

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

Special Purpose Financial Report

for the Year Ended 31 December 2022

South Australian Commission for Catholic Schools Inc.
For the Financial Year Ended 31 December 2022

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South Australian Commission for Catholic Schools Inc. Committee Declaration

In the opinion of the Committee of the South Australian Commission for Catholic Schools Inc:

1. The accompanying financial statements are prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and Associations Incorporation Act 1985, including:
 - (i) giving a true and fair view in all material aspects the financial position of the South Australian Commission for Catholic Schools Inc. (the Commission) as at 31 December 2022 and of its financial performance, as represented by the results of its operations for the year ended on that date in accordance with the statement of compliance and basis of preparation described in Note 2; and
 - (ii) complying with Australian Accounting Standards to the extent described in Notes 1-3, and the Australian Charities and Not-for-profits Commission Act 2012.
2. The Commission has complied with its Constitution and Rules.
3. The Commission is not publicly accountable nor a reporting entity.
4. There are reasonable grounds to believe that the Commission will be able to pay its debts as and when they fall due.

During the financial year:

- (a)
 - (i) no officer of the Commission; or
 - (ii) a firm of which the officer is a member; or
 - (iii) a corporate body in which the officer has a substantial financial interest;

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or corporate body and the Commission;

- (b) no officer of the Commission has received or become entitled to receive directly or indirectly from the Commission any payment or other benefit of a pecuniary value other than remuneration to Commission members determined in accordance with general market conditions.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013* and 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.**Statement of Income and Expenditure***For the year ended 31 December 2022*

	Note	2022 \$'000s	2021 \$'000s
Income			
Grant Revenue	6	43,854	35,233
Levies and Fees Income	7	651	617
Recoveries		1,374	1,237
Interest Income		25	68
Other Income	8	217	519
Total Income		46,121	37,674
Expenses			
CEO Administration		23,060	17,007
Employee Benefits	9	11,871	11,970
Supplies and Services	10	10,088	7,905
Grants Distributed	11	1,102	792
Total Expenses		46,121	37,674
Total Surplus for the year		-	-

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

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

	Note	2022 \$'000s	2021 \$'000s
ASSETS			
Current Assets			
Cash and Cash Equivalents	13	33,360	30,954
Trade and Other Receivables	14	2,162	3,172
Total Current Assets		35,522	34,126
Non-Current Assets			
Trade and Other Receivables	14	127	135
Total Current Assets		127	135
TOTAL ASSETS		35,649	34,261
LIABILITIES			
Current Liabilities			
Trade and Other Payables	15	7,178	6,190
Provisions	16	28,344	22,013
Revenue in Advance	17	-	5,923
Total Current Liabilities		35,522	34,126
Non-Current Liabilities			
Provisions	16	127	135
Total Non-Current Liabilities		127	135
TOTAL LIABILITIES		35,649	34,261
Net Assets		-	-
EQUITY			
Retained Earnings		-	-
Total Equity		-	-

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

Statement of Changes in Equity
For the year ended 31 December 2022

The Commission does not have any issued capital, equity reserves or retained earnings. As such no item of changes in equity have been presented for the current or comparative year.

South Australian Commission for Catholic Schools Inc.

Statement of Cashflows

For the year ended 31 December 2022

	Note	2022 \$'000s	2021 \$'000s
Cash Flows from Operating Activities			
Receipts from Customers		1,661	566
Receipts from Grants		865,138	779,836
Receipts from Other Revenue		1,583	1,553
Interest Received		25	68
Payments to Suppliers, Employees and Others		(38,723)	(41,409)
Grant Payments		(749,020)	(668,515)
Net GST (paid)/refunded		(78,258)	(69,423)
Net Cash Flows from Operating Activities	19	2,406	2,676
Net Increase/(Decrease) in Cash and Cash Equivalents		2,406	2,676
Cash and Cash Equivalents on hand at beginning of the financial year		30,954	28,278
Cash and Cash Equivalents at the end of the Year	13	33,360	30,954

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

South Australian Commission for Catholic Schools Inc.
Notes to and forming part of the Financial Statements
For the year ended 31 December 2022

1 Reporting Entity

The South Australian Commission for Catholic Schools Inc. ("the Commission") is an incorporated association and operating in South Australia, Australia. The Commission establishes policy for Catholic Education in South Australia and acts as the funding body for 96 Catholic Schools in South Australia.

The principal place of business and registered office of the Commission is:

Catholic Education Office
116 George Street
THEBARTON SA 5031

Catholic Education Office provides the employees to render services to the Commission.

In the opinion of the Commissioners, the Commission is not a publicly accountable nor a reporting entity 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. The Commission is a not-for-profit entity.

2 Basis of Preparation

Financial Reporting Framework

a) Basis of Accounting

These special purpose financial statements have been prepared to satisfy the Commission's statutory financial reporting obligations in accordance with the requirements of the Associations Incorporation Act 1985 and the Australian Charities and Not-for-profits Commission Act 2012 and 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

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.

c) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Commission's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

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

3 Significant Accounting Policies

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

a) Income Tax

The Commission 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).

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

c) Revenue

Grant Income

Where it has been determined that the grant agreement is enforceable and sufficiently specific performance obligations exist, revenue is recognised over time as the performance obligation is 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.

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 in profit and loss as 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) Trade and Other Payables

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

Employees are provided by the Catholic Education Office to render services to the Commission in order for the organisation to fulfil its obligations of services to the Catholic Education Sector.

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

g) Provisions

The employee annual leave benefits are recognised as a current liability in the accounts of the Commission as they are expected to be settled within a period of one year. An annual Long Service Leave levy is paid to the SACCS Long Service Leave Fund to cover the Long Service Leave obligation for employees provided by the Catholic Education Office.

4 Changes in Accounting Policies

There have been no significant changes in accounting policies adopted by SACCS Inc. 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.
Notes to and forming part of the Financial Statements (cont.)
For the year ended 31 December 2022

	2022 \$'000s	2021 \$'000s
6 Grant Revenue		
Federal Government	43,297	34,886
Block Grant Authority	202	180
State Govt Capital	355	167
Total Grant Revenue	43,854	35,233
7 Levies and Fees Income		
Levy Income	651	617
Total Levies and Fees Income	651	617
8 Other Income		
Sponsorship and donations	14	22
Other fees and charges	197	284
Sundry	6	213
Total Other Income	217	519
9 Employee Benefits Expense		
Annual leave	143	(99)
Long service leave levy	111	238
Parental leave levy	80	79
Salaries	10,408	10,707
Superannuation	977	893
Workcover	152	152
Total Employee Benefits Expense	11,871	11,970

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

	2022 \$'000s	2021 \$'000s
10 Supplies and Services		
Communications	397	506
Community and education program expense	922	747
Consultants	3,245	2,484
Equipment rental	309	232
General administration expense	546	849
Information technology	3,300	1,564
Insurance	130	140
Meetings and conferences	711	857
Repairs and maintenance	221	33
Training and development	158	415
Travel and accommodation	149	78
Total Supplies and Services	10,088	7,905
11 Grants Distributed		
Salary support	629	709
Student support and scholarships	171	83
Other grants	302	-
Total Grants Distributed	1,102	792
12 Remuneration of Auditors		
Audit of financial statements	64	57
Government grant acquittals	30	28
Total Remuneration of Auditors	94	85

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

	2022	2021
	\$'000s	\$'000s
13 Cash and Cash Equivalents		
Cash at bank	33,360	30,954
Total Cash and Cash Equivalents	33,360	30,954

The Commission's funds are held with the Catholic Development Fund - Adelaide.

14 Trade and Other Receivables

Current

Trade receivables	77	507
Prepayments	98	114
Receivables from LSL Fund	41	35
Catholic Education Office	-	191
Long service leave receivable	1,643	1,762
Loans receivable	-	268
Other receivables	303	295
	2,162	3,172

Non-Current

Long service leave receivable	127	135
	127	135

Total Trade and Other Receivables

2,289	3,307
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15 Trade and Other Payables

Trade payables	482	251
Accrued expenses	319	392
Block Grant Authority	553	377
Education assets fund	152	122
Catholic Education Office	18	-
Targeted programs	6	11
GST payable (net)	5,648	5,037
Total Trade and Other Payables	7,178	6,190

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

	2022 \$'000s	2021 \$'000s
16 Provisions		
Current		
Annual leave	794	760
Long service leave	1,643	1,762
Grants to be distributed	25,737	19,202
Long service leave - impairment	170	289
	<u>28,344</u>	<u>22,013</u>
Non-Current		
Long service leave	127	135
	<u>127</u>	<u>135</u>
Total Provisions	<u>28,471</u>	<u>22,148</u>
 17 Revenue in Advance		
State Govt Capital	-	5,923
Total Revenue in Advance	<u>-</u>	<u>5,923</u>
 18 Commitments for Expenditure		
During 2022, SACCs Inc committed to incurring expenditure under its Non-Government Reform Program for \$454k in 2023.		
SACCs Inc has entered contracts with various educational institutions to deliver a range of reform initiatives in line with the funding agreement. All contractual obligations are expected to be fulfilled in 2023.		
 19 Cash Flows from Operating Activities		
Surplus/(Deficit) for the year	-	-
Add/Less Non Cash Items and Cash from Investing or Financing Activities:		
Movement in provisions	6,323	(2,885)
	<u>6,323</u>	<u>(2,885)</u>
Movements in Assets and Liabilities:		
(Increase)/decrease in receivables	1,018	(209)
Increase/(decrease) in payables	988	(153)
Increase/(decrease) in revenue in advance	(5,923)	5,923
	<u>(3,917)</u>	<u>5,561</u>
Net Cash Flows from Operating Activities	<u>2,406</u>	<u>2,676</u>

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

20 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	33,360	-	-	33,360	33,360
Trade and other receivables	2,162	127	-	2,289	2,289
Total	35,522	127	-	35,649	35,649
Financial liabilities					
Payables	7,178	-	-	7,178	7,178
Total	7,178	-	-	7,178	7,178
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	30,954	-	-	30,954	30,954
Trade and other receivables	3,172	135	-	3,307	3,307
Total	34,126	135	-	34,261	34,261
Financial liabilities					
Payables	6,190	-	-	6,190	6,190
Total	6,190	-	-	6,190	6,190

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

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

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

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.

23 Structured Entities

The Commission administers the following structured fund accounts for the benefit of Catholic Education in South Australia:

- Long Service Leave Fund
- Paid Parenting Leave Fund
- Education Capital Fund
- Education Assets Fund

The activities of these structured funds operate under their respective charters for the benefit of Catholic Education in South Australia. The Commission does not control these funds.



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 the South Australian Commission for Catholic Schools Inc. (the Association).

In our opinion, the accompanying Financial Report of the Association is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Association's financial position as at 31 December 2022, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards* to the extent described in Note 1,2 and 3 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNCR)*.

The **Financial Report** comprises:

- i. Statement of financial position as at 31 December 2022.
- ii. Statement of Income and Expenditure, Statement of Changes in Equity, and Statement of Cashflows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Committee Declaration of the Association.

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 Association in accordance with the auditor independence requirements of the *ACNC Act 2012* and 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.

We confirm that the independence declaration required by the *ACNC Act 2012*, which has been given to the Committee Members of the Association on 23 May 2023, would be in the same terms if given to the Committee members as at the time of this Auditor's Report.

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

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

The Financial Report has been prepared for the purpose of fulfilling the Association's Committee Members' financial reporting responsibilities under the *ACNC Act 2012*. 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 members of the Association and ACNC and should not be used by any other party. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Financial Report to which it relates to any person other than the members of the Association and ACNC.



Other Information

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

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. 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 the Association's Management for the Financial Report

The Association's Management are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC and ACNCR
- ii. Determining that the basis of preparation described in Notes 1, 2 and 3 to the Financial Report is appropriate to meet the requirements of the ACNC. The basis of preparation is also appropriate to meet the needs of the members.
- iii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iv. Assessing the Association'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 Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 this Financial Report.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.



We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Association's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Association's Committee Members.
- iv. Conclude on the appropriateness of the Association's Committee Members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Association to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Association's Committee members of the registered Association regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



KPMG



Neil Ediriweera
Partner

Adelaide

30 May 2023



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

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

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.


KPMG



Neil Ediriweera
Partner

Adelaide

23 May 2023