



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

Annual Report 2015

2020 BEACON PLAN GOALS

- Quality, effective leadership of schools.
- Equity, quality and excellence in educational outcomes for each student.
- A Catholic population which is knowledgeable about its Faith and supportive of its schools.
- Well-qualified teachers in Catholic schools, especially in the areas of religious education and the Special Character dimension of the school.
- Strong partnership between parish(es) and school(s) to support the revitalisation of the Church's mission in the world.
- Practical commitment to achieving positive bicultural relationships with Māori, and practical commitment to developing a resilient multicultural society.
- Dynamic graduates from our schools who are committed to promoting the Good News in its various dimensions, with emphasis on evangelisation, service, community and social justice.
- A national system of schools which is proactive, and which positively interacts with Government, its agencies and with wider national networks.
- Commitment to the long-term progress and development of the economically and socially disadvantaged.
- Commitment to our ecological vocation to care for the earth for the good of all.

Adopted 1998
2014 Edition

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COMBINED ANNUAL REPORT FROM THE CHAIRPERSON AND CHIEF EXECUTIVE OFFICER OF THE COMPANY TO THE SHAREHOLDERS OF NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED FOR THE YEAR ENDED 31 DECEMBER 2015

INTRODUCTION

The year saw a number of positive new developments, along with consolidation occurring in a number of areas, which overall led to a successful set of outcomes for Shareholders.

ACCOLADES

The year commenced with the announcement that Archbishop John Dew of the Wellington Archdiocese had been elevated to the College of Cardinals by Pope Francis. This was widely welcomed. The recognition was well deserved, not only for Cardinal John, but also for the New Zealand community.

The Chief Executive Officer of the New Zealand Catholic Education Office, Br Pat Lynch, was made a Knight Companion of the New Zealand Order of Merit in the 2015 New Year's Honours List in recognition of his work in education over a fifty-year period. The accolade was a public recognition that the New Zealand Catholic education system had arrived as an equal partner in the State education system after over one hundred years of struggles.

Late in the year the University of Auckland conferred an Honorary Doctorate on the Chairperson of the Company, Geoffrey Ricketts. This is the highest accolade the University has to offer. The award was a magnificent recognition of Geoff's public service not only to New Zealand but also to Catholic education. Geoff already holds a CNZM and a Papal Knighthood.

RESIGNATION OF THE CHIEF EXECUTIVE OFFICER OF NZCEO AND APPOINTMENT OF THE NEW CEO

After 22 years in the role, in early 2015 Sir Brother Pat Lynch tendered his resignation as CEO. The Board engaged in a professional exercise to find his successor but owing to a number of circumstances was only able to finalise an appointment late in the year, with Paul Ferris being appointed to the role.

Paul comes from a rich and varied educational background, both within and outside of the Catholic sector. His appointment, announced at the start of 2016, was warmly welcomed.

A transition plan enabled the former CEO and the new CEO to work together for several months in early 2016 in order to ensure a smooth handover of responsibilities.

2015 CATHOLIC EDUCATION CONVENTION – ‘HORIZONS OF HOPE’

The eighth Catholic Education Convention took place in Wellington in June, attracting just on nine hundred delegates from all over New Zealand. They were treated to a varied and stimulating programme.

Besides the positive educational and religious experiences provided for delegates, one of the major benefits is always the experience of national identity. This experience, which has been strengthened since the conventions were inaugurated in 1996, has helped bring about a strong sense of unity for all of the nation's Catholic school communities. We are all stronger as a result of this development. Gratitude is expressed to all those who supported the venture.

ESTABLISHMENT OF THE NATIONAL CATHOLIC CHURCH INSURANCE SCHEME

This development, which was long in coming, marked a significant breakthrough for the New Zealand Catholic Church and its school system, with considerable savings realised on the cost of premiums and consequent benefits. The Board of NZCEO can take some credit for this initiative, since it was persistent in promoting the importance of the benefits that would accrue from dioceses and Proprietors working together.

40TH ANNIVERSARY OF THE PASSAGE OF THE PRIVATE SCHOOLS CONDITIONAL EDUCATION ACT

October 9th 2015 marked the 40th anniversary of the day when the New Zealand Parliament, during the last sitting day of the Third Labour Government, passed the landmark Private Schools Conditional Education Act 1975.

Looking back over the lifetime of the Act, it is fair to say that the wisdom and insights of the drafters of the legislation, and of the bold political players, have been richly vindicated. We all have much to be very grateful for, particularly since successive governments have seen fit to implement the legislation with prudence and goodwill.

INVESTING IN EDUCATIONAL SUCCESS

This landmark policy, first announced at the beginning of 2014, has increasingly been implemented by clusters of Catholic schools across the nation. After initial reluctance to become involved, many of our primary schools are joining their secondary school colleagues and enjoying the benefits of a collaborative community of schools.

This policy is probably the most significant structural shift in the administration of our schools since the Tomorrow's Schools reforms of 1988–89. Belonging to a Community of Learning can have very positive outcomes for Catholic schools through collaboration and sharing of expertise. We note the willingness of the Minister and the Ministry of Education to allow and encourage faith-based Communities of Learning.

HEALTH AND SAFETY AT WORK ACT 2015

The passage of this Act in 2015, with its implementation date of 4 April 2016, has changed the landscape in terms of levels of responsibility for safety in school practices. Responsibilities for ensuring that the best procedures are carried out in practice exist at various levels within the school, and also extend to Proprietors, particularly in the area of property.

The Office has provided those involved with the necessary information to help guide them in carrying out their legal responsibilities.

VULNERABLE CHILDREN ACT 2014

This Act took effect in July 2015. It places requirements on schools and on their employment processes. Again, guidance was provided by the Office to assist Boards of Trustees and principals to carry out their legal responsibilities.

QUANTITY FUNDING SUBMISSION TO GOVERNMENT

Throughout the year various initiatives occurred to ensure senior government ministers were apprised of our Quantity Funding issue which has been around for at least nine years.

The Minister of Education, when addressing the Catholic Schools Convention, publicly promised to resolve the issue by Budget time 2016. She has indicated that her promise is a matter of her integrity on the subject. The Office is engaging with the Ministry of Education with the objective of ensuring a successful outcome.

CATHOLIC EDUCATION PORTAL

The concept of the establishment of a Catholic education portal eventually took shape with the initiative being launched in conjunction with Microsoft New Zealand at the Catholic Education Convention in June.

This communication tool will assist all our Catholic schools, the New Zealand Catholic Bishops Conference (NZCBC), and diocesan offices to interact with one another through the sharing of resources. These resources will mainly focus on enhancing the Catholic Character of schools. The structure will be a boost for smaller schools, in particular. As of December 2015, around 200 schools had registered as users.

NETWORK FOR LEARNING – ‘POND’ ACCESS

Late in 2015 the creation of a Religious Education subject area on Pond was negotiated. Pond is a resource-sharing portal set up by the government’s Network for Learning to unite students, teachers and school administrators with providers of educational content and services. Teachers of Religious Education will now be able to share their teaching resources and lesson plans on the site, just as teachers of other academic subjects are able to do with their resources. Linkages will be built this year to enable teachers to effortlessly move from the Catholic portal to Pond and vice versa. NZCEO is aware that it will be important to support NCRS in ensuring that Religious Education material placed on Pond is suited to our agreed curriculum.

STUDENT NUMBERS

The 1 July 2015 roll count showed that student numbers in Catholic schools (excluding foreign fee-paying students) for the first time exceeded 66,000, reaching 66,129.

The continuing rise in the New Zealand birth rate, and record immigration figures, have both impacted favourably on our student numbers.

EDUCATION ACT 1989 REVIEW

Towards the end of the year the government announced that it is undertaking a review of the 1989 Education Act with a view to streamlining some of the operational dimensions of the Act. This will make the Act more enabling.

The Office began its involvement with the consultative process by submitting ideas in the first phase of the development process.

NEW SCHOOL – HOLY TRINITY PRIMARY SCHOOL, TAKANINI

Towards the end of 2015 the government signed off the financial support package for the construction of Holy Trinity School in Auckland. The school will open in early 2017.

New schools are also being planned for the following areas of the country:

- Drury (secondary)
- Papamoa (primary)
- Rototuna (primary)

RETIRING DIRECTORS

Subsequent to the 2015 Annual General Meeting of the Company, the Board placed on record the deep admiration the CEO and staff have for Reuben O'Neill and his extraordinary contribution to the establishment, growth and development of NZCEO Limited. Prior to 2000, the Office was not set within a very firm legal framework, which was of concern not only to the NZCBC, but also to the other Catholic Proprietors. All of this was remedied when the Office was set up as a limited liability charitable company. The Board thanks Reuben for his visionary thinking regarding this initiative. His knowledge of all matters concerning Integration is profound, since he has been a part of everything that has happened in relation to our schools since 1975.

Bishop Peter Cullinane was a member of the Board from the time that the NZCBC appointed two of its number to become members of NZCEO. Bishop Peter has always brought helpful insights to Board decision making through his wise counsel and experience as a bishop for over 30 years. He will also be missed, since he has always strongly advocated for our schools.

Fr Paul Martin SM resigned from the Board at the end of 2015, as his Superiors asked him to work in Rome. We thank him for his contribution in the short time he was with the Board.

INDUCTION COURSES FOR PROSPECTIVE PRINCIPALS

Father Mark Walls SM negotiated with the Office to run a focused preparatory programme for prospective principals of our Catholic schools, commencing in mid 2015.



However, owing to several circumstances, he will now not embark on this project. What he intended to do complemented what is being done by Ahead Associates, who run the NZCEO Prospective Principals Programme. The Office has been in touch with Collene Roche and Janne Pender, the programme leaders, to build into that programme a component that focuses more explicitly on the Special Character responsibilities a principal has in leading a Catholic school. This enhanced programme is now being formulated for use in 2016.

RESIGNATION FROM THE OFFICE

Maureen Condliffe, the Office's Operations Manager, retired from the Office on 23 October 2015. She was warmly thanked for her 20 years of service to Catholic and Integrated schools education.

GOING FORWARD

The national Catholic school system is in good shape. It is confident in itself, achieves well, and is well regarded within Church circles, by government and by the general public. This has been achieved through the vision and energy of many people committed to excellence and continuous improvement. We will always need to focus on finding new ways to further improve these vital areas of our work. Our strength is our faith and our spiritual foundations.

APPRECIATION

Appreciation is extended to the members of the Board of NZCEO, to the CEO and staff of the Office, to Shareholders and to all those involved in the operation of the national Catholic school system. We have much to be grateful about, in particular, for the support and goodwill which is extended to the Office by the Church and wider community.

Geoffrey Ricketts, CNZM
CHAIRPERSON

Paul Ferris, QSM
CHIEF EXECUTIVE OFFICER

REPORT ON THE OUTPUTS OF NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED

A. INTRODUCTION

The New Zealand Catholic Education Office is the executive arm of the Board of Directors of New Zealand Catholic Education Office Limited.

The Board is charged by its shareholding Proprietors with being the lead agency for the Catholic school system in its interaction with government and government agencies; with coordinating educational policy development for Catholic schooling; and with leading and supporting initiatives that will enhance and strengthen the national Catholic school system. It also has a mandate to ensure a Catholic voice is heard within education sector networks, and, where appropriate, in the New Zealand community. This report identifies the ways the Office meets those responsibilities.

The Office serves the requirements of the Board of Directors and Shareholders of the Company and the educational requirements of the New Zealand Catholic Bishops Conference (NZCBC).

B. 2015 BUSINESS PLAN OUTPUTS

1 Relationships with Shareholding Stakeholders

Strategic Plan Implementation

- The Strategic Plan priorities for 2015 were actioned. The Office continued to negotiate with government regarding an enhanced funding stream for specific capital works.
- A report on the Office's 2015 Business Plan was published on the Office's website and is available for public viewing.

Serving the Board of Directors, Shareholders and Stakeholders

- Four meetings took place involving representatives of the Board of NZCEO and a representative group of Diocesan General Managers, in order to establish a better understanding of the various financial and other responsibilities held by the bishops, the Board of NZCEO Ltd, and the Shareholders of NZCEO Ltd, in relation to schools. The two diocesan groups not met with in 2015 will be met with early in 2016.
- A special meeting for Shareholders was held in late November, to provide an opportunity for updates, questions and discussion on current topics of interest.

Strength and Development of Special Character in Schools

- The Office continued its range of publications to support Special Character. A range of examples of good practice have been highlighted in these publications.
- The Office provided reports and advice to the New Zealand Catholic Bishops Conference (NZCBC).
- The Office continued its interaction with Caritas Aotearoa New Zealand, with which it has a Memorandum of Understanding.
- The Office worked with the Catholic Institute on matters relating to qualifications and courses available for teachers in Catholic schools, and with the National Centre for Religious Studies (NCRS) on the primary Religious Education curriculum digital initiative, and on a range of other matters.
- The review of the Catholic Character Review and Development process continued, with the NZCBC document *The Catholic Education of School-Age Children* providing the framework for significant revision of the document. By the end of the year the NZCBC had responded to the draft, providing further direction for the revision.

NZCEO Finance Limited

- NZCEO Finance Limited administers the National Attendance Dues and Capital Indebtedness Sharing Scheme and the Catholic Education Trust Fund. Both entities continue to operate effectively.
- Quarterly financial reports are sent to Proprietor finance personnel.
- One property and finance meeting with Proprietors and Proprietor's agents took place, to discuss current issues.

Long-Term Viability of Catholic Schools

- Long-term planning and negotiations with the Ministry of Education continued in relation to Catholic schools in areas of growing population, based on the findings of the 2013 Census of Population. This focused on four planned new schools, and on relocation and expansions of existing schools. Policy Two funding was negotiated, as appropriate.

- The government has placed a greater emphasis on Proprietors working as community groups, in particular, to establish agreed commitments around appropriate roll numbers in each school. These agreements assist the delivery of quality education.
- The Office has continued to stress the importance of Catholic schools establishing Communities of Learning, which are an important initiative in the strengthening of quality education. By the end of the year, a significant number of Catholic schools were already in such communities, or were part of groups negotiating to establish Communities of Learning.
- Discussions with the government and the Ministry of Education on Policy 3 (Quantity Funding) were not completed by the end of the year, but the Minister of Education remains strongly committed, and has expressed this commitment publicly.
- Templates for letters offering employment to teachers in Catholic schools were circulated, and are being kept updated as necessary, in order to assist in the preservation of Special Character.

2 Relationships with First Tier Stakeholders

Collaboration

- The Office continued its regular interactions with diocesan education office personnel and the administration departments in each diocese. Office personnel continued to attend Proprietor, Trust Board and Company meetings, to share information and provide updates on the operations of NZCEO Finance Limited. More than ten such meetings took place.
- As usual, groups of teachers, trustees, parents and Church organisations were met with in order to engender support and enthusiasm for Catholic schools and their mission in the life of the Church. The CEO visited a number of integrated schools during the year. He also addressed 12 gatherings, including conferences.
- Collaboration between parishes and schools became an increasingly important theme in 2015, in response to the goals of the NZCBC on collaboration.

- The programme for prospective principals (IDFP: Identifying and Developing Future Principals) was not held in 2015, owing to difficulty in getting a sufficient number of applicants. However, a programme is to be held at the start of 2016. The difficulty in sourcing applicants points to a wider reluctance among secondary school senior staff to contemplate the heavy workload and responsibilities of the principal role, and signals the need to further analyse and counter this trend. A programme with a particular focus on the development of appropriate spirituality for individuals leading schools had to be restructured, partly for the same reasons, and is now to be piloted in 2016.
- The Office has continued to place information on the NZCEO website and the APIS website, and to publicise the availability of this material. Significant resources are now normally sent out electronically and placed on the website as appropriate, with paper form restricted to a small range of publications.
- Quarterly reports were sent to Proprietors' Appointees on Boards of Trustees, and they have been encouraged to share these with their Boards.
- The Office employed extra staff to complete preparations for the June 2015 Catholic Education Convention. Despite ever-increasing pressures on school budgets, the number of attendees was almost as high as for the previous Convention, with attendees expressing high satisfaction with the event, which provides an important way of enabling Catholic educators to sustain and develop their identity as a system of schooling. It is clear that the Convention is a crucial way of supporting Catholic education.

Association of Proprietors of Integrated Schools

- A range of services sought by the wider integrated schools sector continued to be delivered, with an emphasis on meetings to address specific Proprietor issues. Such meetings were often on-site. The Office continues to work closely with Executive Officers and School Bursars, which is beneficial to Proprietors.

- A regional meeting took place in Canterbury on post-earthquake issues, and a strategy was agreed to advance Proprietor needs.
- Regional meetings for Proprietor groups have been planned for 2016.
- The Office continues its helpdesk function, responding to a significant number of individual inquiries.
- During the year, responsibility for the Religious Studies Teachers Association passed to the National Centre for Religious Studies (NCRS), although the Office continues to assist NCRS on policy and other matters, as the transition to a fully teacher-led Association will take some time.
- One Proprietor of a private school sought guidance from the Office about becoming an integrated school. Additionally, one religious group wanting to establish a green fields integrated school sought the help of the Office in progressing this goal.

3 Relationships with Second Tier Stakeholders

Relationship with Government

- Staff of the Office continued to interact with the Minister of Education and other government ministers on a range of issues, including buildings and finance, to foster beneficial results for integrated schools.
- The Office coordinated the Christchurch Proprietors' update of their application to government for special one-off funding to support the property upgrade work required post-earthquake. While there was no financial support allotted in the 2015 Budget process, it is hoped that the application will be more successful in the 2016 Budget.
- Senior politicians from the major parties were met with, to ensure that the role and needs of integrated schools were understood.
- The CEO continued as a member of the Minister of Education's National Education Cross-Sector Forum. A number of Catholic school principals were invited by the Minister to be members of the Regional Cross-Sector Forum meetings. These forums have an important role in the development and dissemination of educational policy.

Ministry of Education

- Frequent meetings continued to take place with the Secretary for Education and senior Ministry of Education officials to improve outcomes for Catholic and other integrated schools.
- In particular, a major project was completed, enabling the Ministry of Education, NZCEO and Proprietors to have shared electronic access to documentation such as site plans and integration agreements.
- Policy development and specific actions took place in a wide range of areas, including the following:
 - legal issues
 - liaison involving schools experiencing a range of difficulties
 - property matters
 - the updating of each integrated school's Integration Agreement and property details, which was nearly completed by the end of the year. All material relevant to individual Proprietorships is now held in electronic form.

Education Review Office

- Meetings with senior staff of the Education Review Office took place in order to maintain contact on matters specific to integrated schools.
- There were also meetings of regional ERO office personnel and Proprietors.
- ERO national reports are publicised regularly.

New Zealand Qualifications Authority

- Contacts were maintained with NZQA at senior management level.

C. CONSULTATIONS, PARTICIPATION IN NATIONAL COMMITTEES AND WORKING PARTIES, SUBMISSIONS TO MINISTERS OF THE CROWN, PARLIAMENT AND GOVERNMENT AGENCIES, ON BEHALF OF THE ASSOCIATION OF PROPRIETORS OF INTEGRATED SCHOOLS AND/OR THE NEW ZEALAND CATHOLIC EDUCATION OFFICE

January	<ul style="list-style-type: none"> • Quantity Funding Submission
February	<ul style="list-style-type: none"> • Submission on the New Zealand Education Council • New Zealand Police/Education Partnership
March	<ul style="list-style-type: none"> • Change to Rule 24 of the New Zealand Teachers Council (Conduct) Rules 2004 • Ministerial Sector Leaders Forum • Health and Safety Regulations Reference Group
April	<ul style="list-style-type: none"> • Joint Initiative: MOE/NZEI working party on Investing in Educational Success • Review of School Funding
May	<ul style="list-style-type: none"> • Health and Safety Regulations • Vulnerable Children Act Reference Group • 2016 Budget – Ministerial meeting on the Budget
August	<ul style="list-style-type: none"> • New Code of Practice for the Pastoral Care of International Students and Rules for the International Student Contract Dispute Resolution Scheme
September	<ul style="list-style-type: none"> • Vulnerable Children Act Reference Group – operational template
October	<ul style="list-style-type: none"> • Revision of the 1989 Education Act – submission for the beginning of the formulation of the major revision
November	<ul style="list-style-type: none"> • Health and Safety in the Workplace Act – operational template
December	<ul style="list-style-type: none"> • Submission on the updating of the Education Act 1989

D. OTHER ACTIVITIES OF THE OFFICE

1. Ongoing Involvement with Consultative and Reference Committees

Participation in the following committees occurred on a regular basis:

- Ministry of Education Regional Property Forum
- Ministry of Education Property Policy Group
- Ministerial Cross-Sector Forum for Leaders
- Ministry of Education Schools Property Reference Group
- Ministry of Education Helios Project Team
- Ministry of Education Health and Safety Reference Group
- Ministry of Education Technical Development Group
- Rural Education Reference Group
- Police/Education Partnership
- Vulnerable Children Act implementation working group

2. Political Contacts

As noted above, regular contact was made with representatives of the major political parties.

3. Ongoing Liaison with Sector Groups

Formal and informal contacts and meetings took place with the following:

- New Zealand Principals' Federation
- Secondary Principals' Association of New Zealand
- PPTA Principals' Council
- NZEI Principals' Council
- New Zealand Education Institute Te Riu Roa
- Post Primary Teachers' Association
- New Zealand School Trustees Association
- Early Childhood Association of New Zealand
- Independent Schools of New Zealand
- Tertiary Education Commission
- New Zealand Education Council

- New Zealand Qualifications Authority
- Office of the Commissioner for Children
- Te Kura – The Correspondence School
- New Zealand Council for Education Research
- Parent Teacher Association of New Zealand
- New Zealand Police National Headquarters
- The Asia Foundation
- Seasons for Growth
- National Religious Diversity Programme
- Netsafe Foundation

4. Wider Educational Engagement

- Support continued for schools involved with the Confucius Centre at the University of Auckland.
- Low-level involvement continued with the New Zealand National Commission for UNESCO. NZCEO Limited is a registered cooperating body with the New Zealand National Commission for UNESCO.
- Involvement continued with the Australian Scholarships Group programme.
- The CEO continued his role as the National Coordinator of the National Excellence in Teaching Awards.

5. International Education Connections

- Contributions were made to the work of Education New Zealand and Teach New Zealand, to promote an active profile for integrated schools.
- Support was given to Catholic Education Offices in the south-west Pacific region.
- Communications continued with leaders of Catholic education in Australia who sought detailed information on the way the New Zealand Catholic schooling system works.

- The Office continued to work with relevant agencies to enable more Catholic overseas students to enrol in our schools. In particular, the connection with the Sarasas Schools in Thailand continued.
- Support was given to schools wishing to expand their intake of foreign fee-paying students.
- As of 1 July 2015 there were 759 foreign fee-paying students in Catholic schools, compared with 679 in 2014.

6. Public Relations and Educational Debate

Staff of the Office participated in a wide range of public relations exercises, as invited, to provide support for groups and individuals who desired contact with the Office and the New Zealand Catholic schooling system:

- Efforts were made to manage the media as much as possible and to respond positively to news stories and media inquiries involving education issues.
- The CEO wrote ten blogs contributing to the education debate within New Zealand, and four media statements were released.

7. Supporting Catholic Schools, Principals and Trustees

- Frequent interaction occurred with principals, parents, teachers and trustees of schools nationwide, where guidance was sought on a range of policy and operational issues.

Collaboration with Primary and Secondary Schools

- Ongoing regular communication took place with the Executives of the New Zealand Catholic Primary and Secondary Principals' Associations. The annual conferences of the two Associations were also contributed to. A helpful relationship continues to exist between NZCEO and these bodies.

Māori Boarding Schools

- Difficulties with several of these schools were addressed with their Proprietors and the Ministry of Education – in particular, attempting to find solutions to significant problems experienced by two of the six schools.

Publications

- *The Lighting New Fires* newsletter was published four times, the *Good News and the News* broadsheet of good practice was published twice, and *Aoraki*, the publication for senior management in schools, was published twice. The Catholic Early Childhood newsletter was published four times.

Business Partnerships

- NZCEO's alignment with various business sector groups was fostered, with some additional revenue being generated for the Office, and technology purchase opportunities being provided for Catholic schools nationally.

8. Interaction with the National Centre for Religious Studies (NCRS) and the Catholic Institute

Collaborative action occurred on a range of matters, including:

- administrative work on the website of FaithCentral (the Religious Education website for Catholic secondary school teachers and students), which was transferred entirely to NCRS during the year
- the pilot for the New Zealand Catholic Schools Online Environment, through the Microsoft Partners in Learning initiative
- the work of the Religious Studies Teachers Association
- meetings with the Director of the Catholic Institute, focusing on joint strategic thinking.

9. Administration

- Most of the Office's work, with the exception of financial material, was transferred to the cloud.

10. NZCEO and APIS Websites

- Both websites were updated regularly, and resources added. The sections enabling access to specific documentation such as integration agreements continue to be well used.



E. CONCLUSION

- The reputation of Catholic schools in New Zealand continues to be excellent. This is due to the leadership and energetic efforts of many individuals who govern and lead schools. Proprietor administrative systems that support schools also function effectively.
- The requirements of the Shareholders of the Company, our Bishops and other Proprietors, continue to be the highest priority for the work of the Board and the Office.
- At a day-to-day level, the Board and the Office have worked assiduously to meet the requirements and expectations of the country's 237 Catholic schools, their trustees, principals, teachers, students, parishes and the wider community.
- 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. It was a landmark occasion when Geoffrey Ricketts was honoured by the University of Auckland with the award of an Honorary Doctorate in Law on 9 December 2015. Congratulations are extended to him.
- Gratitude is expressed to the New Zealand Catholic Bishops and their fellow Proprietor Shareholders, along with their agents, for their support and goodwill during the year.
- 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.

A handwritten signature in black ink, appearing to read 'Paul Ferris', written over a light blue background.

Paul Ferris
CHIEF EXECUTIVE OFFICER

NEW ZEALAND'S CATHOLIC SCHOOLS

There are 237 Catholic schools throughout New Zealand; 49 of these are secondary.

Auckland	Diocese	58
Hamilton	Diocese	33
Palmerston North	Diocese	36
Wellington	Archdiocese	47
Christchurch	Diocese	35
Dunedin	Diocese	28

Nationally, there were 66,129 students in Catholic schools in July 2015. Regional breakdown of students as of July 2015:

Auckland	Diocese	14,190	Primary
		10,212	Secondary
Hamilton	Diocese	6,289	Primary
		3,429	Secondary
Palmerston North	Diocese	4,699	Primary
		2,758	Secondary
Wellington	Archdiocese	6,659	Primary
		4,740	Secondary
Christchurch	Diocese	4,399	Primary
		3,686	Secondary
Dunedin	Diocese	3,301	Primary
		1,767	Secondary
Total		66,129	July Total

AUCKLAND

Colleges

Baradene College, Remuera
Carmel College, Milford
De La Salle College,
Mangere East
Hato Petera College, Northcote
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
Marist Primary School, Mt Albert
Marist Catholic School, Herne Bay
Monte Cecilia School, Hillsborough
Mt Carmel Primary School,
Meadowbank
Our Lady of the Sacred Heart
School, Epsom
Our Lady Star of the Sea School,
Howick
Pompallier Catholic School, Kaitiāia
Stella Maris School, Silverdale
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 School, Grey Lynn
St Joseph's School, Onehunga
St Joseph's School, Orakei
St Joseph's School, Otahuhu
St Joseph's School, Pukekohe
St Joseph's Catholic School,
Takapuna
St Leo's Catholic School, Devonport
St Mark's Catholic School, Pakuranga
St Mary MacKillop Catholic School,
Mangere
St Mary's School, Avondale
St Mary's School, Ellerslie
St Mary's School, Northcote
St Mary's Catholic School, Papakura
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's School, Three Kings
Te Kura O Hato Hohepa te Kamura,
Waitaruke
Te Kura O Hata Maria O Pawarenga,
North Hokianga

HAMILTON

Colleges

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

Primary Schools

Bishop Edward Gaines' School,
Tokoroa
Marian School, Hamilton
St Anthony's School, Huntly
St Columba's School, Frankton

St Joseph's Catholic School,
Te Kuiti
St Joseph's School, Fairfield
St Joseph's School, Matamata
St Joseph's School, Matata
St Joseph's School, Morrinsville
St Joseph's School, Opotiki
St Joseph's School, Paeroa
St Joseph's School, Te Aroha
St Joseph's School, Waihi
St Joseph's School, Whakatane
St Mary's Catholic School,
Putaruru
St Mary's Primary School,
Gisborne

St Mary's School, Otorohanga
St Mary's School, Rotorua
St Mary's School, Tauranga
St Michael's School, Rotorua
St Patrick's School, Taumarunui
St Patrick's School, Taupo
St Patrick's School, Te Awamutu
St Paul's Catholic School,
Ngaruawahia
St Peter Chanel School, Te Rapa
St Peter's Catholic School,
Cambridge
St Pius X School, Melville
St Thomas More School,
Mt Maunganui

PALMERSTON NORTH

Colleges

Cullinane College, Wanganui
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 School, Taradale
St Anne's School, Wanganui East
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, Wanganui
St Mary's School, Foxton
St Mary's School, Hastings
St Mary's School, Palmerston North
St Mary's School, Wanganui
St Matthew's School, Marton
St Patrick's School, Inglewood
St Patrick's School, Kaponga
St Patrick's School, Napier-Marewa
St Pius X School, New Plymouth

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 East
Our Lady of the Rosary School, Waiwhetu
Sacred Heart School, Petone
Sacred Heart School, Reefton

Sacred Heart Cathedral School, Thorndon
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, Picton

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 Patrick's School, Paraparaumu
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

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 Catholic School, Woolston
St Bernadette's School, Hornby
St Francis of Assisi 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 Primary School, Hokitika
St Mary's School, Christchurch
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, Waikiwi
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, Gore
St Mary's School, Kaikorai
St Mary's School, Milton
St Mary's School, Mosgiel
St Patrick's Primary School, Nightcaps
St Patrick's School, Invercargill
St Peter Chanel School, Green Island
St Teresa's School, Bluff
St Theresa's School, Invercargill
St Thomas's School, Winton

REPORT OF THE 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 Stephen Lowe
- Bishop Charles Drennan
- John Gallaher (Deputy Chairperson)
- Michael Hanaray
- Virginia Noonan

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 integrated schools.

Auditor

Deloitte

Solicitor

Shanahan Law

Company Number

WN/1042025

Registered Office

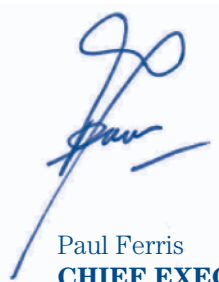
New Zealand Catholic Education Office Limited, PO Box 12307, Wellington 6144

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 2015.



Geoffrey Ricketts
CHAIRPERSON




Paul Ferris
CHIEF EXECUTIVE OFFICER

For and on behalf of the Board of Directors, 14 March 2016

**GROUP FINANCIAL STATEMENTS FOR NEW ZEALAND
CATHOLIC EDUCATION OFFICE LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2015**

These group financial statements have been prepared by New Zealand Catholic Education Office Limited and they fairly reflect the consolidated financial position and the activities of the Office and its subsidiary for the 12-month period ended 31 December 2015.

A handwritten signature in blue ink, appearing to read 'Paul Ferris', is positioned above the printed name and title.

Paul Ferris
CHIEF EXECUTIVE OFFICER

14 March 2016

NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED CONSOLIDATED STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2015

New Zealand Catholic Education Office Limited ('NZCEO Limited' or 'the Company') acts as Agent for Proprietors of integrated schools in their dealings with government and provides administrative services to NZCEO Finance Limited ('NZCEO Finance') on behalf of the contributing Shareholders of the National Attendance Dues and Capital Indebtedness Sharing Scheme ('the Scheme').

NZCEO Limited was constituted as a Company with limited liability on 30 June 2000. The date of incorporation under the Companies Act 1993 is 5 July 2000.

The consolidated financial statements comprise the financial statements of New Zealand Catholic Education Office Limited and its wholly-owned subsidiary NZCEO Finance Limited ('the Group') for the year ended 31 December 2015. The consolidated financial statements were authorised for issue by the Directors on 14 March 2016.

Basis of Preparation

NZCEO Limited is a reporting entity for the purpose of the Financial Reporting Act 2013 and these financial statements comply with that Act.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice ('NZ GAAP'). The financial statements comply with the New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS'), while applying the Framework for Differential Reporting and its interpretations as appropriate to public benefit entities.

The Group qualifies for differential reporting as it is not publicly accountable and is not a large entity as defined in the Framework for Differential Reporting issued by the External Reporting Board. The Group has taken advantage of all available differential reporting exemptions except for disclosure exemptions in relation to financial instruments.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Group. The presentation currency is New Zealand dollars, rounded to the nearest dollar.

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.

Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Basis for Preparing Consolidated Financial Statements

The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies, and are included in the consolidated financial statements using the purchase method of consolidation. Intercompany transactions are eliminated in preparing the consolidated financial statements.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (if any). The cost of property, plant and equipment is their purchase price together with any incidental costs of acquisition.

Subsequent costs are added to the carrying value amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the Consolidated Statement of Comprehensive Income as an expense as incurred.

Depreciation is provided on a straight line basis at rates that will write off the cost of the assets less any residual value over their useful lives. Depreciation is charged to the Consolidated Statement of Comprehensive Income. The following rates have been used and are reviewed annually:

	Life in Years	Straight Line Depn Rate
Computer hardware	3	33.3%
Office equipment	4–10	10%–25%
Furniture	13	7.5%

Intangibles

Computer software and system development costs have been classified as intangible assets. They are recorded at cost less accumulated amortisation and impairment losses (if any). The cost of intangibles is their purchase cost together with any incidental costs of acquisition.

Subsequent costs are added to the carrying value amount of an intangible asset when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the Consolidated Statement of Comprehensive Income as an expense as incurred.

Intangibles are amortised over a three-year period at a straight line rate of 33.3%.

Trade and Other Receivables

Trade and other receivables are stated at cost less impairment losses, if any.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance date to determine whether there is any indication of impairment. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the asset, the estimated future cash flows of the asset have been impacted. If any such indication exists, the assets recoverable amount is estimated.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in the Consolidated Statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed. The extent of the impairment loss reversal is limited to what the amortised cost would have been had the impairment not been recognised.

Financial Instruments

The Group is party to financial instruments as part of its day-to-day operations. These include bank accounts, investments, receivables, payables and loans. All financial instruments are recognised in the Consolidated Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Consolidated Statement of Comprehensive Income.

All financial instruments are shown at fair value on initial recognition. Subsequent to initial recognition financial assets are measured at amortised cost using the effective interest method less impairment, if any.

The Group does not enter into any off balance sheet transactions or use derivative financial instruments.

Financial Assets

Subsequent to initial recognition loans receivable are classified as loans and receivables and are measured at amortised cost less impairment, if any.

Capital Risk Management

The Group manages its capital to ensure that the Group can continue to operate as a going concern not only as the Company, but also in NZCEO Finance's role as administrator of the Scheme and the Catholic Education Trust Fund ('CETF'). The capital risk management strategy for the Group remains unchanged from 2012.

The capital structure of the Company and the Group consists of cash and cash equivalents, the loan to the Scheme, loans to Participating Proprietors, the loan from the CETF and the loan from the Bank of New Zealand.

The Board reviews the capital structure as part of the review of the financial model, including all projected cash inflows and outflows. The financial model is also reviewed independently every three years.

The Group has no target gearing ratio.

The Group is subject to externally imposed debt covenants in relation to the loan from the Bank of New Zealand which are periodically reviewed to ensure the Group is in compliance with these covenants. There have been no breaches of these debt covenants during the year.

Financial Liabilities

Subsequent to initial recognition loans payable are classified as loans and payables and are measured at amortised cost.

Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Deferred Financing and Development Costs

The initial set-up costs of NZCEO Finance are being written off over a twenty-five year period. Offset against this is the credit arising from the 0.50%

administration charge incurred by borrowers from NZCEO Finance. This credit is applied against current costs at the rate of 33% in the first year of the loan, with the balance applied evenly over a further 24 years.

Trade and Other Payables

Trade and other payables are stated at amortised cost and are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

Employee Entitlements

A provision for employee entitlements is recognised for benefits earned by employees but not provided at reporting date. Employee benefits include salaries, wages and annual leave.

Income

The Group receives a large proportion of its income from the Proprietors of schools integrated under the Private Schools Conditional Integration Act 1975. Income is recognised on an accruals basis as the services have been provided.

Interest Income

Interest income is recognised as the interest accrues to the net carrying value of the financial asset. Interest is recorded at gross value as determined using the effective interest method. NZCEO Finance does not attract resident withholding tax.

Interest Expense

Interest expense is recognised on an accruals basis using the effective interest method.

Operating Lease Payments

Operating lease payments, where the lessors effectively retain substantially all of the risks and benefits of ownership of the leased items, are recognised as an expense in the Consolidated Statement of Comprehensive Income on a straight line basis over the term of the lease.

Goods and Services Tax ('GST')

These financial statements have been prepared on a GST exclusive basis; any GST due or owing is recorded in the Consolidated Statement of Financial Position.

Charitable Status and Income Tax

NZCEO Limited and NZCEO Finance were registered as charitable entities with the Charities Commission in 2008. Registration confirmed NZCEO Limited's and NZCEO Finance's charitable status and exemption from income tax; accordingly, no charge for income tax has been provided for.

Changes in Accounting Policies

There have been no changes in accounting policy for the year ended 31 December 2015.

NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
EQUITY					
Share capital	1	98,888	98,888	98,888	98,888
Convention reserve	22	71,096	88,585	71,096	88,585
Retained earnings (losses)		589,430	(59,140)	327,155	306,205
TOTAL EQUITY		\$759,414	\$128,333	\$497,139	\$493,678
CURRENT ASSETS					
Cash and cash equivalents	2	1,280,131	1,239,535	556,605	535,341
Trade and other receivables	3	10,853	79,586	9,795	27,075
Prepayments	4	1,726	22,403	1,726	22,403
Current portion: loans to Participating Proprietors	6	1,122,859	957,664	-	-
Total Current Assets		2,415,569	2,299,188	568,126	584,819
NON-CURRENT ASSETS					
Property, plant and equipment	7	17,946	24,845	17,946	24,845
Intangibles	8	-	37	-	37
Loan to National Attendance Indebtedness Sharing Scheme	5	16,556,250	19,857,729	-	-
Non-current portion: loans to Participating Proprietors	6	26,300,236	26,628,198	-	-
Total Non-Current Assets		42,874,432	46,510,809	17,946	24,882
TOTAL ASSETS		45,290,001	48,809,997	586,072	609,701

	Note	Group 2014 \$	Group 2013 \$	Company 2014 \$	Company 2013 \$
CURRENT LIABILITIES					
Trade and other payables	9	119,508	136,523	88,933	116,023
Deferred financing and development costs	10	30,850	27,285	-	-
Loan from Catholic Education Trust Fund	12	23,022,701	26,460,390	-	-
Loan from Bank of New Zealand	6,11	1,000,000	3,000,000	-	-
Total Current Liabilities		24,173,059	29,624,198	88,933	116,023
NON-CURRENT LIABILITIES					
Loan from Bank of New Zealand	6,11	20,357,528	19,057,466	-	-
Total Non-Current Liabilities		20,357,528	19,057,466	-	-
TOTAL LIABILITIES		44,530,587	48,681,664	88,933	116,023
NET ASSETS		\$759,414	\$128,333	\$497,139	\$493,678

The accompanying Consolidated Statement of Accounting Policies and notes form part of these financial statements.

These accounts were authorised for issue by the Board on 14 March 2016.

For and on behalf of the Board



Geoffrey Ricketts
CHAIRPERSON

14 March 2016



Michael Hanaray
DIRECTOR

14 March 2016

NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
INCOME					
Proprietors' levies		743,326	731,831	743,326	731,831
Christchurch Earthquake Appeal		525,707	-	525,707	-
Cost recoveries	13	180,372	7,671	96,153	90,686
FaithCentral levies		-	11,438	-	11,438
Interest	14	3,512,087	4,884,739	20,078	20,714
Sale of publications		9	31	9	31
Sponsorship - publications		38,729	15,555	38,729	15,555
Other income		-	9,031	-	9,031
TOTAL INCOME		5,000,230	5,660,296	1,424,002	879,286
EXPENDITURE					
ACC levies		1,533	1,409	1,533	1,409
Audit fee		33,975	30,725	8,400	7,050
Administration	15	46,746	52,507	46,746	51,006
Amortisation of intangible assets	8	37	1,232	37	1,232
Bank charges		1,521	1,453	838	739
Convention 2015		503,196	-	503,196	-
Computer expenses		40,121	64,145	40,121	64,145
Computer hardware		8,876	7,875	8,876	7,875
Depreciation	7	6,899	10,496	6,899	10,496
FaithCentral	16	-	11,438	-	11,438
Interest paid to Catholic Education Trust Fund		1,512,311	1,650,112	-	-
Interest paid to Bank of New Zealand		1,399,075	2,686,645	-	-
Legal and professional fees	17	37,520	68,680	26,555	39,345
Meetings - Proprietors	18	34,989	27,875	34,989	27,875
Motor vehicle	19	19,777	18,519	19,777	18,519
Other fees paid to auditors	17	-	35,000	-	-
Publications and promotions	20	18,412	10,293	18,412	10,293
Principals' Initiative	21	30,960	30,960	30,960	30,960
Rent		35,156	34,644	35,156	34,644
Salaries		577,475	521,662	577,475	521,662
Travel - Office		20,571	22,660	20,571	22,660
TOTAL EXPENDITURE		4,329,150	5,288,330	1,380,541	861,348
TOTAL COMPREHENSIVE INCOME		\$671,080	\$371,966	\$43,461	\$17,938

The accompanying Consolidated Statement of Accounting Policies and notes form part of these financial statements.

NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED

CONSOLIDATED MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

		Retained Earnings/ (Accumulated Deficits) \$	Convention Reserve (Note 22)	Share Capital \$	Total \$
GROUP	Opening balance 1 January 2014	(431,106)	88,585	98,888	(243,633)
	Total comprehensive income	371,966	-	-	371,966
	Transfer (to)/from Reserves	-	-	-	-
	Balance at 31 December 2014	(59,140)	88,585	98,888	128,333
	Total comprehensive income	671,081	-	-	671,081
	Transfer (to)/from Reserves	(22,511)	(17,489)	-	(40,000)
	Balance at 31 December 2015	\$589,430	\$71,096	\$98,888	\$759,414
		Retained Earnings \$	Convention Reserve (Note 22)	Share Capital \$	Total \$
COMPANY	Opening balance 1 January 2014	288,267	88,585	98,888	475,740
	Total comprehensive income	17,938	-	-	17,938
	Transfer (to)/from Reserves	-	-	-	-
	Balance at 31 December 2014	306,205	88,585	98,888	493,678
	Total comprehensive income	43,461	-	-	43,461
	Transfer (to)/from Reserves	(22,511)	(17,489)	-	(40,000)
	Balance at 31 December 2015	\$327,155	\$71,096	\$98,888	\$497,139

The accompanying Consolidated Statement of Accounting Policies and notes form part of these financial statements.

NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
1. SHARE CAPITAL				
The Proprietors of Catholic integrated schools are the shareholders of NZCEO Limited. There are twenty-seven shareholders with one ordinary share each. The voting rights attached to each ordinary share are proportional to the number of schools under each shareholder (Proprietor). The shares have no par value.				
Fully paid in share capital	98,888	98,888	98,888	98,888
	\$98,888	\$98,888	\$98,888	\$98,888
2. CASH AND CASH EQUIVALENTS				
Bank Accounts				
ANZ	31,364	37,351	31,364	37,351
Bank of New Zealand	723,526	704,194	-	-
	754,890	741,545	31,364	37,351
Short-Term Deposits				
ANZ	525,241	497,990	525,241	497,990
Refer Note 6 for details of interest rates and maturities				
	\$1,280,131	\$1,239,535	\$556,605	\$535,341
3. TRADE AND OTHER RECEIVABLES				
Trade receivables	-	61,464	-	9,819
GST receivable	9,581	16,487	8,523	15,621
Accrued interest	1,272	1,635	1,272	1,635
	\$10,853	\$79,586	\$9,795	\$27,075

There have been no impairment losses during the year.

	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
4. PREPAYMENTS				
Convention 2015	-	20,045	-	20,045
Course registrations	246	-	246	-
Travel paid in advance	1,480	2,358	1,480	2,358
	\$1,726	\$22,403	\$1,726	\$22,403

5. LOAN TO NATIONAL ATTENDANCE DUES AND CAPITAL INDEBTEDNESS SHARING SCHEME AT AMORTISED COST

NZCEO Finance has on-lent funds to the Scheme to meet the shortfall between the attendance dues collected and the debt servicing commitments. This lending is at an interest rate of 5.5% for 2015 (2014 5.5%), reviewed annually with no specific date set for repayment.

Where there is a shortfall additional advances are drawn down by the Scheme (funds originating from the Trust). Financial modelling of the expected future attendance dues to be collected and forecast debt servicing payments shows that current surpluses will continue and that those monies will be used to repay the loan. The assumptions underpinning the financial model used for the loan impairment review include forecast attendance dues revenue and forecast debt servicing payments. The receipt of attendance dues is subject to an underwrite from the Catholic Bishops of the five participating dioceses.

Advanced by NZCEO Finance	1,014,090	5,464,772	-	-
Cumulative interest	15,542,160	14,392,957	-	-
	\$16,556,250	\$19,857,729	\$-	\$-

6. FINANCIAL INSTRUMENTS

a) Fair Values

The carrying value of all financial instruments is considered approximate to their fair value.

b) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to NZCEO Finance. NZCEO Finance has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Financial instruments which potentially subject NZCEO Finance to a concentration of credit risk consist principally of loans to Participating Proprietors and loans to the Scheme.

Security held on Participating Proprietors' loans is managed by the Bishops' underwrite.

	2015 \$	2014 \$
Significant counterparty exposure is as follows:		
Christian Brothers' loan	838,187	864,120
Dunedin Diocese loans	12,877,405	12,508,224
Hamilton Diocese loans	12,679,639	13,150,201
Marist Brothers Auckland loan	1,027,864	1,063,317
Total Proprietors' loans	27,423,095	27,585,862
Less current portion	(1,122,859)	(957,664)
	\$26,300,236	\$26,628,198

These loans are funded from the Bank of New Zealand ('BNZ') Term Loan Facility and have priority as per Note 6(f).

c) Liquidity Risk

The Group is exposed to liquidity risk due to the nature of its operations. However, the Group has access to the Trust for advances if additional funds are required. The Group proactively manages its banking facilities.

d) Interest Rate Risk

As interest receivable on the loan to the Scheme is set at the same rate as the interest payable on the monies borrowed from the Trust, NZCEO Finance is primarily exposed to interest rate risk on the differential between the interest payable on the bank term loan facility compared to the interest receivable on loans to Participating Proprietors. To manage this interest rate risk the interest rate charged by NZCEO Finance on loans to Participating Proprietors and the BNZ interest rate are regularly reviewed, and fixed, where appropriate, by the Board of NZCEO Finance. The interest rate charged by NZCEO Finance is approximately related to the interest rate charged by the BNZ, and is reviewed at least annually. Any movement in the BNZ interest rate is reflected in the NZCEO Finance interest rate.

e) Contractual Maturity Analysis

The following table details NZCEO Finance's contractual maturities and effective interest rates for financial assets and liabilities. The loan from the Trust has been classified as maturing in 6–12 months because the loan does not have a specific date for repayment and is therefore technically repayable on demand. The expected repayment of this loan will take place in conjunction with receipts from the Scheme.

2015 Contractual Maturities									
Effective Interest Rate	0-6 months	6-12 months	1-2 years	2-3 years	3-4 years	4-5 years	5 years +	Total	
Cash	2.45%	754,890						754,890	
Short-term deposits	3.07%	525,241						525,241	
Trade and other receivables	0.00%	12,579						12,579	
Loans to Participating Proprietors	7.50%	552,122	570,737	1,199,848	1,282,117	1,370,023	1,463,958	20,984,290	
Loan to National Attendance Dues and Capital Indebtedness Sharing Scheme	5.50%						16,556,250	16,556,250	
BNZ Term Loan	6.67%				(17,077,000)			(17,077,000)	
BNZ Term Loan	4.57%		(1,000,000)	(1,000,000)	(877,466)			(2,877,466)	
BNZ Term Loan	6.70%				(603,000)			(603,000)	
BNZ Term Loan	5.51%				(800,062)			(800,062)	
Trade and other payables	0.00%	(150,358)						(150,358)	
Loan from Catholic Education Trust Fund	5.50%		(23,022,701)					(23,022,701)	
Total		\$1,694,474	(\$23,451,964)	\$199,848	(\$18,075,411)	\$1,370,023	\$1,463,958	\$37,540,540	\$741,468

2014 Contractual Maturities								
Effective Interest Rate	0-6 months	6-12 months	1-2 years	2-3 years	3-4 years	4-5 years	5 years +	Total
Cash	3.45%	741,545						741,545
Short-term deposits	4.39%	497,990						497,990
Trade and other receivables	0.00%	101,989						101,989
Loans to Participating Proprietors	7.50%	469,908	487,756	1,031,812	1,197,784	1,290,528	21,996,369	27,585,861
Loan to National Attendance Dues and Capital Indebtedness Sharing Scheme	5.50%						19,857,729	19,857,729
BNZ Term Loan	5.67%				(4,377,466)			(4,377,466)
BNZ Term Loan	6.67%		(3,000,000)	(3,000,000)	(8,077,000)			(17,077,000)
BNZ Term Loan	6.70%				(603,000)			(603,000)
Trade and other payables	0.00%	(163,808)						(163,808)
Loan from Catholic Education Trust Fund	5.50%	(26,460,390)						(26,460,390)
Total		\$1,647,624	(\$28,972,634)	(\$1,966,188)	(\$1,888,296)	\$1,290,528	\$41,854,098	\$103,450
f) Priority								
The BNZ loans are secured against all current and future NZCEO Finance assets and registered first or second mortgages held over the properties listed in Note 11.								

7. PROPERTY, PLANT AND EQUIPMENT

Group and Company				
	Computer Hardware	Office Equipment	Furniture	Total
Cost				
Balance at 1 January 2014	49,612	12,340	60,737	122,689
Additions	-	-	-	-
Disposals	(5,778)	(2,406)	-	(8,184)
Balance at 31 December 2014	43,834	9,934	60,737	114,505
Additions	-	-	-	-
Disposals	(15,499)	-	-	(15,499)
Balance at 31 December 2015	28,335	9,934	60,737	99,006
Accumulated depreciation and impairment				
Balance at 1 January 2014	42,020	9,730	35,598	87,348
Depreciation expense	5,305	1,363	3,828	10,496
Disposals	(5,778)	(2,406)	-	(8,184)
Balance at 31 December 2014	41,547	8,687	39,426	89,660
Depreciation expense	2,223	1,247	3,429	6,899
Disposals	(15,499)	-	-	(15,499)
Balance at 31 December 2015	28,271	9,934	42,855	81,060
Net book value				
At 31 December 2014	\$2,287	\$1,247	\$21,311	\$24,845
At 31 December 2015	\$64	\$-	\$17,882	\$17,946

8. INTANGIBLES

Group and Company

	Computer Software	Systems Development	Total
Cost			
Balance at 1 January 2014	2,948	5,200	8,148
Additions	-	-	-
Disposals	(981)	-	(981)
Balance at 31 December 2014	1,967	5,200	7,167
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2015	1,967	5,200	7,167
Accumulated amortisation and impairment			
Balance at 1 January 2014	2,838	4,041	6,879
Amortisation expense	73	1,159	1,232
Disposals	(981)	-	(981)
Balance at 31 December 2014	1,930	5,200	7,130
Amortisation expense	37	-	37
Disposals	-	-	-
Balance at 31 December 2015	1,967	5,200	7,167
Net book value			
At 31 December 2014	\$37	\$-	\$37
At 31 December 2015	\$-	\$-	\$-

	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
9. TRADE AND OTHER PAYABLES				
Trade payables	92,841	86,479	62,266	65,979
PAYE payable	-	16,941	-	16,941
Monies received in advance	-	8,350	-	8,350
Employees' salary and holiday pay liability	26,667	24,753	26,667	24,753
	\$119,508	\$136,523	\$88,933	\$116,023

10. DEFERRED FINANCING AND DEVELOPMENT COSTS

The initial set-up costs of NZCEO Finance are being written off over a twenty-five year period. Offset against this is the credit arising from the 0.50% administration charge incurred by borrowers from NZCEO Finance. This credit is applied against current costs at the rate of 33% in the first year of the loan, with the balance applied evenly over a further 24 years.

Opening balance	27,285	26,415	-	-
Plus: Net set-up costs to be recovered	15,727	15,720	-	-
Plus: Administration credit from new loan	4,000	-	-	-
Less: Use of administration credit against current costs	(16,162)	(14,850)	-	-
Closing balance	\$30,850	\$27,285	\$ -	\$ -

11. LOAN FROM BANK OF NEW ZEALAND

The Bank of New Zealand Term Loan Facility was updated by a Deed of Amendment and Restatement dated 17 December 2012. The updated Facility became effective 1 January 2013.

Contractual maturities are as per Note 6(e).

	Interest Rate	Group 2015 \$	Group 2014 \$
Non-Current Liability			
Bank of New Zealand - Term Loan Facility	6.67% Fixed	17,077,000	17,077,000
Bank of New Zealand - Term Loan Facility	6.70% Fixed	603,000	603,000
Bank of New Zealand - Term Loan Facility	4.74% Floating	1,877,466	2,877,466
Bank of New Zealand - Term Loan Facility	5.51% Fixed	800,062	-
		20,357,528	20,557,466
Current Liability			
Repayment - Term Loan Facility		1,000,000	1,500,000
		\$21,357,528	\$22,057,466

The loan is secured against all current and future NZCEO Finance assets and registered first or second mortgages held over properties situated at:

- John Paul College, Rotorua
- John Paul College Hostel, Rotorua
- Kavanagh College, Rattray Street, Dunedin
- Campion College, Gladstone Street, Gisborne
- St John's College, Hillcrest Road, Hamilton
- St Joseph's School, Melbourne Street, Queenstown
- Speargrass Flat Campus, Speargrass Road, Queenstown
- Holy Family School, Aubrey Road and Kirimoki Crescent, Wanaka
- St Kevin's College, Taward Street, Oamaru
- Marcellin College, Mt Albert Road, Auckland
- St Mary's School, Chaucer Street, Milton
- Verdon College, Rockdale Road, Invercargill

	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
12. LOANS FROM THE CATHOLIC EDUCATION TRUST FUND AT AMORTISED COST				
The Trust has on-lent funds to NZCEO Finance for the funding of the BNZ principal repayment and for on-lending to the Scheme to cover the shortfall between attendance dues received and debt servicing commitments. This lending is at an interest rate of 5.5% for 2015 (2014 5.5%), reviewed annually with no specific date set for repayment. Financial modelling of the expected future attendance dues to be collected and forecast debt servicing payments shows that the repayments which commenced in 2010 will continue. The assumptions underpinning the financial model used for the loan impairment review include forecast attendance dues receipts and forecast debt servicing payments. The loan is stated at amortised cost.				
Advanced by the Catholic Education Trust Fund	6,199,223	11,149,223	-	-
Cumulative interest	16,823,478	15,311,167	-	-
	\$23,022,701	\$26,460,390	\$-	\$-

13. COSTS RECOVERIES				
These expenses have been recovered by NZCEO Limited for providing administrative services to NZCEO Finance and the Trust.				
NZCEO Finance	172,671	-	88,452	83,015
Catholic Education Trust Fund	7,701	7,671	7,701	7,671
	\$180,372	\$7,671	\$96,153	\$90,686

14. INTEREST INCOME				
Interest was earned from the following sources:				
ANZ	20,078	20,714	20,078	20,714
Bank of New Zealand	27,491	18,960	-	-
Proprietor loans	2,315,315	3,509,923	-	-
National Attendance Dues and Capital Indebtedness Sharing Scheme on funds advanced	1,149,203	1,335,142	-	-
	\$3,512,087	\$4,884,739	\$20,078	\$20,714

	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
15. ADMINISTRATION				
General expenses	19,542	19,099	4,776	2,832
Photocopier lease payments	9,888	10,449	9,888	10,449
Photocopier expenses	2,899	3,443	2,899	3,443
Postage	5,305	9,408	5,305	9,408
Printing, stationery and archiving	8,398	7,403	8,398	7,403
Professional development	7,256	9,251	7,256	9,251
Repairs and maintenance	202	537	202	537
Subscriptions and books	2,057	2,403	2,057	2,403
Telephones	5,965	5,280	5,965	5,280
Recovery of deferred administration	(14,766)	(14,766)	-	-
	\$46,746	\$52,507	\$46,746	\$51,006

16. FAITHCENTRAL EXPENDITURE

FaithCentral is now administered by the National Centre for Religious Studies, a centre within the Catholic Institute of Aotearoa New Zealand.

	-	\$11,438	-	\$11,438
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	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
17. LEGAL AND PROFESSIONAL FEES				
These fees include negotiation, support and legal advice on various issues relating to government policies; school maintenance; depreciation; legislative and regulatory interpretations; and a range of other issues.				
Legal fees	26,982	38,419	16,017	9,084
Consultants and specialised office support	10,538	30,261	10,538	30,261
	37,520	68,680	26,555	39,345
Other fees paid to auditors - corporate finance and taxation	-	35,000	-	-
	\$37,520	\$103,680	\$26,555	\$39,345

18. MEETINGS - PROPRIETORS				
NZCEO Limited Board of Directors' travel expenses, Association of Proprietors of Integrated Schools' Executive travel expenses, catering, subsets of Board meetings and related costs.				
	\$34,989	\$27,875	\$34,989	\$27,875

19. MOTOR VEHICLE EXPENSES				
Running costs	695	932	695	932
Car lease	4,278	3,922	4,278	3,922
Car parking	14,804	13,665	14,804	13,665
	\$19,777	\$18,519	\$19,777	\$18,519

20. PUBLICATIONS AND PROMOTIONS				
The production and distribution of <i>Lighting New Fires</i> , <i>Good News and the News</i> and <i>Aoraki</i> continued in 2015. A number of resources are now available on the NZCEO Limited website.				
	\$18,412	\$10,293	\$18,412	\$10,293

	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
21. PRINCIPALS' INITIATIVE				
This is an NZCEO Limited Board of Directors' initiative to support the ongoing supply of committed teachers to provide leadership for Catholic schools.				
Expenditure	\$30,960	\$30,960	\$30,960	\$30,960

22. CONVENTION RESERVE				
The 2015 Catholic Education Convention was held in June 2015. An amount of \$40,000 was transferred from the Convention Reserve to assist with the costs associated with the 2015 Convention. The surplus generated from the 2015 Convention was transferred back to the Convention Reserve to assist with the costs associated with future Conventions.				
Opening balance	88,585	88,585	88,585	\$88,585
Transfer to 2015 Convention	(40,000)	-	(40,000)	-
Transfer from retained earnings	22,511	-	22,511	-
Convention Reserve at end of period	\$71,096	\$88,585	\$71,096	\$88,585

23. RELATED PARTY TRANSACTIONS				
NZCEO Limited 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 National Attendance Dues and Capital Indebtedness Sharing Scheme to fund the shortfall between the national attendance dues received from Participating Proprietors and the debt servicing paid on behalf of the Participating Proprietors. (Refer Note 12.)				
All administration costs for NZCEO Finance (2015 \$88,452, 2014 \$ 83,015) and the Catholic Education Trust Fund (2015 \$7,701, 2014 \$7,671) were initially paid by NZCEO Limited and recovered by way of reimbursement.				
Loans are provided by NZCEO Finance to Participating Proprietors of the National Attendance Dues and Capital Indebtedness Sharing Scheme as disclosed in the Statement of Financial Position. The Participating Proprietors of the Scheme are also shareholders of NZCEO Limited. (Refer Note 6.)				

	Group 2015 \$	Group 2014 \$	Company 2015 \$	Company 2014 \$
24. COMMITMENTS				
Operating lease commitments for office premises, car and photocopier are payable as follows:				
Less than one year	52,767	56,678	52,767	56,678
Between one and five years	27,044	12,017	27,044	12,017
More than five years	-	-	-	-
	\$79,811	\$68,695	\$79,811	\$68,695

There are no capital commitments as at 31 December 2015 (2014 \$Nil).

25. INSURANCE

Insurance of the NZCEO Limited office contents, furniture and equipment, materials, etc is provided under a blanket cover held by the Archdiocese of Wellington's Insurance Fund.

26. CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2015 (2014 \$Nil).

27. SUBSEQUENT EVENTS

There have been no events subsequent to balance date that would materially affect the Financial Statements as presented at 31 December 2015.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NEW ZEALAND CATHOLIC EDUCATION OFFICE LIMITED

Deloitte

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of New Zealand Catholic Education Office Limited ('NZCEO Limited') and Group on pages 28 to 52, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated statements of comprehensive income and the statements of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Company's 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.

Board of Directors' Responsibility for the Consolidated Financial Statements

The Board of Directors are responsible on behalf of the Company for the preparation and fair presentation of these consolidated financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards with Differential Reporting Recognition, Measurement and Disclosure Concessions, and for such internal control as the Board of Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated and separate financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the consolidated and separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor, we have no relationship with or interests in New Zealand Catholic Education Office Limited or its subsidiary.

Opinion

In our opinion, the consolidated and separate financial statements on pages 28 to 52 present fairly, in all material respects, the financial position of New Zealand Catholic Education Office Limited and its subsidiary as at 31 December 2015, and their financial performance for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards with Differential Reporting Recognition, Measurement and Disclosure Concessions.



Chartered Accountants

14 March 2016

Wellington, New Zealand

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Susan Apáthy, *Deputy CEO*
Donna Campbell, *Financial Controller*

EXCELLENCE IN SCHOOLS THAT MAKE A DIFFERENCE