

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

Education Capital Fund

Special Purpose Financial Report
for the Year Ended 31 December 2022

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

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**South Australian Commission for Catholic Schools Inc.
Education Capital 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 Capital Fund (the Fund) is not a reporting entity nor publicly accountable;
 - (b) the financial statements and notes, set out on pages 2 to 10:
 - (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 Note 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 Capital Fund
Statement of Income and Expenditure
For the year ended 31 December 2022

	Note	2022 \$'000s	2021 \$'000s
Income			
Levies and Fees Income	6	21,275	15,636
Interest Income		6	29
Total Income		21,281	15,665
Expenses			
Grants Distributed	7	8,554	29,720
Supplies and Services		19	6
Interest Expense		39	97
Total Expenses		8,612	29,823
Total Surplus/(Deficit) for the year		12,669	(14,158)

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

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

	Note	2022 \$'000s	2021 \$'000s
ASSETS			
Current Assets			
Cash and Cash Equivalents	9	11,517	1,027
Trade and Other Receivables	10	646	204
Total Current Assets		12,163	1,231
Non-Current Assets			
Trade and Other Receivables	10	37	52
Total Non-Current Assets		37	52
TOTAL ASSETS		12,200	1,283
LIABILITIES			
Current Liabilities			
Trade and Other Payables	11	65	6
Borrowings	12	-	1,811
Total Liabilities		65	1,817
Net Assets		12,135	(534)
EQUITY			
Retained Earnings / (Accumulated Losses)		12,135	(534)
Total Equity		12,135	(534)

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

South Australian Commission for Catholic Schools Inc.
Education Capital Fund
Statement of Changes in Equity
For the year ended 31 December 2022

	Total Equity
	\$'000s
Balance as at 1 January 2021	13,624
Surplus/(Deficit) for the year	<u>(14,158)</u>
Balance as at 31 December 2021	<u>(534)</u>
Balance as at 1 January 2022	(534)
Surplus/(Deficit) for the year	<u>12,669</u>
Balance as at 31 December 2022	<u>12,135</u>

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

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

	Note	2022 \$'000s	2021 \$'000s
Cash Flows from Operating Activities			
Receipts from Customers		20,848	17,088
Interest Received		6	29
Interest Paid		(39)	(86)
Payments to Suppliers, Employees and Others		(228)	(1,262)
Grant Payments		(8,554)	(29,720)
Net GST (paid)/refunded		268	1,256
Net Cash Flows from Operating Activities	14	12,301	(12,695)
Cash Flows from Financing Activities			
Proceeds from Borrowings		-	17,400
Repayments of Borrowings		(1,811)	(15,600)
Net Cash from/(used in) Financing Activities		(1,811)	1,800
Net Increase/(Decrease) in Cash Held		10,490	(10,895)
Cash on hand at beginning of the financial year		1,027	11,922
Cash on hand at the end of the Year	9	11,517	1,027

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

South Australian Commission for Catholic Schools Inc.
Education Capital 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 Capital Fund ('the Fund').

The primary objective of the Fund is to provide strategic capital funding for Catholic Schools in South Australia.

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

This special purpose financial report has been prepared in accordance with the recognition, measurement and classification aspects 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

These special purpose financial statements have 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 statements.

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 Capital 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 Capital 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 received is 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 and Cash Equivalents

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) 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 Capital Fund in the current reporting period.

5 Comparative information

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

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

	2022 \$'000s	2021 \$'000s
6 Levies and Fees Income		
Levy Income	21,275	15,636
Total Levies and Fees Income	21,275	15,636
7 Grants Distributed		
Grants to schools	8,554	29,720
Total Grants Distributed	8,554	29,720
8 Remuneration of Auditors		
Audit of financial statements	7	6
Total Remuneration of Auditors	7	6
9 Cash and Cash Equivalents		
Cash at bank	11,517	1,027
Total Cash and Cash Equivalents	11,517	1,027
The Education Capital Fund cash at bank is held with the Catholic Development Fund - Adelaide.		
10 Trade and Other Receivables		
Current		
Receivables owing by schools	32	188
GST receivable (net)	229	-
Other receivables	385	16
	646	204
Non-Current		
Receivables owing by schools	37	52
	37	52
Total Trade and Other Receivables	683	256
11 Trade and Other Payables		
Trade payables	58	-
Accrued expenses	7	6
Total Trade and Other Payables	65	6

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

	2022 \$'000s	2021 \$'000s
12 Borrowings		
Current		
Loans	-	1,811
Total Current Borrowings	<u>-</u>	<u>1,811</u>
13 Commitments for Expenditure		
As at 31 December 2022 the Fund has no commitments for expenditure.		
14 Cash Flows from Operating Activities		
Surplus/(Deficit) for the year	12,669	(14,158)
Add/Less Non Cash Items		
Non-cash interest expense	-	11
	<u>-</u>	<u>11</u>
Movements in Assets and Liabilities:		
(Increase)/decrease in receivables	(427)	1,452
Increase/(decrease) in payables	59	-
	<u>(368)</u>	<u>1,452</u>
Net Cash Flows from Operating Activities	<u><u>12,301</u></u>	<u><u>(12,695)</u></u>

15 Financial Instruments

2022	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	11,517	-	-	11,517	11,517
Trade and other receivables	646	37	-	683	683
Total	<u>12,163</u>	<u>37</u>	<u>-</u>	<u>12,200</u>	<u>12,200</u>
Financial liabilities					
Trade and other payables	65	-	-	65	65
Borrowings	-	-	-	-	-
Total	<u>65</u>	<u>-</u>	<u>-</u>	<u>65</u>	<u>65</u>

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

	Due < 1 year	Due > 1 year < 5 years	Due > 5 years	Total contractual cash flows	Carrying values
2021	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Financial assets					
Cash and cash equivalents	1,027	-	-	1,027	1,027
Trade and other receivables	204	52	-	256	256
Total	1,231	52	-	1,283	1,283
Financial liabilities					
Payables	6	-	-	6	6
Borrowings	1,811	-	-	1,811	1,811
Total	1,817	-	-	1,817	1,817

16 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
Salaries, allowances & other short term benefits	3,051	3,146
Total	3,051	3,146

The current year includes payment of outstanding employee entitlements on cessation of employment.

17 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 Capital 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