



*Excellence in Schools
that Make a Difference*

ANNUAL REPORT 2019

New Zealand Catholic Education Office Limited
Te Tari Mātauranga Katorika o Aotearoa



Strategic Priorities





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Chairperson's Report

for the shareholders of New Zealand Catholic Education Office Limited
for the year ended 31 December 2019



Geoffrey Ricketts

It is with pleasure that I report to the shareholders on the work of the New Zealand Catholic Education Office (NZCEO) during 2019.

Each year provides its own challenges for integrated schools. NZCEO has continued to develop its relationship with Government. At the request of the New Zealand Catholic Bishops Conference (NZCBC) we reviewed our attendance dues scheme and along with the Ministry of Education updated the language of the Integration Agreements to reflect the changes that have come about following the 2017 update to the Education Act (the Act) and the 2016 Memorandum of Understanding with the Secretary for Education.

Relationships with Government

During 2019, the CEO worked to establish a regular meeting schedule with Minister Salesa who has a delegated responsibility for state integrated schools. These meetings have been successful in raising our profile with the current government and with raising awareness for issues around teacher training and new schools. The Minister attended the 2019 AGM of the Association of Proprietors of Integrated Schools (APIS) in June and reiterated her support for state integrated schools and the work they do. She also advised that she had managed to reinstate a small portion of Policy Two funding for new classrooms to enable school growth. No Policy Two funding was provided for new schools.

Our greatest challenge came at the end of 2019 when the Government announced an extra \$400 million of funding for school maintenance and excluded state integrated schools from this distribution. A great deal of negotiation has taken place at the end of the year to address the omission of funding to state integrated schools. At the time of writing this remains a matter of

concern for the Proprietors who rightly believe they should be treated as state schools once they have brought the school to state standard. We expect to be able to report more detail on progress to resolve this issue in 2020.

Updating integration agreements

Updating the format for Integration Agreements has been carefully monitored by both the office and Kris Morrison (Partner at Parry Field, Christchurch) as our legal counsel. Initially the Ministry was reluctant to reduce the need for supplementary agreements because the issues they dealt with were not related to the provisions of Part 33 of the Act. On reflection the Ministry saw the value of updating to include all the agreements about Policy One and Quantity Funding. We have agreed that the format contains the legal safeguards necessary to protect Proprietors in the future. NZCEO takes any changes in agreements or legislation as a potential risk to the provisions and intentions included in the original Private School Conditional Integration Act 1975. The Integration Agreements, which are related to the provisions of the Act, are checked thoroughly by our legal team to ensure that they remain loyal to the original agreement and the Act.

Government plans for education

In 2018 the Government began an extensive consultation process to review and change some of the organisational shifts that had occurred with the 1989 legislation introduced with Tomorrow Schools. *The Schooling Futures – stronger together* report, commonly known as the "Haque Report", was released late in 2018. NZCEO responded in 2019. It noted challenges for Proprietors in the appointment of staff, the management of property and the potential for change to transport. Most important was the challenge to Special Character and the potential loss of influence that Proprietors might have if some of the changes were implemented. During 2019 we have waited to see how these changes might be translated into our schooling system. In September, the Ministry released a report entitled *Shaping a Stronger Education System with New Zealanders*. Since then the Minister has released a work plan of changes aligned with the advice he has taken from the extensive national consultation. Much of the report has multi party support for the direction it will take us but no detail around the implementation provisions and the impact they

could have for state integrated schools. As this work is unpacked APIS and NZCEO will continue to monitor and challenge where necessary. Until that detail is shared, we support the high level principles of the plan.

Supporting teacher training for Catholic schools

In 2019 the CEO met with Minister Salesa to raise the issue of the loss of clause 58(2) from the original PSCI Act and the subsequent intention to address this issue in the 2016 Ministry of Education Memorandum of Understanding. He expressed concern at the cost that teachers in training are faced with when undertaking the catechetical studies programme on top of their other courses and the potential risk this barrier places on our ability to provide genuine formation in Special Character. Minister Salesa instructed Ministry of Education staff to prepare a paper of advice on the use of attendance dues to pay for catechetical studies and this advice is the subject of discussion with the Minister and Ministry at present. We have established that the current Government's Fees Free Policy for year one students does provide an entitlement to fund part of the two year course.

The donations policy

A further policy development in education was the Government's provision of funding to decile 1-7 schools in lieu of donations from parents. The policy was accompanied by a tightening of guidelines for requesting donations for any other activity that Board's sought to do. APIS clarified the right of Proprietors to continue to seek donations to fund the cost of Special Character as provided for in the integration legislation and established the right of PTAs and Foundations to continue to seek support as they have done in the past. APIS also noted the potential for state integrated schools to come under closer scrutiny if they breached any of the directions for engaging with parents over the costs of education. NZCEO continues to work with the Ministry to ensure that schools operate within policy and to protect the Proprietors right to seek help with the costs of Special Character.

Managing change

In 2019 the Minister and the Ministry of Education released its National Education Growth Plan for most areas of New Zealand. NZCEO challenged the Ministry on the lack of consultation with this sector in the

development of a schooling network that reflected our partnership. NZCEO noted that the report had areas shown to have a new state integrated school but that no proprietor had been consulted or identified.

Financial review

In 2018 we noted the establishment of a group of experts to review the effectiveness of the National Attendance Dues and Capital Indebtedness Sharing Scheme and to provide advice on whether it remained fit for purpose for the achievement of the Bishops' aspirations for Catholic Schools now and in to the future. In April this year the final report and recommendations were presented to the NZCBC and subsequently to all Proprietors at a meeting in Wellington. This was followed by further meetings with most dioceses to listen to their feedback and to answer questions about how the report recommendations might be implemented.

The *Sustainable Catholic Education in New Zealand* report was aspirational in managing financial pressures experienced by all Proprietors, the cost of insurance, the rising cost of major maintenance, the challenge of end of life buildings as well as ensuring that Common Good remained at the heart of decision making.

Following extensive feedback in which a spread of views was noted, NZCBC directed that the NZCBC Finance Committee and NZCEO Financial Review Panel meet to see if they could develop a set of agreed recommendations that could go to NZCBC. That meeting took place in Auckland in November and a set of advice is being developed for consideration by NZCBC. We expect that more detail will be shared in 2020.

Staffing and NZCEO reorganisation

In October 2019 with the resignation of Carol Coddington and the promotion of Siobhan Dilly to NZCBC, an opportunity was created to carefully redesign positions to meet the strategic targets of NZCEO. From 2020 the office will have a new management structure which is a reorganisation of the existing resource but more focused on our key work. NZCEO will have a Chief Executive Officer, a Chief Financial Officer, Manager Strategy, Policy and Projects and Manager Special Character and Publications. The new organisation will give more direction to the support of Special Character and introduce new functions such as supporting the

continuing registration with Teachers Council of teachers employed as advisers in our Catholic offices.

Growth in Catholic State Integrated schools

NZCEO continued to analyse new data during 2019 which showed the development of our networks and the pressure some diocese have come under to provide access to Catholic schooling. It is with pleasure we note the future addition of two new schools to the Catholic network. The Minister of Education has entered into negotiation with the Auckland and Hamilton Dioceses to build a new secondary school at Drury, South Auckland and a new primary school at Papamoa, Tauranga. NZCEO is delighted to see these new additions to the schooling provision for Catholic students in New Zealand. We acknowledge the advocacy of Minister Salesa in helping to move these decisions forward.

The recruitment of teachers to Catholic schools and the support of those teachers already in the system with respect to religious education qualifications remain key pieces of work for NZCEO. The office has provided scholarships to a total of 30 teachers to engage in the Australia Catholic University Graduate Diploma and looks forward to the amalgamation of The Catholic Institute and Good Shepherd College as an agency for providing more opportunities for formation. It is pleasing to note the progress made with Bethlehem College in providing some support for the preparation of teachers with a direct focus on teaching in a Catholic state integrated school.

A focus on special character

The Catholic Special Character Review Committee continues to meet twice a year. In July a second one day meeting was added to the schedule to provide support to the reviewers. Outside facilitation helped provide a productive day for reviewers. NZCEO acknowledges that there is work to do to complete the review circle by sharing best practice across New Zealand in a more timely manner.

Celebrating success

Our Catholic schools continue to gain recognition. Success in public examinations for Catholic secondary schools confirms the commitment to excellence. Schools continue to win accolades and in 2019 Holy Family School, Porirua, won a Prime Minister's Education Excellence Award for "Excellence in Engaging". This is a very important acknowledgement of the work our network does for our Pacific and Maori students. There is much to be proud of in our schools and in the work being done as we continue on our journey of excellence.

As Chairperson I extend my sincere gratitude to my fellow Board members and to Paul Ferris and his team. Together they bring wide experience and expertise to their roles to ensure our nation's Catholic schools deliver the authentic, quality education which our Bishops, other Proprietors and the Church community legitimately expect.



Geoffrey Ricketts

*Chairperson
NZCEO*



CEO's Report

on the outputs of the Office, arising from the Strategic Plan



Paul Ferris

Introduction

This report covers the work that was the focus of our Strategic Plan in 2019. While some of this work is specifically related to Catholic schools, it is important to note that NZCEO has responsibility with government for the

Association of Proprietors of Integrated Schools (APIS), and much work is done for the whole state integrated school sector. This is important to our mission.

During 2019 significant staff changes arising from transfers and resignations resulted in a refocus of several strategic outcomes while we worked through the reorganisation of the office and recruited new staff.

Evangelisation

Supporting schools in building the faith experience for students and families

We have worked to strengthen parish/school links and to promote evangelisation strategies and resources to schools. We shared news and good practice in these areas through our regular publications including *Lighting New Fires*. We continue to work to rebrand and reengage our wide audience with the electronic version of *Lighting New Fires* and this will be a continued focus for 2020.

We continue to support the Catholic Enquiry Centre and use our digital platforms to promote their work to engage young Catholic parents who enrol in our school network.

In partnership with NCRS and TCI we promoted the formation videos for staff formation and were pleased to see that these are being accessed by schools. We planned a further set of videos but staff changes impacted the delivery of these. Planning is in place to continue delivery in 2020.



CSD19
CATHOLIC SCHOOLS DAY
TUESDAY 28 MAY 2019

Future Leaders Day

The following are a range of comments from the 82 participants:

- “Fast-paced and relevant, interesting content, loved the style of presentation.
- “The relevant, practical and useful information and advice regarding leadership. Great, thought-provoking content delivered at a good speed.
- “Open discussion, clear information, good presenters.
- “Enjoyed the opportunity to mix with other leaders in Catholic secondary schools. Was a different type of PD to what I would usually attend.
- “I liked the open and honest discussions from great speakers and that it came from people who had served or currently serving in Catholic leadership.
- “It's a great way to build a network of support among others who are doing the same kind of work (and yet we are also likely to be competing for the same jobs in time too).
- “The balance of research, information and narrative was appreciated. A memorable leadership day to take us into the future of Principalship. Thank you both so much!



Teacher Retreat held at the Home of Compassion, Island Bay.

Leadership

Supporting governance and leadership to continually enhance Catholic Character

The New Principal Programme was suspended for a year to allow sufficient interest to build for its reintroduction in 2020. The focus for NZCEO moved to the identification of school staff who could be encouraged to embrace leadership in our schools. During 2019 NZCEO ran three courses for Future Leaders for a total of 82 school staff. A further course has been requested by Wellington Principals for 2020.

The office spent some time investigating and drafting a resource for a pilgrimage programme in the Hokianga as way of promoting our journey with Māori and the early Church. We shared the resource with key groups and hope in time this project will again be ignited by people committed to providing a faith filled experience with a strong emphasis on the genesis of the New Zealand Church.

Succession planning has continued with discussions among key groups about qualities and strengths needed to lead the organisation. With the resignation of Carol Coddington after such a short period the opportunity was taken to reposition the office with a different division of responsibilities and to align them with key strategic directions. The new structure of CEO, CFO, Manager Strategy, Policy and Projects and Manager Special Character and Publications gives more focus on our core mission of supporting the finances of Catholic Schools, delivering projects that add value to our work and to the changes we can make to be more effective in delivering Special Character.

Partnership

Working constructively with stakeholders and schools to represent and inform

Relationships with Stakeholders and Partners have been nurtured and enhanced. The NZCEO video conferencing facility has been well used, with groups of principals, young teachers, diocesan education managers and diocesan property managers among those who took part in information sharing and professional development. Regular meetings with a senior team at the Ministry of Education (MoE) continue and have immediate impact on ensuring we remain in partnership with the Crown as State Integrated Schools. Meetings with NZEI, NZSTA, and ERO continued to be of importance in maintaining relationships and ensuring the Office was informed about current educational concerns.

External communications from the Office using e-newsletters have continued to evolve. The Office has utilised SchoolZine during 2019, which is better suited to our needs and the size of our group communications. Other new resources have included formation videos, recruitment videos, the Education Council Professional Standards with Catholic Elaborations, and continued reshaping of the NZCEO website. An assessment of the effectiveness of communications has begun and will be further monitored in 2020.



Choir – St Patrick's College, Wellington singing at the funeral of Fr (Patrick) John O'Neill SM, Executive Director, NZCEO (1981-1987)

Formation

Identifying and supporting the formation of teachers and leaders in schools

School leaders have shown that the video resources developed in 2018 are useful and relevant to their work in supporting staff. NZCEO had plans to extend that bank of videos in 2019 but staff changes have delayed that. The Office intends to refocus on this work in 2020.

Catholic Character reviews provide evidence of the increasing focus on formation in schools. Work with reviewers to revise the review framework has been time consuming but critical in making the document fit for purpose. In 2020 the emphasis will be to complete the update and to develop a reporting structure that highlights where best practice can be shared with other schools. The Manager Special Character will play a key role in making this happen.

Finance

Managing and aligning funding which supports access to state integrated schools

The Financial Review Panel completed its work and presented its findings to NZCBC in April 2019.

The Office has continued to work with MOE and the government to seek additional funding for significant earthquake strengthening and end-of-life projects that are outside the scope of the Catholic network to fund. However, it has become evident that such work is already equitably funded under Policy One, and it is important that Catholic Proprietors find a way to pool a higher proportion of Policy One in a shared scheme to better prepare for disasters and unexpected items of major maintenance.

The engagement of a third-party to conduct Cyber-security audits has been deferred to 2020, given the pressure of other work in the Office.

Engagement

Working constructively with the government and their agencies to advocate, represent and inform

The Office has conducted many meetings with agencies and sector groups, to ensure that NZCEO's voice is heard. Monthly meetings occurred with Senior Management at the Ministry of Education. Various senior staff members attended regular sector meetings, and the CEO was an invited member of twelve significant review committees, including:

- » Tomorrow's Schools Review
- » Education Update Reference group
- » National Education Leaders Partnership (Sector Leaders)
- » Initial Teachers Reference Group (Teaching Council)
- » Education Management
- » Property Reference Group
- » NCEA Reference Group
- » Workforce Strategy Reference Group
- » Lockdown Review Sector Governance Group

Regular communications with Associate Minister Salesa, who is the Minister of Education's delegate for state integrated schools has provided an excellent opportunity to explore options for the sector and engage senior cabinet support. Minister Salesa has shown a genuine desire to engage with the Sector.

A key piece of work has been the updating of the Integration Agreements. The new agreements reflect the legislative changes that came with the updating of legislation in 2016 and also replace the need for separate supplementary agreements around Policy One and Quantity Funding. With the support of Kris Morrison, from Parry Field Lawyers, we have concluded a lengthy process that ensures the new Integration Agreements are consistent with the provisions agreed to in the legislation. The process for amending any agreement is a careful and deliberate review of all language.

Our work with the Teachers Council to find a solution to the loss of clause 58 (2) in the original PSCI Act did not reach any supportive outcome. The CEO addressed this with Minister Salesa. NZCEO is currently exploring



Paul Ferris, CEO



Hon Jenny Salesa

opportunities for other ways to fund the development of teachers to lead in Religious Education. The Integration legislation required both the Minister and the Proprietors to protect Special Character, and we have reached out to the Minister to seek her support to ensure that a lack of training due to insufficient funding does not threaten our network in the future.

The Office was pleased to note the small provision of Policy Two funding following advocacy on our behalf by Minister Salesa. We note that we have a long way to go to re-establish the level of support for Policy Two funding that existed a few years ago and we will continue to advocate for that cause.

NZCEO notes with some satisfaction that the Minister has entered into negotiation with the Auckland Diocese for the establishment of St Ignatius College at Drury. After many years of advocacy for this project it is pleasing to see that the Diocese will be able to accommodate its secondary cohort from South Auckland in a purpose built Jesuit led charism school. NZCEO is also pleased, that despite the lack of sufficient Policy Two funding, a new primary school at Papamoa has been accepted by MoE for integration. As rolls decline in traditional areas it is good to see renewal of the network in places of growth.

Other Work Undertaken by the Office

OIEC CONGRESS New York June 2019

In 2018 the General Secretary for OIEC (Office of International Education for Catholics) encouraged us to embrace the world family of Catholic Schools and attend the 2019 Convention in New York. It was noted that in 2016 there were 62.5 million students in 15 countries enrolled in Catholic Schools. This did not include student data from Australia and New Zealand. The NZCEO Board agreed that being part of the world view and sharing and supporting others was a natural extension of the doctrine of Common Good. It was agreed that we would identify two young principals to accompany Board members and the CEO. Our previous Deputy CEO, Susan Apathy, led a workshop on climate change.

The world family of Catholic Schools provides us with a great opportunity to co-operate and share in a world of unequal opportunities. The greatest growth in our Catholic Schooling network is in some of the most impoverished countries e.g. Africa with 27.3 million children in Catholic schools, most of whom are not Catholic but are hope-filled. The Conference opened our eyes to the opportunities we have in New Zealand to walk with these communities.

Tom Wallis, Principal of St Patrick's Bryndwr in Christchurch and Raechelle Taulu, Principal of Marist College, Auckland,

accompanied us on this adventure. We were delighted to see this challenge of mission and education through their eyes as they met over 600 delegates using multiple languages from around the world.

In 2019 the Office supported the Christchurch and Dunedin Dioceses as they worked with the Christian Brothers to hand over Proprietorship of their schools to the local dioceses. A ceremony was held in Oamaru to mark this occasion.

NZEO worked to facilitate a relationship between Bethlehem College and TCI as a way of supporting teachers seeking a faith-based training for teaching in a state integrated school. NZCEO has facilitated preliminary discussion with Laidlaw College to provide more options for teacher training for our schools.

The office had planned an Unconference in Auckland for 2019 but this was postponed following staff changes early in the year. The office is aware that our plans have to compress when we have periods without key staff and with such a reduced team for almost half of 2019 some projects did not survive.

Following representation from a Diocese we have worked with the Ministry of Education to remove the detailed school floor plans from the Ministry of Education website as a matter of health and safety.



St Kevin's College principal Paul Olsen transfers ownership to the Catholic Diocese of Dunedin



Tom Wallis along with Raechelle Taulu, and Stephen Grey NZCEO Board member, St Patrick's Cathedral, New York



Raechelle Taulu, Principal of Marist College, Auckland, visiting United Nations, New York

Conclusion

The requirements of the shareholders of NZCEO, our Bishops and other Proprietors, continue to be the highest priority for the work of the Board and the Office.

We work hard to meet their needs, and those of the country's Catholic schools, their trustees, principals, teachers, students, parishes and the wider community.

Thanks are expressed to the New Zealand Catholic Bishops and their fellow Proprietors' Shareholders, along with their agents, for their support and goodwill during the year.

Gratitude is expressed to Geoffrey Ricketts, the Chairperson of NZCEO Limited, and his fellow Directors for their generosity in leading the national Catholic school system.

Gratitude is also expressed to the staff of the Office for their dedication and commitment to serving all those involved with the country's Catholic schools.



Paul Ferris

Chief Executive Officer
NZCEO

The CEO attended conferences and meetings of the following organisations:

- » Association of Integrated Schools
- » New Zealand Educational Institute
- » New Zealand School Trustees Association
- » Post Primary Teachers' Association
- » Post Primary Teachers' Association Principals' Council
- » Secondary Principals Association of New Zealand
- » Office of International Education for Catholics, 2019 Convention in New York
- » Visited state integrated schools throughout New Zealand

Participation in the following committees occurred on a regular basis:

- » Children's Action Plan and Vulnerable Children Act implementation working group
- » Ministerial Cross-Sector Forum for Leaders
- » Ministry of Education Data Management Group
- » Ministry of Education Health and Safety Reference Group
- » Ministry of Education Network Updates Group
- » Ministry of Education Professional Learning and Development Implementation Reference Group
- » Ministry of Education Regional Property Forum
- » Ministry of Education Schools Property Reference Group
- » Ministry of Education Technical Development Group
- » Ministry of Education Tracking Meetings (monitoring progress of site plan updates and maximum roll applications)
- » Ministry of Education Workforce Strategy Group
- » Police/Education Partnership
- » Rural Education Reference Group
- » Tapasā Advisory Group
- » Teaching Council Initial Teacher Education Programme

Ongoing liaison with sector groups. Formal and informal contacts and meetings took place with the following groups:

- » Australian Catholic University
- » Independent Schools of New Zealand
- » National Association of Principals of Catholic Secondary Schools
- » NZ Catholic Primary Principals' Association
- » New Zealand Council for Education Research
- » New Zealand Education Institute Te Riu Roa
- » New Zealand Principals' Federation
- » New Zealand School Trustees Association
- » Parent Teacher Association of New Zealand
- » Post Primary Teachers' Association
- » Secondary Principals' Association of New Zealand
- » Te Kura – The Correspondence School
- » Tertiary Education Commission

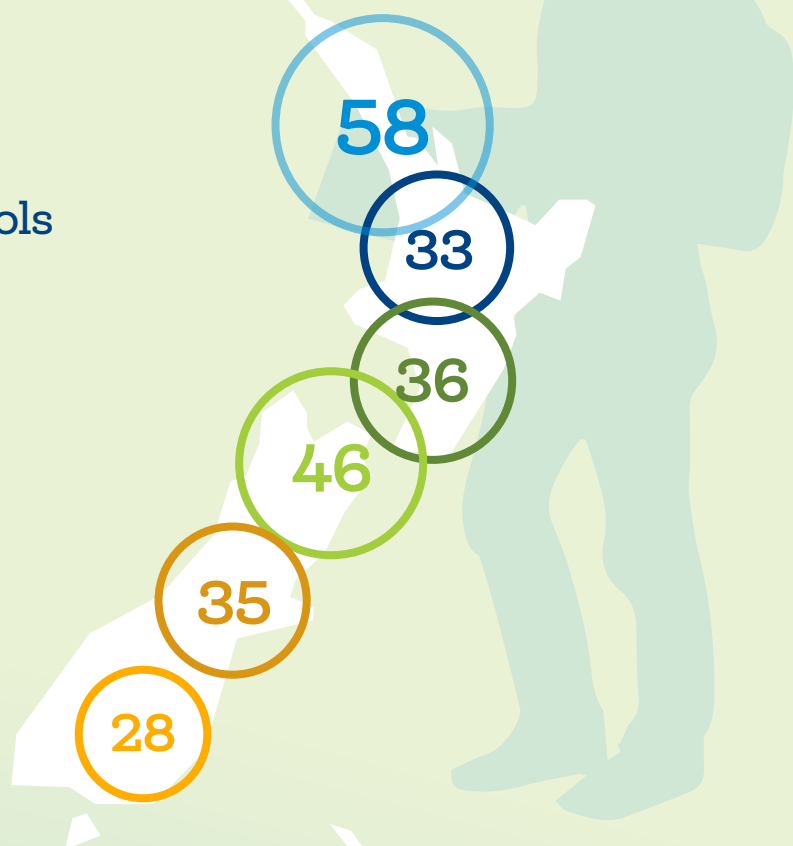
New Zealand's Catholic Schools

as of July 2019

There are 236 Catholic schools throughout New Zealand:

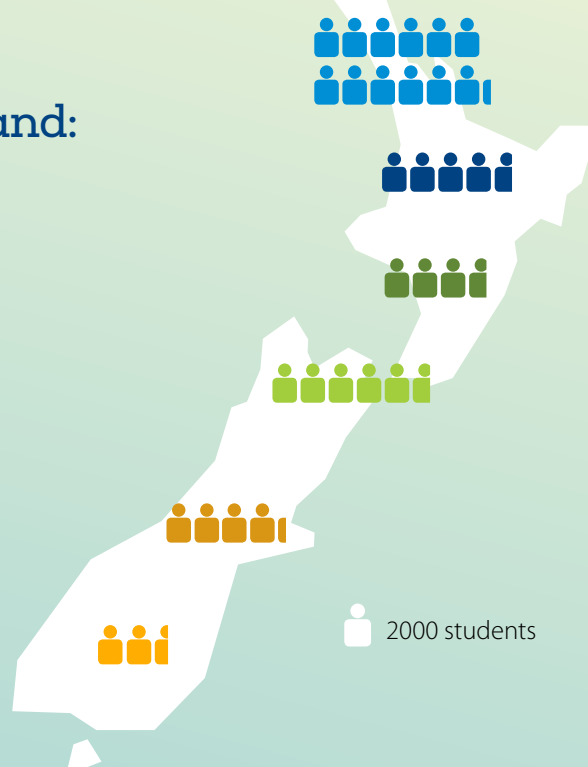
Diocese

Auckland	58
Hamilton	33
Palmerston North	36
Wellington	46
Christchurch	35
Dunedin	28
New Zealand	236



Nationally, there were 66,762 Catholic students in New Zealand:

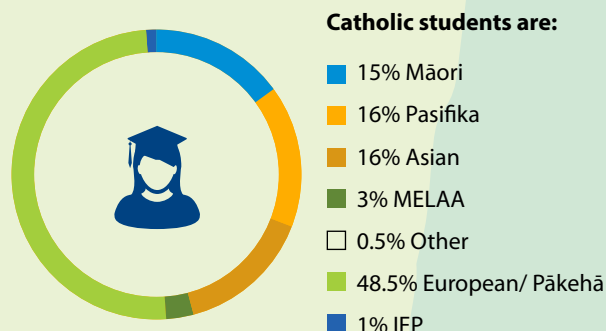
Diocese	Primary	Secondary	Total Roll
Auckland	10,684	13,630	24,314
Hamilton	5,656	4,047	9,703
Palmerston North	4,329	3,342	7,671
Wellington	6,767	4,741	11,508
Christchurch	4,628	3,843	8,471
Dunedin	2,804	2,291	5,095
New Zealand	34,868	31,894	66,762



Over the past ten years, Catholic student figures have increased by 2.2%:

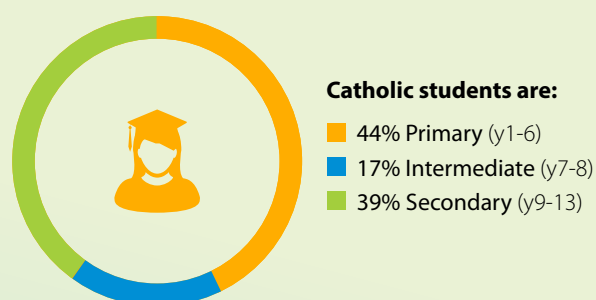
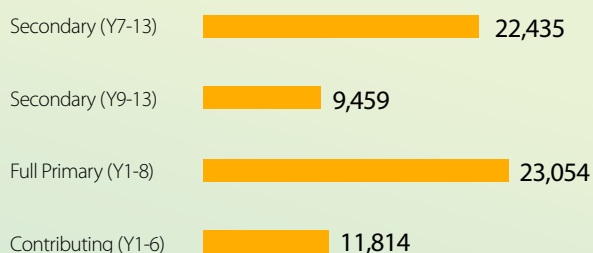
YEAR	STUDENTS
2010	65328
2011	65283
2012	65010
2013	65143
2014	65364
2015	65744
2016	66499
2017	66722
2018	66888
2019	66762

The Catholic school sector is ethnically diverse:

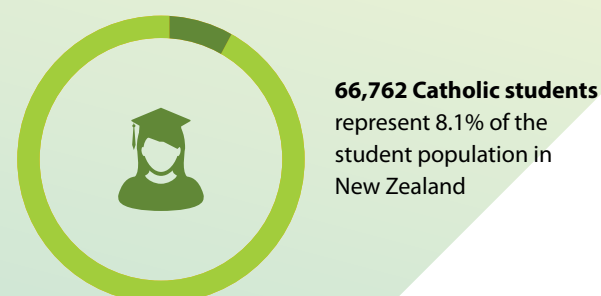
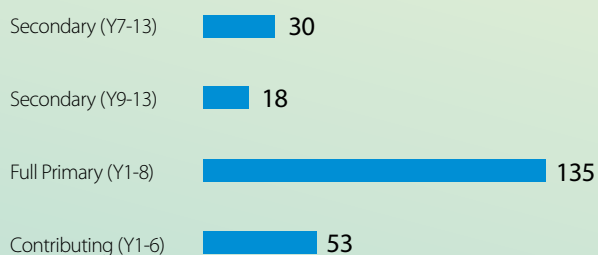


As of 2019, more Catholic students attended primary than secondary schools:

STUDENT ROLL



SCHOOL COUNT



NB: Figures courtesy of Ministry of Education. Figures show Total Funded Students which includes International Fee-Paying (IFP), Alternative Education and Secondary-Tertiary Students. MELAA refers to Middle Eastern, Latin American and African.

Auckland

COLLEGES

Baradene College, Remuera
Carmel College, Milford
De La Salle College, Mangere East
Liston College, Henderson
Marcellin College, Royal Oak
Marist College, Mt Albert
McAuley High School, Otahuhu
Pompallier Catholic College, Whangarei
Rosmini College, Takapuna
Sacred Heart College, Glen Innes
Sancta Maria College, Flat Bush
St Dominic's Catholic College, Henderson
St Mary's College, Ponsonby
St Paul's College, Ponsonby
St Peter's College, Epsom

PRIMARY SCHOOLS

Christ the King Catholic School, Owairaka
Good Shepherd School, Balmoral
Holy Cross Catholic School, Henderson
Holy Cross School, Papatoetoe
Holy Trinity Catholic Primary School, Takanini
Marist Catholic School, Herne Bay
Marist Primary School, Mt Albert
Monte Cecilia School, Mt Roskill
Mt Carmel Primary School, Meadowbank
Our Lady of the Sacred Heart School, Epsom
Our Lady Star of the Sea School, Howick
Pompallier Catholic School, Kaitiaki
Sancta Maria Catholic Primary School, Flat Bush
St Anne's Catholic School, Manurewa
St Dominic's Catholic School, Blockhouse Bay
St Francis Catholic School, Pt Chevalier
St Francis School, Thames
St Francis Xavier Catholic School, Whangarei
St Ignatius Catholic School, St Heliers
St John the Evangelist Catholic School, Otara
St John's School, Mairangi Bay
St Joseph's Catholic School, Dargaville
St Joseph's Catholic School, Takapuna
St Joseph's School, Grey Lynn
St Joseph's School, Onehunga
St Joseph's School, Orakei
St Joseph's School, Otahuhu
St Joseph's School, Pukekohe

St Leo's Catholic School, Devonport
St Mark's Catholic School, Pakuranga
St Mary MacKillop Catholic School, Mangere
St Mary's Catholic School, Papakura
St Mary's School, Avondale
St Mary's School, Ellerslie
St Mary's School, Northcote
St Michael's Catholic School, Remuera
St Patrick's School, Panmure
St Paul's School, Massey
St Pius X Catholic School, Glen Innes
St Therese School, Three Kings
Stella Maris Primary School, Silverdale
Te Kura O Hata Maria O Pawaranga, North Hokianga
Te Kura O Hato Hohepa te Kamura, Waitaruke

Hamilton

COLLEGES

Aquinas College, Tauranga
Campion College, Gisborne
John Paul College, Rotorua
Sacred Heart Girls' College, Hamilton
St John's College, Hillcrest

PRIMARY SCHOOLS

Bishop Edward Gaines Catholic School, Tokoroa
Marian Catholic School, Hamilton
St Anthony's Catholic School, Huntly
St Columba's Catholic School, Frankton
St Joseph's Catholic School, Fairfield
St Joseph's Catholic School, Matamata
St Joseph's Catholic School, Matata
St Joseph's Catholic School, Morrinsville
St Joseph's Catholic School, Opotiki
St Joseph's Catholic School, Paeroa
St Joseph's Catholic School, Te Aroha
St Joseph's Catholic School, Te Kuiti
St Joseph's Catholic School, Waihi
St Joseph's Catholic School, Whakatane
St Mary's Catholic School, Gisborne
St Mary's Catholic School, Otorohanga
St Mary's Catholic School, Putaruru
St Mary's Catholic School, Rotorua
St Mary's Catholic School, Tauranga
St Michael's Catholic School, Rotorua
St Patrick's Catholic School, Taumarunui
St Patrick's Catholic School, Taupo

St Patrick's Catholic School, Te Awamutu
St Paul's Catholic School, Ngaruawahia
St Peter Chanel Catholic School, Te Rapa
St Peter's Catholic School, Cambridge
St Pius X Catholic School, Melville
St Thomas More Catholic School, Mt Maunganui

Palmerston North

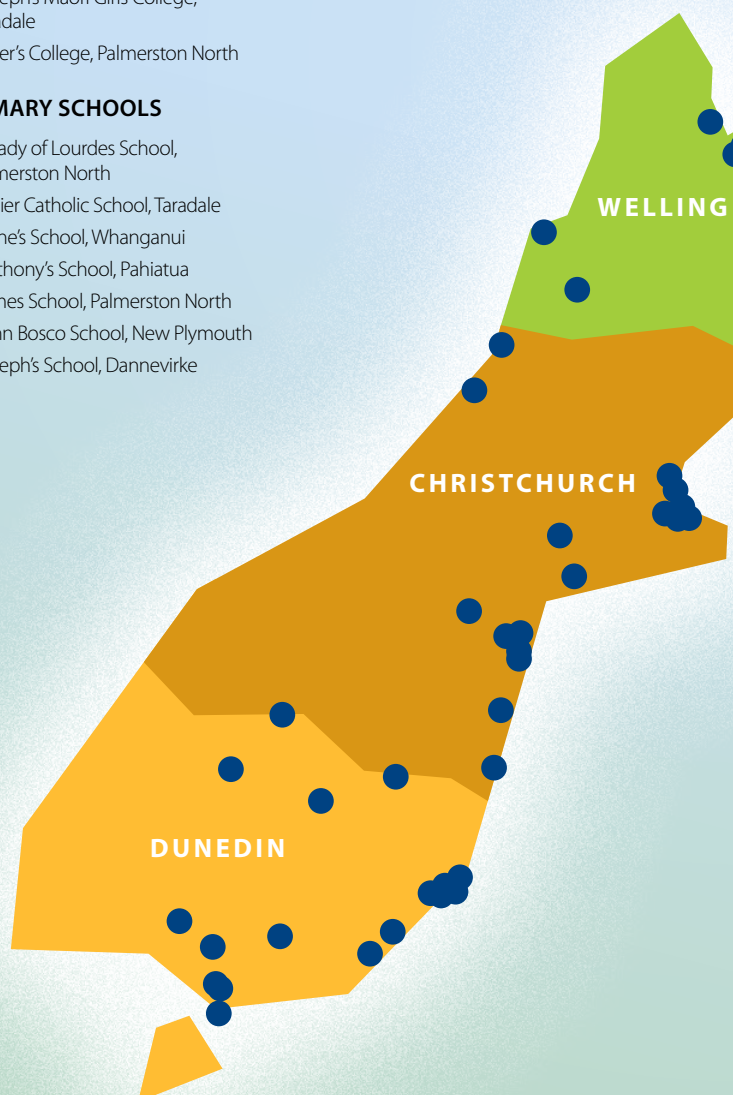
COLLEGES

Cullinane College, Whanganui
Francis Douglas Memorial College, New Plymouth
Hato Paora College, Feilding
Sacred Heart College, Napier
Sacred Heart Girls' College, New Plymouth
St John's College, Hastings
St Joseph's Māori Girls' College, Taradale
St Peter's College, Palmerston North

PRIMARY SCHOOLS

Our Lady of Lourdes School, Palmerston North
Reignier Catholic School, Taradale
St Anne's School, Whanganui
St Anthony's School, Pahiatua
St James School, Palmerston North
St John Bosco School, New Plymouth
St Joseph's School, Dannevirke

St Joseph's School, Feilding
St Joseph's School, Hastings
St Joseph's School, Hawera
St Joseph's School, New Plymouth
St Joseph's School, Opunake
St Joseph's School, Patea
St Joseph's School, Stratford
St Joseph's School, Taihape
St Joseph's School, Waipukurau
St Joseph's School, Wairoa
St Joseph's School, Waitara
St Marcellin School, Whanganui
St Mary's School, Foxton
St Mary's School, Hastings
St Mary's School, Palmerston North
St Mary's School, Whanganui
St Matthew's School, Marton
St Patrick's School, Inglewood
St Patrick's School, Kaponga
St Patrick's School, Napier
St Pius X School, New Plymouth





AUCKLAND

HAMILTON

PALMERSTON
NORTH

TON

Wellington

COLLEGES

Bishop Viard College, Porirua
Chanel College, Masterton
Garin College, Nelson
Sacred Heart College, Lower Hutt
St Bernard's College, Lower Hutt
St Catherine's College, Kilbirnie
St Mary's College, Wellington
St Patrick's College, Kilbirnie
St Patrick's College, Silverstream

PRIMARY SCHOOLS

Cardinal McKeefry School, Wilton
Holy Cross School, Miramar
Holy Family School, Porirua
Our Lady of Kāpiti School, Paraparaumu
Our Lady of the Rosary School, Waiwhetu
Sacred Heart Cathedral School, Thorndon
Sacred Heart School, Petone
Sacred Heart School, Reefton
San Antonio School, Eastbourne
St Anne's School, Newtown
St Anthony's School, Seatoun

St Benedict's School, Khandallah
St Bernadette's School, Naenae
St Bernard's School, Brooklyn
St Brendan's School, Heretaunga
St Brigid's School, Johnsonville
St Canice's School, Westport
St Claudine Thevenet School, Wainuiomata
St Francis de Sales School, Island Bay
St Francis Xavier School, Tawa
St Joseph's School, Kaikoura
St Joseph's School, Levin
St Joseph's School, Nelson
St Joseph's School, Upper Hutt
St Mary's School, Blenheim
St Mary's School, Carterton
St Michael's School, Taita
St Patrick's School, Kilbirnie
St Patrick's School, Masterton
St Paul's School, Richmond
Ss Peter and Paul School, Lower Hutt
St Peter Chanel School, Motueka
St Peter Chanel School, Otaki
St Pius X School, Titahi Bay
St Teresa's School, Featherston
St Teresa's School, Karori
St Theresa's School, Plimmerton

St Bernadette's School, Hornby
St Francis of Assisi Catholic School, Mairehau
St James School, Aranui
St Joseph's School, Ashburton
St Joseph's School, Fairlie
St Joseph's School, Papanui
St Joseph's School, Pleasant Point
St Joseph's School, Rangiora
St Joseph's School, Temuka
St Joseph's School, Timaru
St Mary's School, Christchurch
St Mary's School, Hokitika
St Patrick's School, Bryndwr
St Patrick's School, Greymouth
St Patrick's School, Kaiapoi
St Patrick's School, Waimate
St Peter's School, Beckenham
St Teresa's School, Riccarton

Dunedin

COLLEGES

Kavanagh College, Dunedin
St Kevin's College, Oamaru
St Peter's College, Gore
Verdon College, Invercargill

PRIMARY SCHOOLS

Holy Family School, Wanaka
Sacred Heart School, Dunedin
Sacred Heart School, Waikiki
St Bernadette's School, Forbury
St Brigid's School, Tainui
St Francis Xavier School, Mornington
St Gerard's School, Alexandra
St John's School, Ranfurly
St Joseph's Cathedral School, Dunedin
St Joseph's School, Balclutha
St Joseph's School, Invercargill
St Joseph's School, Oamaru
St Joseph's School, Port Chalmers
St Joseph's School, Queenstown
St Mary's School, Dunedin
St Mary's School, Gore
St Mary's School, Milton
St Mary's School, Mosgiel
St Patrick's School, Invercargill
St Patrick's School, Nightcaps
St Peter Chanel School, Green Island
St Teresa's School, Bluff
St Theresa's School, Invercargill
St Thomas' School, Winton

Christchurch

COLLEGES

Catholic Cathedral College, Christchurch
John Paul II High School, Greymouth
Marian College, Christchurch
Roncalli College, Timaru
St Bede's College, Christchurch
St Thomas of Canterbury College, Christchurch
Villa Maria College, Christchurch

PRIMARY SCHOOLS

Christ The King School, Burnside
New Brighton Catholic School, New Brighton
Our Lady of the Assumption School, Hoon Hay
Our Lady of the Snows School, Methven
Our Lady of Victories School, Sockburn
Our Lady Star of the Sea School, Sumner
Sacred Heart School, Addington
Sacred Heart School, Timaru
St Albans Catholic School, St Albans
St Anne's School, Woolston

Report of the Board of Directors

of New Zealand Catholic Education Office Limited

The Board of Directors of New Zealand Catholic Education Office Limited comprises:

- **Geoffrey Ricketts** (*Chairperson*)
- **Jenny Gordon**
- **Bishop Paul Martin**
- **John Gallaher** (*Deputy Chairperson*)
- **Graeme Roil**
- **James van Schie**
- **Stephen Grey**

In respect of each Director of the Board no remuneration or benefit of any other value has been received by that Director during the period.

Nature of the Company Business

The New Zealand Council of Proprietors of Catholic Integrated Schools set up a charitable limited liability company, New Zealand Catholic Education Office Limited, to run its Office. The staff of the Office are responsible on a day-to-day basis to the Board of Directors of the Company. Members of the New Zealand Council of Proprietors of Catholic Integrated Schools are the shareholders of the company; this includes the Bishops as major shareholders.

The Office also acts as the Secretariat for the Association of Proprietors of Integrated Schools, which represents Proprietors of all New Zealand's state-integrated schools.

Auditor: Deloitte

Solicitor: Chapman Tripp


Company Number: WN/1042025

Registered Office

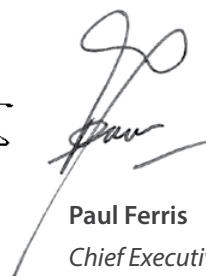
New Zealand Catholic Education Office Limited
PO Box 12307
Wellington 6144

Approval of Financial Statements by Directors

The Directors of New Zealand Catholic Education Office Limited are pleased to present the group financial statements for the year ended 31 December 2019.



Geoffrey Ricketts
Chairperson



Paul Ferris
Chief Executive Officer

For and on behalf of the Board of Directors
27 March 2020

Summary Consolidated Financial Statements



of New Zealand Catholic Education Office Limited
for the year ended 31 December 2019

Summary Consolidated Statement of Financial Position

as at 31 December 2019

	GROUP		NZCEO	
	2019 \$(000)	2018 \$(000)	2019 \$(000)	2018 \$(000)
Total equity	981	951	745	711
Term deposits	616	453	616	453
Loans to Participating Proprietors	1,534	1,400	-	-
Other	319	323	120	233
Total current assets	2,469	2,176	736	686
Loan to National Attendance Dues and Capital Indebtedness Sharing Scheme	-	4,386	-	-
Loans to Participating Proprietors	21,740	21,362	-	-
Other	63	87	63	87
Total non-current assets	21,803	25,835	63	87
Loan from Catholic Education Trust Fund	7,690	10,467	-	-
Loan from Bank of New Zealand	1,000	16,480	-	-
Other	111	113	54	62
Total current liabilities	8,801	27,060	54	62
Loan from Bank of New Zealand	14,490	-	-	-
Total non-current liabilities	14,490	-	-	-
Net assets	981	951	745	711

Summary Consolidated Statement of Comprehensive Income

of New Zealand Catholic Education Office Limited
for the year ended 31 December 2019

	GROUP		NZCEO	
	2019 \$(000)	2018 \$(000)	2019 \$(000)	2018 \$(000)
Interest income	1,469	1,741	16	33
Proprietor levies	807	780	807	780
Convention 2018	-	488	-	488
Cost recoveries	36	32	122	108
Sponsorship and other income	34	67	34	67
Total income	2,346	3,108	979	1,476
Interest expense	1,312	1,536	-	21
Employment	581	589	581	589
Audit, legal and professional fees	93	92	32	64
Administration and other	29	45	31	43
Computer	32	35	32	35
Convention 2018	-	479	-	479
Depreciation and amortisation	22	17	22	17
Meetings - Proprietors	57	48	57	48
Motor vehicle and travel	37	52	37	52
Principals' Initiative and special projects	104	36	104	36
Publications and promotions	2	12	2	12
Rent	47	42	47	42
Total expenditure	2,316	2,983	945	1,438
Total comprehensive income	30	125	34	38

Summary Consolidated Statement of Movements in Equity

of New Zealand Catholic Education Office Limited
for the year ended 31 December 2019



	Retained Earnings \$(000)	Special Reserves \$(000)	Share Capital \$(000)	Total \$(000)
GROUP				
Opening balance 1 January 2018	520	207	99	826
Total comprehensive income	125	-	-	125
Transfer (to)/from Reserves	12	(12)	-	-
Balance at 31 December 2018	657	195	99	951
Total comprehensive income	30	-	-	30
Transfer (to)/from Reserves	24	(24)	-	-
Balance at 31 December 2019	711	171	99	981
NZCEO				
Opening balance 1 January 2018	367	207	99	673
Total comprehensive income	38	-	-	38
Transfer (to)/from Reserves	12	(12)	-	-
Balance at 31 December 2018	417	195	99	711
Total comprehensive income	34	-	-	34
Transfer (to)/from Reserves	24	(24)	-	-
Balance at 31 December 2019	475	171	99	745

Summary Consolidated Statement of Cash Flows

of New Zealand Catholic Education Office Limited
for the year ended 31 December 2019

	GROUP		NZCEO	
	2019 \$(000)	2018 \$(000)	2019 \$(000)	2018 \$(000)
Total cash flows from operating activities	401	(5,874)	100	(6,316)
Total cash flows from investing activities	(674)	7,588	(161)	6,289
Total cash flows from financing activities	317	(1,917)	-	-
Total cash flows	44	(203)	(61)	(27)

Notes to the Summary Consolidated Financial Statements

for the year ended 31 December 2019

These summary consolidated financial statements comprise the summary financial statements of New Zealand Catholic Education Office Limited (NZCEO) and its wholly-owned subsidiary NZCEO Finance Limited (NZCEO Finance) (together - "Group").

These summary consolidated financial statements have been extracted from the full consolidated financial statements for the year ended 31 December 2019.

The full consolidated financial statements for the year ended 31 December 2019 were authorised for issue by the Board on 27 March 2020. The full consolidated financial statements for the year ended 31 December 2019 have been audited and received an unqualified audit opinion.

The full consolidated financial statements for the year ended 31 December 2019 were prepared under Tier 2 PBE Standards RDR (NFP). These summary consolidated financial statements do not include all the disclosures provided in the full consolidated financial statements and cannot be expected to provide as complete an understanding as provided by the full consolidated financial statements.

These summary consolidated financial statements comply with PBE Standards as they relate to summary financial statements.

The presentation currency is New Zealand dollars rounded to the nearest thousand dollars.

Copies of the full audited consolidated financial statements for the year ended 31 December 2019 are available on our website www.nzceo.org.nz.

Recognition Funding payable

In 2017, NZCEO, acting for the Association of Proprietors of Integrated Schools (APIS), reached an agreement with the Crown relating to historical Quantity Funding differences for State integrated school proprietors. The agreement allows for Recognition Funding of \$20million to be paid in two equal instalments over the Crown financial years of 2017/2018 and 2018/2019. Under the terms of the agreement NZCEO is to distribute the funding to the proprietors of state integrated schools. \$10million was received in 2017 of which \$3,101,406 was distributed to state integrated school proprietors other than those proprietors who are members of the National Attendance Dues and Capital Indebtedness Sharing Scheme (the Scheme). Included in the Recognition Funding Payable as at 31 December 2017 is an amount of \$6,758,614 related to proprietors who are members of the Scheme and hence, related parties. The remaining 2017 funding and the full amount of the 2018 funding was paid to proprietors during 2018.

Related party transactions

NZCEO provides administration services to its wholly-owned subsidiary NZCEO Finance, and to the Catholic Education Trust Fund and the National Attendance Dues and Capital Indebtedness Sharing Scheme on behalf of Participating Proprietors.

During the year, NZCEO Finance took out loans from the Catholic Education Trust Fund and on-lent that money to the Scheme to fund any shortfall between the national attendance dues received from Participating Proprietors and the debt servicing paid on behalf of the Participating Proprietors.

Administration costs for NZCEO Finance (2019 \$85,152; 2018 \$75,497), the Scheme (2019 \$24,329; 2018 \$21,570) and the Catholic Education Trust Fund (2019 \$12,165; 2018 \$10,787) were initially paid by NZCEO Limited and recovered by way of reimbursement.

Loans are provided by NZCEO Finance to Participating Proprietors of the Scheme. The Participating Proprietors of the Scheme are also shareholders of NZCEO.

In 2017, Recognition funding payable included a balance of \$6,758,614 related to participating Proprietors of the Scheme. During 2018, Recognition funding (incl. interest) of \$13,502,602 was distributed to participating Proprietors of the Scheme.

Loan from Bank of New Zealand

As at 31 December 2018, NZCEO Finance was technically in default of one of the Term Loan Facility covenants. During 2019, BNZ have agreed to waive their right to cancel the Term Loan Facility and will not demand immediate repayment for at least the next 12 months.

Commitments

Operating lease commitments are payable as follows:

	GROUP		NZCEO	
	2019 \$(000)	2018 \$(000)	2019 \$(000)	2018 \$(000)
Less than one year	52	56	52	56
Between one and five years	204	273	204	273
More than five years	173	185	173	185
	429	514	429	514

Going Concern

The going concern assumption has been adopted by the Directors, given the reasonable expectation that the Group will have adequate resources to continue operations for the foreseeable future. Consideration was given to the following factors:

- Financial modelling for the Scheme, which includes forecast attendance dues and debt servicing, shows that the Scheme will generate sufficient cash flows to support all debt servicing obligations, including repayment of the loan from NZCEO Finance.
- The receipt of attendance dues is subject to an underwrite from the Catholic Bishops of the five participating dioceses.
- A Letter of Financial Support has been received from the Catholic Education Trust Fund to enable NZCEO Finance to meet its cash flow commitments should it be required.
- Directors have reviewed all the assumptions in the financial model and are satisfied that the going concern assumption can be applied.

Subsequent events

There have been no events subsequent to balance date that would materially affect the Financial Statements as presented at 31 December 2019 other than the potential impacts of COVID-19. At this time the potential impacts are unknown, but they could lead to reduced collection of levy income, sponsorship revenue and National Attendance Dues. Management believes that NZCEO and group have sufficient reserves and measures in place to ensure that ongoing expenses and loan commitments can be met for at least the next twelve months.

Independent Auditor's Report

on the Consolidated Summary Financial Statements

Deloitte.

To the Shareholders of New Zealand Catholic Education Office Limited

Opinion

The summary consolidated financial statements of New Zealand Catholic Education Office Limited (the 'Company') and its subsidiary (together the 'Group'), which comprise the summary consolidated statement of financial position as at 31 December 2019, and the summary consolidated statement of comprehensive income, summary consolidated statement of movements in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of the Group for the year ended 31 December 2019.

In our opinion, the accompanying summary consolidated financial statements, on pages 17 to 21, are consistent, in all material respects, with the audited consolidated financial statements, in accordance with FRS 43: *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by Public Benefit Entity Standards Reduced Disclosure Regime. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 27 March 2020.

Board of Directors' responsibility for the summary consolidated financial statements

The directors are responsible on behalf of the Group for the preparation of the summary consolidated financial statements in accordance with FRS 43: *Summary Financial Statements*.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) ('ISA (NZ)') 810 (Revised): *Engagements to Report on Summary Financial Statements*.

Other than in our capacity as auditor and the provision of corporate finance services, we have no relationship with or interests in the Company or its subsidiary. These services have not impaired our independence as auditor of the Company and Group.

Restriction on use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 207B of the Companies Act 1993. Our audit has been undertaken so that we might state to the shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Wellington, New Zealand

27 March 2020

Directory

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Wellington 6144

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Email **nzceooffice@nzceo.org.nz**

Website **www.nzceo.org.nz**

Chairperson

Geoffrey Ricketts

Chief Executive Officer

Paul Ferris

Senior Management

Heather Richardson, Chief Financial Officer

Karen Raitt, Manager, Strategy, Projects and Policy

Rosalie Connors, Manager, Special Character and Publications





NZCEO

TE TARI MĀTAURANGA KĀTORIKA O AOTEAROA
NZ CATHOLIC EDUCATION OFFICE

