.

Education Asset Fund

Statement of Changes in Equity

For the year ended 31 December 2022

	Total Equity
	\$'000s
Balance as at 1 January 2021	11,793
Surplus/(Deficit) for the year	(1,023)
Transactions with Adelaide Archdiocese	(2,279)
Balance as at 31 December 2021	<u>8,491</u>
Balance as at 1 January 2022	8,491
Surplus/(Deficit) for the year	(817)
Balance as at 31 December 2022	<u>7,674</u>

The above statement should be read in conjunction with the accompanying notes.

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Statement of Cashflows
For the year ended 31 December 2022

	Note	2022 \$'000s	2021 \$'000s
Cash Flows from Operating Activities			
Receipts from Customers		2,018	2,140
Intercompany Loan Settlements / (Disbursements)		1,811	(1,811)
Interest Received		41	23
Interest Paid		(80)	(45)
Payments to Suppliers, Employees and Others		(2,132)	(2,189)
Net GST (paid)/refunded		197	165
Net Cash Flows from Operating Activities	19	1,855	(1,717)
Cash Flows from Investing Activities			
Proceeds from Sale of Fixed Assets		1,200	1,249
Payments for Fixed Assets and Intangible Assets		(2,094)	(1,900)
Net Cash from/(used in) Investing Activities		(894)	(651)
Cash Flows from Financing Activities			
Proceeds from Borrowings		3,140	2,700
Proceeds from Borrowings/(Repayments of Borrowings)		(1,649)	(2,354)
Transfers to Adelaide Archdiocese		-	(2,279)
Net Cash from/(used in) Financing Activities		1,491	(1,933)
Net Increase/(Decrease) in Cash Held		2,452	(4,301)
Cash on hand at beginning of the financial year		4,031	8,332
Cash on hand at the end of the Year	12	6,483	4,031

The above statement should be read in conjunction with the accompanying notes.

South Australian Commission for Catholic Schools Inc. Education Asset Fund

Notes to and forming part of the Financial Statements

For the year ended 31 December 2022

1 Reporting Entity

The Committee of the South Australian Commission for Catholic Schools Inc. (SACCS Inc.) administers the activities of the SAACS Education Asset Fund ('the Fund').

The primary objective of the Fund is to fund certain assets managed by the Catholic Education Office for use by Catholic Schools and SACCS programs.

In the opinion of the Committee the Fund is not a reporting entity nor publicly accountable as there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy all of their information needs. Accordingly, the 'special purposed financial report' has been prepared to satisfy specifically the information needs of the Committee of SACCS Inc. (the Committee).

2 Basis of Preparation

a) Basis of Accounting

These special purpose financial statements have been prepared in accordance with the recognition, measurement and classification criteria of all applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB).

This includes the minimum disclosure requirements of the following AASBs, and any additional disclosures considered best practice by the Commission:

- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 1048 *Interpretation of Standards*
- AASB 1054 *Australian Additional Disclosures*

b) Basis of Measurement

This special purpose financial report has been prepared on an accrual and historical cost basis. Cost based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

3 Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

a) Income Tax

SACCS Inc. is a registered charity which is endorsed by the Australian Taxation Office for Income Tax Exemption under Division 50-5 of the Income Tax Assessment Act 1997 (Cth). The SACCS Education Asset Fund is an account administered by SACCS Inc.

b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- i. where the amount of goods and services tax (GST) incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

c) Revenue

Levies, Fees and Rendering of Services

Where it has been determined that an enforceable contract with a customer with sufficiently specific performance obligations exists, revenue is recognised over time as the performance obligations are met. Otherwise, revenue is recognised on receipt.

If an amount is received in advance of completion of the performance of obligations, a revenue in advance liability is recognised and reduced as performance obligations are met.

d) Cash

Cash comprises of at call deposits held with the Catholic Development Fund - Adelaide.

e) Financial Assets

Trade and Other Receivables

Trade and Other Receivables are measured at amortised cost less impairment.

f) Relocatable Buildings

Relocatable buildings and improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on buildings and improvements. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. The estimated useful life used in the calculation of depreciation on Relocatable Buildings and Improvements for the current and comparative period is 10 - 20 years.

g) Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is differed, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation for the current and comparative period are:

Computer equipment	3 - 5 years
Office equipment	3 - 5 years
Motor vehicles	5 years

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

h) Intangibles

Intangibles are stated at cost less accumulated amortisation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Amortisation is provided on Intangibles. Amortisation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and amortisation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of amortisation for the current and comparative period are:

Computer software	3 - 5 years
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i) Impairment

At each reporting date, the carrying amounts of its tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

j) Trade and Other Payables

Trade and Other Payables are recognised when the Fund becomes obliged to make future payments resulting from the purchase of goods and services.

k) Financial Liabilities

Financial Liabilities, including borrowings, are initially measured at fair values, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

4 Changes in Accounting Policies

There have been no significant changes in accounting policies adopted by the Education Asset Fund in the current reporting period.

5 Comparative information

Where necessary, comparative figures have been adjusted to confirm with changes in presentation in the current year.

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

	2022	2021
	\$'000s	\$'000s
6 Rental Income		
Equipment Lease	939	1,144
Fixed Asset Rental	309	232
Room Hire	752	647
Total Rental Income	2,000	2,023
7 Net Gain/(Loss) from Disposal of Non-Current and Other Assets		
Proceeds from disposal	1,200	1,249
Less: Net book value of assets disposed	(594)	(761)
Total Net Gain/(Loss) from Disposal of Non-Current and Other Assets	606	488
8 Employee Benefits Expense		
Annual leave	-	(12)
Long service leave levy	-	(1)
Salaries	-	33
Total Employee Benefits Expense	-	20
9 Supplies and Services		
General administration expense	113	215
Information technology	1,352	1,349
Insurance	202	185
Repairs and maintenance	81	218
Vehicles	115	94
Total Supplies and Services	1,863	2,061

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

	2022 \$'000s	2021 \$'000s
10 Depreciation		
Site improvements	202	198
Plant and equipment	4	19
Motor vehicles	1,075	1,028
Total Depreciation	1,281	1,245

11 Remuneration of Auditors

Audit of financial statements	7	6
Total Remuneration of Auditors	7	6

12 Cash and Cash Equivalents

Cash at bank	6,483	4,031
Total Cash and Cash Equivalents	6,483	4,031

The Education Asset Fund cash at bank is held with the Catholic Development Fund - Adelaide.

13 Trade and Other Receivables

Current		
Trade receivables	26	5
SA Commission for Catholic Schools Inc.	153	122
Education Capital Fund	-	1,811
GST receivable (net)	2	10
Other receivables	135	194
Total Trade and Other Receivables	316	2,142

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

	2022 \$'000s	2021 \$'000s
14 Property, Plant and Equipment		
Buildings and Improvements		
Buildings at cost	3,864	4,371
Site improvements at cost	487	348
Accumulated depreciation	(3,592)	(3,871)
	<u>759</u>	<u>848</u>
Plant and Equipment		
At cost	735	2,863
Accumulated depreciation	(733)	(2,857)
	<u>2</u>	<u>6</u>
Motor Vehicles		
At cost	6,333	5,075
Accumulated depreciation	(2,045)	(1,833)
	<u>4,288</u>	<u>3,242</u>
Work in Progress	12	742
Total Property, Plant and Equipment	<u>5,061</u>	<u>4,838</u>

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Work in Progress	Buildings and Improvements	Plant and Equipment	Motor Vehicles	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Opening balance	742	848	6	3,242	4,838
Additions at cost	14	168	—	2,660	2,842
Disposals	—	(55)	—	(539)	(594)
Assets written off	(192)	—	—	—	(192)
Transfers to intangibles	(552)	—	—	—	(552)
Depreciation	—	(202)	(4)	(1,075)	(1,281)
Closing balance	<u>12</u>	<u>759</u>	<u>2</u>	<u>4,288</u>	<u>5,061</u>

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

	2022 \$'000s	2021 \$'000s
15 Intangibles		
Software		
At cost	3,865	7,796
Accumulated amortisation	(3,296)	(7,537)
Total Intangibles	569	259

Movements in carrying amounts for each class of intangible asset between the beginning and the end of the current financial year:

	Computer Software \$'000s
Opening balance	259
Transfers from Work in Progress	—
Amortisation	(242)
Closing balance	17

	2022 \$'000s	2021 \$'000s
16 Trade and Other Payables		
Trade payables	182	5
Accrued expenses	768	453
Catholic Education Office	39	46
Total Trade and Other Payables	989	504

17 Borrowings		
Current		
Loans	1,768	945
	1,768	945
Non-Current		
Loans	1,998	1,330
	1,998	1,330
Total Borrowings	3,766	2,275

18 Commitments for Expenditure

As at 31 December 2022 the Fund has no commitments for expenditure.

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

	2022 \$'000s	2021 \$'000s
19 Cash Flows from Operating Activities		
Surplus/(Deficit) for the year	(817)	(1,023)
Add/Less Non Cash Items and Cash from Investing or Financing Activities:		
(Gain)/loss on sale of fixed assets	(606)	(488)
Depreciation and amortisation expense of non-current assets	1,523	1,431
Accrued motor vehicle purchases	(748)	-
Write-off of cloud based IT WIP	192	-
	<u>361</u>	<u>943</u>
Movements in Assets and Liabilities:		
(Increase)/decrease in receivables	1,826	(1,698)
Increase/(decrease) in payables	485	81
Increase/(decrease) in provisions	-	(20)
	<u>2,311</u>	<u>(1,637)</u>
Net Cash Flows from Operating Activities	<u><u>1,855</u></u>	<u><u>(1,717)</u></u>

20 Financial Instruments

2022	Due < 1 year \$'000s	Due > 1 year < 5 years \$'000s	Due > 5 years \$'000s	Total contractual cash flows \$'000s	Carrying values \$'000s
Financial assets					
Cash and cash equivalents	6,483	-	-	6,483	6,483
Trade and other receivables	316	-	-	316	316
Total	<u>6,799</u>	<u>-</u>	<u>-</u>	<u>6,799</u>	<u>6,799</u>
Financial liabilities					
Payables	989	-	-	989	989
Borrowings	1,768	1,998	-	3,766	3,766
Total	<u>2,757</u>	<u>1,998</u>	<u>-</u>	<u>4,755</u>	<u>4,755</u>

South Australian Commission for Catholic Schools Inc.
Education Asset Fund
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

2021	Due < 1 year	Due > 1 year < 5 years	Due > 5 years	Total contractual cash flows	Carrying values
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Financial assets					
Cash and cash equivalents	4,031	-	-	4,031	4,031
Trade and other receivables	2,142	-	-	2,142	2,142
Total	6,173	-	-	6,173	6,173
Financial liabilities					
Payables	504	-	-	504	504
Borrowings	945	1,330	-	2,275	2,275
Total	1,449	1,330	-	2,779	2,779

21 Related Party Disclosures

The Key Management Personnel of the Association include the Chairperson of SACCS and other residing members of the Committees, Directors and Assistant Directors who have the responsibility for the strategic direction and management of the Association. The Chairperson is the only Committee member paid a remuneration.

The below discloses 100% of the remuneration paid however they do not spend that allocation on the Association alone but also across the other funds administered by SACCS Inc. In all, 9 (2021: 11 persons were paid the following total compensation:

	2022	2021
	\$'000s	\$'000s
Salaries, allowances & other short term benefits	3,051	3,146
Total	3,051	3,146

22 Subsequent Events

Subsequent to balance date, there have been no events which would have a material effect on the Association's financial statements as at 31 December 2022 or in future years.



Independent Auditor's Report

To the Committee members of the South Australian Commission for Catholic Schools Inc.

Opinion

We have audited the **Financial Report** of Education Asset Fund (the Fund).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Fund as at 31 December 2022, and of its financial performance for the year then ended, in accordance with the basis of preparation described in Notes 1, 2 and 3 to the financial statements.

The **Financial Report** comprise:

- Statement of financial position as at 31 December 2022;
- Statement of Income and Expenditure, Statement of changes in equity, and Statement of cashflows for the year then ended; and
- Notes including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Fund in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the **Financial Report** in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to Notes 1, 2 and 3 to the Financial Report, which describes the basis of preparation.

The Financial Report has been prepared to satisfy information needs of the Committee of the South Australian Commission for Catholic Schools Inc. (SACCS).

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the *Committee of SACCS* and should not be used by or distributed to parties other than the *Committee of SACCS*. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the Committee of SACCS or for any other purpose than that for which it was prepared.



Other Information

Other Information is financial and non-financial information in the Fund's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Management of SACCS are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of Management of SACCS for the Financial Report

Management of SACCS are responsible for:

- the preparation and fair presentation of the Financial Report and have determined that the basis of preparation described in Notes 1, 2 and 3 to the Financial Report is appropriate to meet the information needs of the Committee of SACCS for the purpose of administering the Fund;
- implementing necessary internal control to enable the preparation of Financial Report that is free from material misstatement, whether due to fraud or error; and
- assessing the Fund's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.



Adelaide

30 May 2023