



Pictured: St John the Evangelist Catholic School - Otara

AUCKLAND COMMON FUND LIMITED

2022 ANNUAL REPORT

Mō tā tou, ā,
mō ngā uri ā muri ake

For us, and our
children after us.

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INTRODUCTION FROM THE CHAIR

On behalf of the Board of Auckland Common Fund Ltd (“ACFL”), I am pleased to present this annual report to shareholders, Catholic schools, and all other valued partners and stakeholders in the Diocese of Auckland. ACFL is responsible for the collection of Attendance Dues and to service proprietors’ Common Fund debts and associated costs. It is our aim to use this report to provide you an overview of the company for the year ending 31 December 2022.

2022 was a very significant year for Catholic Education in general as the longstanding national debt servicing scheme was wound up and new schemes were implemented following an extensive multi-year review. *Te Puna Tamata* (a Policy 1 pooling scheme) and *Te Puna Waihanga* (a debt servicing scheme) are designed to enable the next generation of proprietor needs for Catholic Schools here in the Catholic Diocese of Auckland and beyond.

With the new national schemes coming into operation on 1 January 2023, ACFL is changing to meet the demands of proprietors. Auckland proprietors commenced dialogue on this in 2022 I am pleased to advise we have reached agreement to retain our stable regional common good structure.

ACFL reported strong collection rates of 99% in 2022. We provided \$142,310 in hardship support through the Financial Assistance Scheme and \$163,053 in school collection costs. We funded attendance dues at *Hato Hohepa*, our small but vital education mission in the far north. ACFL assisted 679 students in need of financial help at a range of schools. Our work is enabled through good communication and cooperation with Principals, Proprietors, Proprietor Representatives, Board of Trustee Chairs, Administrators – thank you again for your support.

Major projects were initiated across the Diocese in 2022 and those relevant to ACFL include breaking ground on St Ignatius College Drury and St Dominic’s College Henderson. We face extraordinary inflation in costs across the economy and these issues required careful management when undertaking school projects.

ACFL is delighted to serve and support the leadership of our new Bishop, Steve Lowe, the Twelfth Bishop of Auckland. In 2023, we celebrate 175 years since the creation of the Catholic Diocese of Auckland. We go into the future in the sure hope that young people can continue to flourish in our schools through exceptional education and an encounter and growth in relationship with Jesus Christ and His Church.

Finally, I acknowledge here the death of Geoff Ricketts in March 2023. Geoff leaves a generous legacy of service and his contribution to Catholic education was remarkable.

James van Schie
Chair



COMPANY DATA

Incorporation

The Auckland Common Fund Ltd was incorporated under the Companies Act 1993 on 12 November 2002.

Shareholders

Roman Catholic Bishop of the Diocese of Auckland
– four shares

Carmel College Auckland Ltd and St Mary's College
Auckland Ltd – one share

Marcellin College Ltd, Sacred Heart College Ltd and
St Paul's College Auckland Ltd – one share

Baradene College Ltd – one share

Directors

The Constitution provides that the number of directors shall not be less than 3, nor more than 6, provided that there must always be not less than 2 Directors appointed by the Roman Catholic Bishop of the Diocese of Auckland. The Directors, during the period of report, were:

James van Schie (Chair)

Mary Anne Shanahan

Stephen Grey

Terry Carter

Bruce Macdonald

Catherine Ryan

Taxation Status

The activities of the company are carried out exclusively for religious, charitable and educational purposes, and not for the private pecuniary gain of any person. On 22 November 2002 the Inland Revenue Dept confirmed the company's taxation exemption. The company is registered as a charitable entity under the Charities Act 2005.

Company Financial Year

The Company's financial year is January to December and its balance date 31 December.

Meetings

The board of directors met five times throughout 2022 on the following dates:

February 16

April 13 Combined with CESB

June 15

August 17

November 16

Audit Committee

Terry Carter, Bruce Macdonald and Stephen Grey
Directors, comprised the Audit Committee..

Auditors

William Buck Christmas Gouwland Ltd
PO Box 106 090
Auckland 1143

Proprietors

The proprietors of Catholic integrated schools in the Diocese of Auckland are:

Roman Catholic Bishop of Auckland
Baradene College Limited

Carmel College Auckland Limited

St Mary's College Auckland Limited

Marcellin College Limited

St Paul's College Auckland Limited

Sacred Heart College Limited

ADMINISTRATION

The Diocese of Auckland provides staff and resources to support the operation of the Company funded through an agreed annual Service Level Agreement.

The services provided include the following and the scope and fee is reviewed annually.

- Finance department ledger processing, reporting and lodging reports with regulatory bodies
- Budgeting
- Human Resources
- Audit
- Collections Team and Manager
- IT systems and support
- Office rental
- Administration



ATTENDANCE DUES

Attendance dues are statutory-based. Each proprietor is authorised under the Education and Training Act 2020 to charge parents/caregivers for their children to attend a Catholic integrated school.

Annual Attendance Dues (including GST) (\$ per student per annum)

	2018	2019	2020	2021	2022
Primary	430	440	448	452	468
Secondary	845	860	880	888	916

Schools invoice and collect Attendance Dues on behalf of the proprietors and remit them to Auckland Common Fund Ltd.

Attendance Dues collected are directed in majority towards servicing and repaying loans raised to develop new footprint projects in proprietors' schools. The remaining component of Attendance Dues collected is applied to meet the costs of buildings insurance, building compliance, collection and administration.

Attendance Dues Collection Rate

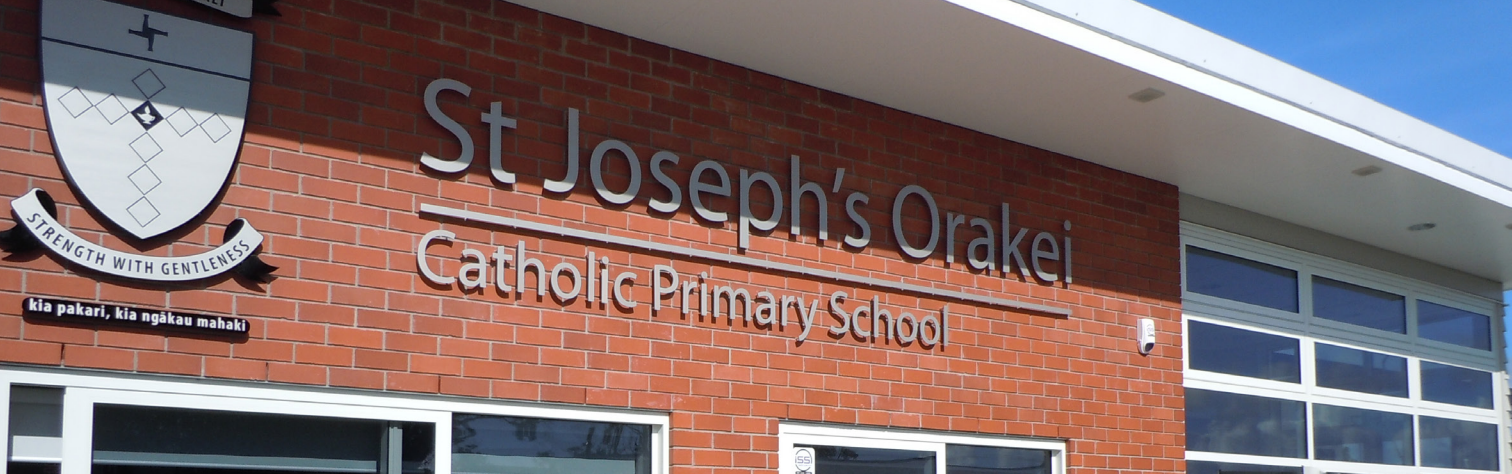
2018	2019	2020	2021	2022
91.4%	94.8%	96.3%	98%	99%

Note: The basis of calculation is based on "current" year receipts only as a percentage of current year invoicing.

Summary of Proprietor Collection Rates

	2019	2020	2021	2022
Roman Catholic Bishop of Auckland	93.9%	95.9%	98%	99%
Baradene College Ltd	100%	100%	100%	100%
Carmel College Auckland Ltd	95.9%	92.1%	96%	100%
St Mary's College Auckland Ltd	96.4%	97.8%	98%	98%
Marcellin College Ltd	85.9%	82.9%	90%	90%
St Paul's College Auckland Ltd	95.6%	98.6%	88%	96%
Sacred Heart College Ltd	100%	99.1%	100%	99%
Total collection rate	94.8%	96.3%	98%	99%

Note: The basis of calculation is based on "current" year receipts only as a percentage of current year invoicing.

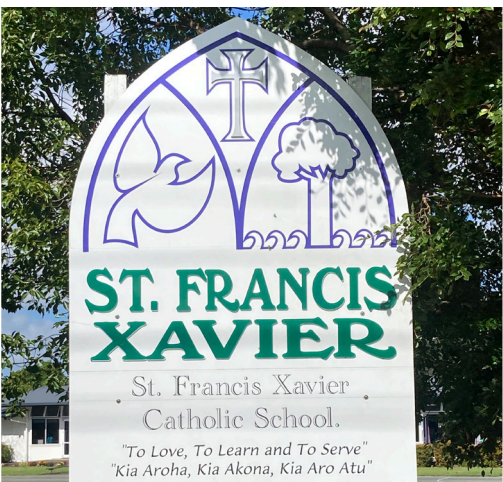


DEBT LEVEL

The current level of all proprietors’ debt requiring servicing at 31 December 2022 throughout the Auckland Diocese is \$78.2m.

Debt

2018	2019	2020	2021	2022
\$83.0m	\$79.4m	\$81.0m	\$78.8m	\$78.2m



FINANCIAL RESULTS

The Financial Statements for the year ended 31 December 2022 have been audited by William Buck Christmas Gouwland Ltd, Auditors, who have provided an unqualified opinion confirming the adequacy of the financial reporting.

Income Statement Summary

	2022	2021
	\$	\$
Total revenue ⁽¹⁾	13,839,000	13,447,000
Expenses		
Property-related costs ⁽²⁾	1,720,000	1,593,000
Grants and sponsorship	167,000	154,000
National levies ⁽³⁾	10,218,000	9,867,000
Other expenses ⁽⁴⁾	748,000	1,145,000
	12,853,000	12,759,000
Surplus:	\$986,000	\$688,000

Notes: (1) Total revenue include attendance dues \$13,724,000, interest income \$115,000; (2) Property related costs include insurance for school buildings \$1,390,000; (3) National Levies include an NZCEO student levy \$224,000, NZCEO national attendance levy for debt servicing \$9,994,000 (4) Other costs include Auckland Diocese services fee \$462,000, Collection costs \$213,000 paid to Debtworks NZ Limited and to schools and a net decrease of doubtful debts \$147,000, bad debts \$181,000, an audit fee \$9,000 and other general costs \$30,000

2022 total revenue was 2.9% higher than the prior year due to the small increase in the annual Attendance Dues charged to students and higher interest received from term deposits.

The overall surplus position for the company was a profit of \$986,000 compared to a surplus last year of \$688,000. The company benefited from high collection rates achieved in 2022 while property related costs including insurance and compliance costs increased by 8%..

FINANCIAL RESULTS (CONTINUED)

Balance Sheet Summary

	2022	2021
	\$	\$
Total assets	6,949,000	6,382,000
Total liabilities	798,000	1,217,000
Net assets	\$6,151,000	\$5,165,000

The single largest assets, at any time, are the value of currently unpaid Attendance Dues (\$1,586,000) and term investments (\$4,121,000).

The Board operates a cash reserving policy as part of its overall risk management policies. The Auckland Common Fund Ltd has significant debt service payment obligations to the national Attendance Dues pool and accordingly the Board requires prudent levels of cash reserves to be held in term investments. The Board formally reviews its reserving policy each year, assessing all the critical risk factors under the current economic environment.

The table below provides a history of the company's net assets balance (equity) over the last five years.

Net Assets

	2018 (\$'000)	2019 (\$'000)	2020 (\$'000)	2021 (\$'000)	2022 (\$'000)
Opening equity	3,176	3,767	3,350	4,477	5,165
Net surplus/(deficit)	591	(417)	1,127	688	986
Closing equity	3,767	3,350	4,477	5,165	6,151

A full set of audited accounts is available from the company's office upon request.



SCHOOLS

The Catholic integrated schools owned by the participating proprietors comprise:

Primary

Christ the King Ōwairaka

Good Shepherd Balmoral

Holy Cross Henderson

Holy Cross Papatoetoe

Holy Trinity Takanini

Marist Herne Bay

Marist Mt Albert

Monte Cecilia Hillsborough

Mt Carmel Meadowbank

Our Lady of the Sacred Heart Epsom

Our Lady Star of the Sea Howick

Pompallier Kaitiāia

Sancta Maria Primary Flat Bush

St Anne's Manurewa

St Dominic's Blockhouse Bay

St Francis Xavier Whangārei

St Francis Pt Chevalier

St Francis Thames

St Ignatius St Heliers

St John the Evangelist Ōtara

St John's Mairangi Bay

St Joseph's Dargaville

St Joseph's Grey Lynn

St Joseph's Onehunga

St Joseph's Ōrākei

St Joseph's Ōtāhuhu

St Joseph's Pukekohe

St Joseph's Takapuna

St Leo's Devonport

St Mark's Pakuranga

St Mary's Avondale

St Mary's Ellerslie

St Mary's Northcote

St Mary's Papakura

St Mary MacKillop Māngere

St Michael's Remuera

St Patrick's Panmure

St Paul's Massey

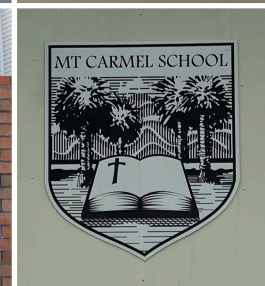
St Pius X Glen Innes

St Therese Three Kings

Stella Maris Silverdale

Te Kura o Hato Hōhepa Te Kāmura Waitaruke





SCHOOLS

Secondary

- Baradene College

Carmel College

De La Salle College

Liston College

McAuley High School

Marcellin College

Marist College

Pompallier College
- Rosmini College

Sacred Heart College

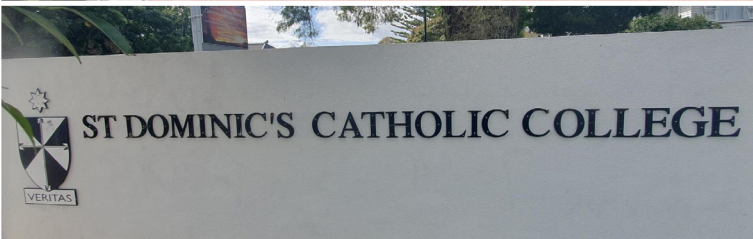
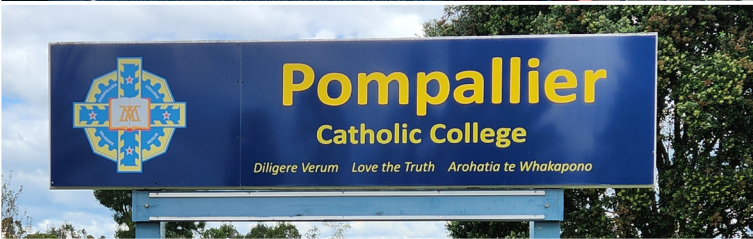
Sancta Maria College

St Dominic's College

St Mary's College

St Paul's College

St Peter's College





Pictured: Carmel College, Milford

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