



**Board of Trustees
Brisbane Grammar School**

Annual Report 2013

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BRISBANE GRAMMAR SCHOOL
Board of Trustees

10 March 2014

The Honourable John-Paul Langbroek MP
Minister for Education, Training and Employment
PO Box 15033
BRISBANE CITY EAST QLD 4002

Dear Minister

I am pleased to present the Annual Report 2013 and Financial Statements for The Board of Trustees of the Brisbane Grammar School.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

Yours sincerely

A handwritten signature in blue ink that reads "Howard Stack".

Howard Stack
Chairman – Board of Trustees



2013

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1. **CONSTITUTION, GOALS AND FUNCTIONS**

Legislative Basis

Brisbane Grammar School is the oldest secondary school for boys in the city of Brisbane. It was established on 29 February 1868 and opened at its original Roma Street site in February 1869 with 94 students. The School was forced to relocate to its present site on Gregory Terrace in 1881 to allow for the development of the Roma Street railway station.

The Board of Trustees of the Brisbane Grammar School is constituted under the *Grammar Schools Act 1975* and is a Statutory Body within the meaning given in the *Financial Accountability Act 2009* and subject to audit by the Auditor General.

The Minister for Education, Training and Employment is responsible for the administration of the *Grammar Schools Act 1975*.

Functions and Powers

The functions of the Board of Trustees are specified in Section 14 of the *Grammar Schools Act 1975* as follows:

- (a) to supervise, maintain and control the conduct of the School for which the Board is constituted;
- (b) to erect, alter, add to, purchase or sell buildings used or to be used for or in connection with the School;
- (c) to effect general improvements to the premises used or to be used for or in connection with the School;
- (d) to provide in the School courses of instruction;
- (e) to make rules with respect to:
 - (i) fees and charges to be paid in relation to students enrolled or to be enrolled at the School;
 - (ii) the management and control of the School; and
 - (iii) the discipline and conduct of students enrolled at the School.

The powers of the Board of Trustees as set out in Part 3 Divisions 1 and 2 of the *Grammar Schools Act 1975* are as follows:

Division 1 - General Powers

Powers and functions generally

A Board shall have and may exercise and perform such powers and functions as are conferred or imposed upon it by or under this Act.

By-law making power

- (1) a Board may make by-laws about elections under this Act, including by-laws about:
 - (a) an electoral eligibility amount for the Board; and
 - (b) when an election is held; and
 - (c) a maximum number of terms for which a person may be elected under section 7(4)(b).
- (2) a by-law made under subsection (1)(a) may provide for an amount that is an electoral eligibility amount in relation to all elections or a specified election.
- (3) a by-law has effect only if it is consistent with this Act, including a regulation in force under this Act.

- (4) without limiting subsection (3), a provision of a by-law mentioned in subsection (1)(a) is of no effect unless it complies with a regulation about the minimum or maximum amount that may be set as an electoral eligibility amount for the Board.
- (5) a by-law is not subordinate legislation.

Power to establish trust funds and to accept gifts and the like subject to conditions

- (1) a Board may establish and administer trust funds for any purpose in connection with the exercise and performance of its powers and functions.
- (2) a Board may agree to and carry out conditions to which a gift, grant, bequest, devise, purchase, lease or other means whereby a Board acquires or holds property is subject.

Power to establish investment common funds

- (1) a Board may establish investment common funds for the collective investment of moneys of the School in respect of which the Board is constituted, trust moneys and other moneys held by or in the custody of that School.
- (2) a Board may, from time to time without liability for breach of trust, bring into or withdraw from an investment common fund established by it the whole or any part of moneys of the School in respect of which the Board is constituted or trust moneys or other moneys held by or in the custody of that School.
- (3) subject to subsections (4) and (5), a Board shall distribute periodically the income of each investment common fund amongst those funds participating in the common fund, having regard to the extent of the participation of those funds in the common fund during the relevant accounting period.
- (4) in a case where a Board has brought into an investment common fund sums of money that, having been received by it to be expended for a stated purpose, will not for any cause be expended for that purpose forthwith, the Board may pay into its general fund the whole or any part of that portion of the income of such investment common fund that is attributable to the participation of those sums of money in that common fund and that is not required for that stated purpose.
- (5) a Board may if it considers it proper so to do, from time to time, add a portion of the income of an investment common fund to the capital thereof or use another portion of that income to establish or augment a fund or funds as a provision against capital depreciation or reduction of income.

Appointment of employees

- (1) a Board:
 - (a) shall appoint and at all times have a secretary; and
 - (b) shall appoint a secretary when and as often as a vacancy occurs in that office; and
 - (c) may appoint and employ such administrative officers, teachers, clerks and other employees as it considers necessary for the proper exercise and performance of its powers and functions.
- (2) a Board may enter into, perform and discharge any agreement with respect to the payment of salary, wages, expenses or other moneys to be paid to or in respect of any person who performs functions on behalf of the Board for the purposes of this Act.

Superannuation scheme

- (1) a Board may:
 - (a) establish or amend superannuation schemes; or
 - (b) join in establishing or amending superannuation schemes; or
 - (c) take part in superannuation schemes.
- (2) the auditor-general may audit the schemes.
- (3) Subsection (2) is subject to the *Auditor-General Act 2009*.

Division 2 – Power to enter into financial arrangements

Boards are statutory bodies

- (1) Under the *Statutory Bodies Financial Arrangements Act 1982*, a Board is a statutory body.
- (2) The *Statutory Bodies Financial Arrangements Act 1982*, part 2B sets out the way in which a Board's powers under this Act are affected by the *Statutory Bodies Financial Arrangements Act 1982*.

Procedure before borrowing

Before proceeding to borrow money under the *Statutory Bodies Financial Arrangements Act 1982*, a Board must cause the following to be prepared –

- (a) plans and specifications of the projects or full details of other undertakings for which the money to be borrowed is required;
- (b) an estimate of the cost of those projects or other undertakings;
- (c) a statement showing details of the proposed expenditure of the money to be borrowed.

Illegal borrowing

- (1) if a Board borrows money that it is not authorised under this Act and the *Statutory Bodies Financial Arrangements Act 1982* to borrow, the members of the Board who have consented to the borrowing of that money shall be jointly and severally liable to repay it and to pay interest thereon to the person from whom it was borrowed and that money and interest may be recovered from those members or any of them as money lent by that person to those members or, as the case may be, that member by action in any court of competent jurisdiction.
- (2) if moneys are appropriated from any fund kept under this Act for the purpose of repaying money so borrowed or paying interest thereon, the members of the Board who have consented to the appropriation of those moneys for that purpose shall be jointly and severally liable to refund them with interest thereon at a rate determined by the Treasurer in respect of that appropriation and those moneys and interest may be recovered from those members or any of them by action in any court of competent jurisdiction at the suit of the Treasurer.
- (3) in an action brought under subsection (3), the Treasurer –
 - (a) is entitled to costs as between solicitor and client; and
 - (b) must pay the amounts recovered under the action into the fund concerned.

Brisbane Grammar School's Goals and Strategic Objectives

The School's key strategic goals and objectives are set out in its Statement of Purpose:

- (a) The fundamental strategic goal is:
Brisbane Grammar School educates boys within a strong learning culture that is innovative, yet respectful of its traditions, by nurturing their intellectual, physical and emotional wellbeing to become thoughtful and confident and men of character who contribute to their communities.
- (b) The major objectives of the School are to provide for each student, through the medium of a program based upon the philosophy of a broad liberal education:
 - the development of attitudes, skills, and a base of knowledge as a foundation for: critical intelligence, creativity, effective communication and the capacity and enthusiasm for independent, life-long learning
 - the development and extension of personal character and talents
 - the development of a strong sense of service, community, leadership and loyalty to others.

- (c) The key strategic means through which the above are to be pursued are:
- a broad and balanced academic curriculum in which each boy is challenged to do his best
 - a disciplined, safe and supportive environment for learning and for both personal and social growth of students
 - a broad program of cultural, intellectual, sporting and other outdoor activities
 - sporting activities where boys are encouraged to strive vigorously for success, but always within the finest traditions of sportsmanship
 - highly competent teaching staff who are committed to the School's Purpose
 - provision of high quality facilities and support materials (including importantly ICT), while maintaining the heritage structures of the School
 - generation of income and sound financial management that will allow expeditious, efficient and effective pursuit of the School's major objectives
 - effective and responsible school governance
 - effective communication between the School and its stakeholders.

The School's key strategic goals are ongoing and are not subject to annual change. Specific strategies and actions in support of the School's strategic goals are reviewed and planned annually by the Board and senior staff in a collaborative process.

Appendix A & B include commentary from both the Chairman of the Board of Trustees and the Headmaster, outlining the School's strategic direction.

2. **LOCATION**

SCHOOL CAMPUS:	Gregory Terrace, Brisbane Qld 4000 Postal Address: As above Phone: (07) 38345200 Fax: (07) 38345202 Email: reception@brisbanegrammar.com Website: www.brisbanegrammar.com
SPORTING FIELDS:	Nudgee Road, Northgate Qld 4013
BOAT SHED:	Riverside Drive, West End Qld 4101
OUTDOOR EDUCATION CENTRE:	1156 Lake Moogerah Road, Lake Moogerah Qld 4309

3. **STRUCTURES**

Governing Body

The Board of Trustees of the Brisbane Grammar School was constituted in 1868. The Board consists of seven members appointed by the Governor in Council of whom:

- (a) four are nominated by the Minister for Education, Training and Employment
- (b) three are subscribers to the School and elected as prescribed by the Act.

Members of the Board perform their duties on a part-time basis for no remuneration.

The Board of Trustees oversees the management of the School with responsibility for day-to-day management, curriculum leadership, recruitment and appointment of staff being delegated to the Headmaster. The Headmaster, Secretary to the Board (Business Manager), four Deputies and Head of the Middle School also attend Board meetings.

In addition to regular meetings of the full Board, there are also several standing board committees which meet regularly throughout the year. These are currently: finance, house and grounds, and development and marketing. Each of these committees is composed of representatives of the Board and senior management, including the Headmaster and Business Manager.

The Board met formally on ten (10) occasions during 2013, including a Strategic Planning Workshop in September.

Membership of the Board and Term of Appointment as at the 31 December 2013:

Mr H L Stack (Chairman)	Elected Subscriber Representatives	15 Dec 2011 – 14 Dec 2015
Dr J M Fenwick AM (Deputy Chair)	Elected Subscriber Representatives	15 Dec 2011 – 14 Dec 2015
Mr C A Morton	Elected Subscriber Representatives	15 Dec 2011 – 14 Dec 2015
Mr P J Braddy	Ministerial Nominees	15 Dec 2011 – 14 Dec 2015
Mr S E Lonie	Ministerial Nominees	15 Dec 2011 – 14 Dec 2015
Prof D MacDonald	Ministerial Nominees	15 Dec 2011 – 14 Dec 2015
Ms S J Palmer	Ministerial Nominees	15 Dec 2011 – 14 Dec 2015

Senior Management

The School's administration was guided by a senior management team consisting of:

- Headmaster, Mr Anthony Micallef, (appointed Headmaster 1 Jan 2014) BA, DipEd, MA(Syd), MACE, MACEL
 - Mr Brian Short (retired 31 Dec 2013), BA, DipEd, BEdSt, MLitSt(Qld), MAEdAd(SJSU), MACEL, MPDK, FAIM
- Secretary to the Board of Trustees and Business Manager, Mr Howard James, MBA (MGSM), FCPA, FCIS, FHKSA
- Deputy Headmaster - Extracurricular, Mr Mark Brusasco, BA, DipEd(UQ)
- Deputy Headmaster - Staff and Community Relations, Mr Ed Roper, BEd(JCU), BAppSc(QUT), MACEL
- Deputy Headmaster - Students, Mr Anthony Micallef, BA, DipEd, MA(Syd), MACE, MACEL (to 31 Dec 2013)
 - Mr David Carroll, (appointed 1 Jan 2014), BA(UQ), GradDipT(ACU), GradDipArts(ACU), MEL(ACU)
- Deputy Headmaster - Teaching and Learning, Mr Steve Uscinski, BA(Hons)(UQ), GradDipT, MEd(QUT)
- Head of Middle School, Ms Jacqui Zervos, BA, DipEd, MEdSt(UQ), MACE, MACEL

This group is supported by a variety of sub committees charged with the sectional implementation of the strategic plan. Standing committees within the School include: risk management, heads of department; student welfare; studies; marketing; workplace health and safety and staff consultative. Various other committees operate on an ad hoc or annual basis.

There are subsidiary strategic plans for each of the five areas of: academic curriculum, student welfare, staff and community relations, middle school and extracurricular program. Reporting to these plans are academic departmental development plans that are also composed on a strategic basis.

4. REVIEW OF THE PROGRESS IN ACHIEVING THE BOARD OF TRUSTEES' STATUTORY OBLIGATIONS

The report of the Chairman of Trustees to the school community at its annual speech day reviews the progress in achieving the Board of Trustees' statutory obligations (Appendix A).

In addition, the Board of Trustees met for its annual strategic retreat on 21 September 2013 as part of the regular process of review of school operations in terms of the objectives outlined in the annual strategic plan. The review was informed, as usual, by reports from the Headmaster and other members of the School's senior management.

5. SUMMARY OF SIGNIFICANT OPERATIONS

a) Needs-based bursarial assistance

With the demise of state-awarded entrance scholarships in the mid-20th century, the Trustees of Brisbane Grammar School introduced Trustees Scholarships in 1965. These entrance scholarships have been awarded annually since then to boys wishing to enter the School at Year 8. Trustees Scholarships have been awarded on academic merit determined by performance in the annual ACER (Australian Council for Educational Research) Scholarship Examination, with an interview also being used to ensure that the candidate has a history of general participation, and interest, in extracurricular and service activities. These scholarships are awarded only for Years 8 to 10, although means-testing provides for a student entering on a scholarship to continue through Years 11 and 12 with on-going fee assistance if his family would be unable to afford the full tuition (and/or boarding fee, if relevant).

The School's Trustees are very aware of the history of Brisbane Grammar School providing access to a high-quality academic schooling for boys whose families could not afford to pay the full fees. To this end, there has been an effort over the past decade to grow the School's Endowment Fund, with the intention of using a significant portion of the annual income of this fund to provide means-tested assisted places (bursaries) to an increasing number of boys. In 2013, 53 students' families received assistance ranging from 25-100% remission of fees, as determined on the basis of demonstrated need.

b) Pedagogical Practices Committee

The Pedagogical Practices Committee (PPC) is a direct outgrowth of several of the key recommendations of Dr Peter Taylor's Report (2011).

Dr Taylor characterised four important domains or categories of pedagogical practice at Brisbane Grammar School (BGS). These four key categories are: purposefulness of lessons; development of a community of learners; clarity of disciplinary knowledge; student contribution to lesson development.

These four categories define or delimit 'BGS pedagogy'. These categories are understood and realised by practices that: make teaching and learning visible; make effective use of routines; select and synthesise strategies to maximise learning opportunities.

Dr Taylor particularly emphasised that 'the routine of good practice' could be most effectively realised through 'a more collaborative approach to professional development

based on peer-observation of classroom practices'. Therefore, the PPC, importantly comprised of teachers from several different departments, undertook a process of capturing on video specifically targeted teacher routines during real lessons and annotating or de-coding the practices and learning apparent in the lesson phases. Then, over the course of 2012, the committee led professional conversations about good practice with groups of staff both on Professional Development (PD) days and at sessions offered at different times throughout the year.

The committee continued to operate in 2013 after its success in 2012, setting as its aims and rationale for the year:

- to lead the purposeful creation of good classroom culture by all teachers at BGS
- to identify and share with academic staff the classroom routines that lead to desirable cultural norms and outcomes
- to characterise the elements of good lesson openings and closure
- to identify how effective teachers move students from imposed to internalised routines.

The seven members of the PPC observed, recorded and created video analyses of pedagogical practices from approximately 50 lessons. The classes observed ranged from middle school to senior and covered most discipline/subject areas. As noted above, there have been multiple presentations to BGS academic staff in 2013 but the major culminating PD presentation involving all committee members will be January 2014.

Each PPC member produced a summary report of their observations and the teaching and learning principles they have derived. There remains the challenge in 'normalising' the culture of the sharing of professional practice, as the members' reports capture the tension between the clearly positive and affirming outcomes that the sharing of good classroom practice brings and the instinctive concern expressed by some staff at the 'risk' in sharing their classrooms.

c) **Dimensions of Learning Renewal Committee**

The Dimensions of Learning (DoL) Renewal Committee was established in 2012 and continued to operate, with the addition of two new staff, in 2013. The committee's brief is to review, audit and report on the current state of DoL in the School, guide the explicit development of Complex Reasoning Processes (CRPs) by our students and to lead the process for renewal, particularly so as to ensure alignment with the significant technological, pedagogical and curriculum shifts the School is undergoing. The DoL Renewal Committee's aims and goals for 2013 were as follows:

1. renew and relaunch DoL
2. ensure DoL presence in tablet units and pedagogy
3. check for 'explicitness' of CRPs and language in curriculum documents
4. lead staff refreshers in DOL through presentations and vignettes throughout 2013.

The members of the committee achieved this by being thorough in their mastery of instructional strategies, collaborative in their approach to learning about those strategies, imaginative in their presentations to colleagues and insightful in the way they have observed best practice at BGS. It was stressed that BGS uses a framework not because of deficiencies in the quality or dedication of our teachers. Rather, we use it as a tool to enhance the quality of learning across our curriculum and, as the Association for Supervision and Curriculum Development (ASCD) have said, to provide an organised framework upon which we hang our good practice. A framework helps us:

- be deliberate in our planning of learning
- be explicit in our teaching of thinking

- be consistent and clear by using a shared language and repertoire of strategies
- achieve equity by leaving nothing to chance.

This year the committee went deeper into DoL by exploring the deliberate strategies that have been proven in research to improve student performance. These come from the book by Marzano et al *Classroom Instruction That Works* (2001), published by the ASCD, who conducted a meta-analysis of research. They looked at thousands of studies that have occurred over the past 30 + years. The meta-analysis combines the results from a number of studies to determine the average effect of a given instructional technique. Results are translated into a unit of measurement referred to as an effect size. The effect size is the increase or decrease in achievement of the experimental group measured in standard deviation units. A series of lunch workshops (each attended by 30+ staff) were presented and repeated throughout the year, in addition to the formal sessions conducted for all staff on designated PD days.

d) **Blended Learning Design Team**

In 2013 the Blended Learning Design and Research Team was created to develop a framework for teachers to complete a successful transition from their current traditional pedagogy to a new pedagogy based on e-learning tools and systems. To accomplish this the team was given the task of creating a school experience that works better for students and teachers and ultimately yields increased learning opportunities and improved student outcomes. It is important to keep in mind that the overall goal of a shift to blended learning is at its core about teaching, learning and design – and not about hardware and software. For the intentions of this research team blended learning is defined as ‘an intentional shift to an online environment for a portion of the day to boost learning and operational productivity’ although any learning sequence that combines multiple modalities is blended.

The goals the team aimed to achieve in 2013 were to:

- seek ways to improve the ability to personalize learning
- develop the potential for individuals to progress
- improve student engagement and motivation through the use of ICT
- develop the potential to extend the reach of effective teachers.

Throughout the year the team met weekly to explore the use of Information and Communication Technologies (ICTs) to facilitate flexible learning opportunities for students primarily in Year 8 (and other year levels as appropriate). During these meetings a range of potential learning designs was explored to identify those that have been demonstrated to contribute to high quality learning experiences. Exchanges at meetings have been purposeful, and based on evidence gathered in the classroom. In the first semester the team explored the use of a range of currently used and new software and technologies. Groups were created based on curriculum areas. In Semester 2 the team switched its focus to flipping the classroom. It was decided that while flipped classroom strategies do not mean the full potential of blended learning, adopting ‘flipped’ practices can act as a catalyst for an overall shift to blended learning. Through extension of the flipped class model, BGS hopes to give students access to the best possible materials, resources and education.

e) **Data Analysis**

Development of the institution’s data analysis capacities through the staged enactment of the Data Wise model continued in 2013. The Data Analysis Strategic Plan, overseen by the Dean of Studies and enacted by teams of teachers working in the literacy and numeracy areas, further developed a school-wide culture of data use to improve teaching and learning. One of the main priorities for 2013 was the effective use of 2011-12 NAPLAN data to guide the preparation for Years 7 and 9 students. The 2013 NAPLAN results were again very pleasing,

demonstrating both a general steady improvement over time and also a stabilisation or improved consistency in results across the board. The move this year to individual student reports for the Progressive Achievement Tests (PAT) in Comprehension and Mathematics has been a major influence in moving towards an individualised curriculum and shifting the responsibility for analysing and responding to data to classroom teachers. The full suite of external testing employed to assist in targeting intervention at the individual level represents a major operational investment by the School. A data-based derived crystal report that summarises the internal and external assessment results for all students is now available to staff to better inform intervention in student learning; both the content and format of this report will continue to evolve. Six staff members successfully completed an online edX statistics course through BerkeleyX. The course focused on descriptive statistics. The goal of descriptive statistics is to summarise and present numerical information in a manner that is illuminating and useful. The course covered graphical as well as numerical summaries of data. This course improved staff data literacy and was an exemplary exercise in staff collegial learning.

f) Developments in Student Wellbeing

A strategic factor in Brisbane Grammar School's mission is to provide a student wellbeing framework that encourages the ongoing development of resilient and responsible individuals who are connected to the School and wider community. The Department of Education and Early Childhood Development (DEECD) has defined student wellbeing as '...a sustainable positive mood and attitude, health, resilience, and satisfaction with self, relationships and experiences at school'. Student wellbeing affects most aspects of students' functioning at school and is an important factor that affects learning and development outcomes. The response to these realities is a strategic factor in Brisbane Grammar School's infusion of wellbeing programs that address the social and emotional needs of the modern student.

Student welfare systems and student wellbeing programs are key factors in the development of a progressive and positive learning culture. All staff, through their academic, extracurricular and pastoral responsibilities provide stimulating, interactive and absorbing learning experiences by cultivating relationships with families and the wider community.

The School has invested heavily in enhancing its wellbeing provisions. Last year the Coordinator of Student Wellbeing Programs attended a five day University of Pennsylvania and St Peter's College Positive Psychology Training Conference. It was from here that the School sought to identify ways form tutors could incorporate aspects of the positive psychology/ education movement into our wellbeing program. Throughout Semester 1 discussions were had with key staff and experts in the field; presentations were made to the Parents and Friends' Association to garner parent feedback; and then a series of classes were offered to boarders in Harlin House as part of their Life Skills Program. What became apparent throughout the process was that there was tremendous support for the implementation of character strengths or growth mindset teachings and the alignment with Habits of Mind and school values only strengthened the curriculum. It was therefore decided that all Year 9 form tutors would be trained in the character strengths program. Again the response was a positive endorsement of the change. Those teachers then taught the new content.

Following on from the form tutor training the whole staff participated in a positive education professional development session delivered Dr Suzy Green. Her address outlined the research that had been done in positive psychology and how other schools were using the evidence to strengthen social programs within their schools. She also reviewed our Student Wellbeing Program and made positive comments about the quality of our curriculum and the modes of

delivery. What eventuated from the professional development experience was rich dialogue about how positive education could be used at each year level.

Moving forward, our ambition in 2014 is to infuse positive education across the School by training all student welfare staff so that they form the expert team, integrating positive education into the Years 5 to 10 PD curriculum and Outdoor Education Program (Years 5 to 10), and complete the alignment of character strengths with Dimensions of Learning. Beyond 2014 the focus will be to offer whole school training for staff, students and parents. Our ultimate goal is to enact our purpose and produce 'men of character who contribute to their communities'.

In existing strands of the student wellbeing development curriculum, namely, leadership, healthy living, protective behaviours and career education, considerable work was done to update content and enhance modes of delivery. In 2011 and 2012 the Years 6 to 8 PD curriculum was digitised and in 2013 the Years 9 to 10 programs were digitised. New initiatives in 2013 have included: form senior briefings so that they can deliver aspects of program, lessons uploaded to MyGrammar, enhanced pedagogical delivery with the integration of ICT (DyKnow), DyKnow training of Year 9 form tutors, use of guest speakers for each Year 9 PD unit (BGS policies, study skills: Old Boys, goal setting, digital citizenship, healthy living (drugs and alcohol). Also in Term 3 a new Career Education Program was designed and implemented in collaboration with Director of Student Services, Dean of Studies and Head of Year 10. The last step in the Career Education Program is to create an e-portfolio platform for students in Years 9 to 12 in 2014. Finally there have also been pleasing advances in digital citizenship (Years 6 to 10) through collaboration with Director of Information Services, and the promotion of the National Cyber Security Awareness Week in May.

Brisbane Grammar School provides a safe and supportive milieu and culture where the experience of teaching and learning is enhanced for all staff and students. A deliberate factor in Brisbane Grammar School's purpose is to provide systems and programs that foster the ongoing growth of buoyant and conscientious individuals who are connected to the School and wider community. It was for this reason that our community service committee sought to reach further into the wider community (local and abroad) to share resources with those in need or to use their collective talents to support other ventures.

The year began with whole-school stationery and goods drive for Bundaberg public schools affected by the floods. Students involved with community service, along with form classes and teaching staff, donated stationery, art supplies and sporting equipment.

An area of significant growth in the Community Service Program is the number of students engaged in volunteer work. Weekly visits to BUPA nursing home continue, along with monthly weekend volunteer work at Save Our Waterways Now (SOWN) and St Vincent de Paul's Opportunity shop in Newstead. In addition to these long standing volunteer projects, a very exciting program began this year between BGS and The Exchange Community Centre at Kelvin Grove Village. This centre commenced with a primary focus on providing opportunities for people to participate in activities that would promote their health and well-being and that would encourage community engagement by supporting people to overcome social isolation. Each week, students walk to the centre and participate in the Homework Club helping children from refugee and non-English speaking backgrounds with their studies. As well as assisting with homework, a sports afternoon was held in the local park twice a term.

Another volunteer highlight for the year included the participation in the International Olympiad Informatics (IOI). From 6 to 13 July, Brisbane Grammar senior students volunteered for the 25th annual IOI held for the first time in Australia, at The University of Queensland. The majority of the Grammar boys were selected as team guides while others were given important leadership roles organising transport, accommodation and planning excursions. In addition, seniors made weekly visits to Youngcare where they assisted with fundraising projects.

To complement this volunteer work, the Community Service Program continued to fundraise for various charity organisations. Our longstanding connection with World Vision continued unabated and this year's Shave for a Cure event received an excellent response from the BGS community, raising \$18 000. Another cause students committed to this year was the Sleep Out. This charity event raised awareness of and funds for homeless services. On the night of Saturday 8 June, Year 9 students raised money by participating in their own sleep out on school campus. To extend on this cause, 10 Year 12 students participated in Homeless Connect Day. This is the third year BGS has participated in this event. Homeless Connect brings together business and community groups twice a year to give free services to the homeless or those at risk. Our students assisted with the preparation and serving of breakfast and helped organise clothes and shoes for the guests.

An aim of our Community Service Program is to focus on global issues through child sponsorship. The program now sponsors children in Indonesia, Democratic Republic of Congo and Cambodia through World Vision, SOS Children, Destiny Rescue and She Rescue. This is by no means a comprehensive summation of all that the boys have so generously supported; however, it gives a snapshot of their altruistic endeavours and their willingness to use their position to benefit others.

Creating a school environment that is safe and ordered optimises wellbeing for all stakeholders. Again this year students and parents have been involved in the regular review of school policies and procedures. These productive partnerships strengthen our capacity to support students and to give them the best opportunities to actualise their potential. The School annually conducts a student welfare audit in order to assess our capacity to minimise the incidence of bullying. The results indicated that the most majority of respondents feel happy and safe within this environment; however we continue to explore ways to eradicate any form of bullying. When students were asked, via survey as to what Brisbane Grammar School could do more of to reduce bullying, the most popular response by far was that the School was already 'doing a good job'. The resounding student perception was that BGS responds swiftly to bullying behaviours (either through sanctions, clear policies, and/or fast intervention). The promotion of a supportive school culture, which fostered inclusion and acceptance, was also seen as a valuable asset in the reduction of bullying.

In recent years the School's Student Services and Academic Services departments have improved student provisions. In Academic Services we have improved accountability by providing an academic services report for each student allocated a regular session for literacy and/or numeracy assistance. These reports, which were reviewed and signed jointly by the Director of Student Services and Dean of Studies, identified for parents gaps in student knowledge and outlined the steps taken by staff to assist students in closing these gaps.

Student Services staff also critically evaluated the structure and content of information sessions and made changes to improve attendance and outcomes. Two of the evenings are a joint collaboration between Student Services and Studies Directorate and we observed a significant increase in attendance at these evenings with over 200 attending the Tertiary

Information Evening and 224 Year 10 families attending the Year 10 Subject Selection Evening. The Scholarships Evening was rationalised to allow for more time engaging with the staff from universities and was exceptionally well attended.

The Careers Education Program was fully digitised. The target group was Year 10 and the program was changed to improve delivery of information and to focus on better subject decision making. The Subject Selection Evening referred to above is now a key part of this program and a decision was made to remove all paper information distribution on the evening, replacing it with a Brisbane Grammar wafer USB preloaded with the relevant content.

Recognising the different way in which the current generation of school students searches for and accesses information, we have enhanced our understanding delivery of information in digital formats. Student Services currently maintain the 2013 and 2014 Year 12 Facebook groups in a closed format for Years 11 and 12 students, providing regular, consistent and accurate information accessed by students both on their laptops and smartphones. Our Twitter feed, BeyondGrammar, is an open feed and now has over three hundred followers made up of students, parents, universities and other schools. As a result of this initiative, our Director of Student Services was asked to present on the use of social media in tertiary information dissemination at the recent Queensland Association of Student Advisers meeting.

The School has targeted student scholarship applications as an area for improvement over the past few years and the results have been pleasing. Many of our students are now accessing scholarships from local, interstate and overseas universities. Two of our most recent graduates were offered places at Cambridge University.

Our boarding community continues to thrive. 2014 heralds significant change to boarding with the creation of a new boarders' dining room. The space and the location will change a great deal about this important part of boarding life.

Staff training has been a major focus throughout 2013. Pastoral skills and first aid qualifications are important attributes in a residential setting. Our house tutors are completing the Duty of Care course. This will be a mandatory qualification in the next few years. All house staff renewed their first aid training and the Bronze Medallion training was completed. Similarly, staff induction has been enhanced in quality and depth. This increased level of competence is benefiting all of our boarder programs and is also reflected in the length of service and the contribution the house tutors make towards boarding.

Over the past two years boarding staff members have created outstanding student-centred programs. Our Academic Enrichment Program for boarders equates to an extra week's worth of lessons during the year covering Maths, English, Science and the Humanities, as well as specialist subject teaching for Years 11 and 12. We have added an extra layer this year with the introduction of Homework Club. This is staffed by teachers from the day school. The aim was to focus on specific homework tasks set for the younger grades.

The Activity Program continued to offer varied, valuable and enjoyable activities both at weekends and after school. The Leadership Program, too, continued apace with new roles for some of the seniors and greater involvement in the day to day running of the house from the seniors. This year a Life Skills Program was also added. All the boys were trained to identify their key character strengths and learned how to utilise these to overcome the challenges that they may face. Education about resilience and gratitude has also been a focus.

An important feature offered by the School is health services. Our Health Centre plays an integral role in promoting student and staff wellbeing. In 2013 nurses implemented a revised Medication Policy and Head Injury Policy. The latter policy resulted in the provision of an education sessions for players and coaches, information regarding concussion management for coaches and parents, and processes put in place to manage reporting and return to play guidelines. Our nurses also contributed to the Life Skills Program offered to boarders. They ran sessions on hygiene and infection control.

All nurses completed the Mental Health First Aid course run by the Child and Youth Mental Health Service and a number of staff attended the NSW School Nurses Association Conference in January.

The past 12 months have been particularly hectic for our outdoor educators. The program has undergone a comprehensive safety audit, many activity developments, staff changes and syllabus reviews. Pleasingly, through all of this, the centre has maintained a prominent place in the all-round education of our students.

The safety audit and review of Standard Operating Procedures (SOPs) was conducted by Dr Glyn Thomas from The University of Queensland. The review was completed in September 2012 and outlined some recommendations, all of which have been implemented. Moogerah staff engaged the services of an arborist to check trees at camp sites, reviewed target audiences for SOPs, employed staff to operate the 'get down' ladder at the end of the flying fox, installed a weather station to read wind speeds on the lake and implemented cut-off speeds for paddling, and have created a strategy to manage non-swimmers during Year 10 orienteering. They have also rebuilt the low ropes on site at Pepperina Hill to adhere the recent Australian Standards for playground and low ropes equipment.

A number of program changes occurred in the last twelve months for a number of reasons. National parks ratios for groups have changed to maximum group sizes of 16 to 18; the gorge jump activity has been shut down by SEQ water; parts of Mt Edwards were deemed unsafe by the outdoor staff of BGS; Mt Greville walks are now conducted in two separate groups with two staff in each group; and circumnavigation of Mt Edwards is no longer safe due to erosion. Staff and students now walk up and down the gazetted pathway or tourist track.

Over the past eight years Pepperina Hill staff acquired Australian Standard qualifications in all areas of outdoor education. In the past outdoor educators were expert/qualified in some areas and only competent in others. This is certainly not the case for the staff at Pepperina Hill. This level of expertise allows our staff to offer expeditions to BGS students all over the world. In the past year, staff have led or supported trips to Fiji (sea kayaking around the Yasawah Island on a seven day expedition), Antarctica (a 14 day expedition and sightseeing), The Great Walks in Carnarvon Gorge (an eight day expedition), as well as multiple trips to Mt Barney, Moreton Bay and Girraween National Park.

The provision of wellbeing programs is essential to students' sense of value and the promotion of their identity. It enriches the personal and social development of the individual and ensures effective learning situations are created. The quality of this setting is significantly determined by the human relationships within our school. Student wellbeing is not thought of in separate terms from the teaching and learning within the School; it is a key determinant of successful learning. Brisbane Grammar School has an unequivocal commitment to the wellbeing of its students. We believe that Brisbane Grammar School is not just a place of instruction, but a community where people learn to live and work together.

g) Middle School Developments

The focus during 2013 has been on planning to implement the expansion to Year 5 in 2014. While the Senior Leadership Team had oversight of this critical project, a number of smaller teams of key stakeholders were formed to engage in specific areas of planning: infrastructure, staffing, academic, student welfare, extracurricular, administration and marketing. A regular schedule of meetings was conducted to review progress, discuss issues and set future timelines.

Plans for the major refurbishment projects (Maths faculty, boarders' kitchen and dining room, H block, tuckshop, and Centenary Building) were finalised with construction for phase one of the project commencing in September. Plans were also advanced to provide adequate new social space to accommodate the increased number of students in the Middle School. It was deemed developmentally appropriate to create a special social precinct for Years 5 and 6 and to leave the existing middle school social space for the use of Years 7 and 8 students. This plan aligned with the focus on creating two blocks within the Middle School, Years 5 and 6 and Years 7 and 8.

A number of other smaller refurbishment projects were commenced or completed during the course of the year – Years 7/8 library (CB203/204), relocation of the middle school music room, Year 8 lockers, middle school sports shed, middle school reception refurbishment, Head of Year office refurbishment.

An analysis of future staffing needs was conducted and four middle school core teachers were appointed in June for a 2014 start. The 2014 the Head of Years 5 and 6 commenced at the School in Semester 2 and very quickly immersed herself in the detailed planning necessary to successfully induct and support the incoming Year 5 and Year 6 students. Other specialist teachers and support staff were appointed during Term 3 in readiness for a 2014 commencement. All new staff were invited to actively contribute to the necessary academic and pastoral planning for 2014.

The Deputy Headmaster -Teaching and Learning and the Head of Middle School led a very consultative process to inform the development of future Years 5 to 8 curriculum structures. Underpinned by a number of critical guiding principles that align with the School's core strategic agenda, the future curriculum structures steered the planning process for Year 5. Progress in developing the academic curriculum for Year 5 was the result of the collective efforts of staff across the School. The Heads of Department committed much time to supporting the Coordinator of Middle School Curriculum and the various curriculum development teams to prepare for Year 5. The inclusion of senior school staff in the process aligned with the School's strategic goal of ensuring a spiralling curriculum across Years 5 to 12 in all subject areas.

Working with the Coordinator of Student Wellbeing Programs, the new Head of Years 5 and 6 made excellent progress developing the Personal Development Curriculum for both year levels and took the opportunity to further plan pastoral opportunities. Efforts also focused on the micro-planning of day to day routines for the youngest students and commenced the lengthy but important process of meeting with all new students and their parents to begin the orientation phase.

Matters in relation to outdoor education, other camps and excursions, boarding, the form senior program, and student leadership were examined with preparations made to adjust current operation to accommodate the inclusion of Year 5.

Planning for the 2014 Extracurricular Program had a strong focus on successfully transitioning the Years 5, 6 and 7 students into the GPS competition. The directors and masters-in-charge of the various sports and activities aimed their energies at building Years 5 to 12 programs in those sports and activities that will extend into the younger year levels. This involved detailed consideration of staffing needs, spaces and resources. The middle school interwing system was reviewed and modified to accommodate the increased number of students.

All middle school administrative procedures were reviewed and modified to meet the needs of the expansion to Year 5.

The BGS community (present and immediate future) were kept abreast of the planning process and subsequent changes through a range of publications. An Open Day display detailing planning progress was very successful with a constant stream of visitors.

Ongoing strategic and operational improvements were achieved in the Middle School throughout 2013. Teachers have actively sought to improve their routines for learning in their classrooms. There was significant dialogue, observation and modification to practice. Pod partners further developed agreed routines and enacted them explicitly and consistently. The burgeoning meta-language surrounding classroom routines became an increasing part of the professional culture. Significant gains were achieved in de-privatising classrooms.

Further progress was made in linking middle school teacher's special projects to core academic priorities. The Head of Middle School and Coordinator of Middle School Curriculum continued the established practice of meeting to discuss priorities and subsequently direct staff. In 2013 targeted areas were data analysis, National Curriculum and blended learning. These projects reaped multiple benefits, most importantly the professional development of other staff. Middle school staff meetings and core teacher meetings continued to be used strategically as a major avenue for pedagogical and data discussions.

Data driven improvement became increasingly a regular and routine part of processes in the Middle School. Working under the direction of the Dean of Studies, improvements were made in implementing systems for data collection and analysis across the Middle School, particularly in relation to the analysis of NAPLAN results. Improvements were made in tracking student achievement and informing subsequent actions. Data-analysis has become a more routine part of core teacher meetings and middle school staff meetings. Teachers have participated in a range of professional development opportunities throughout the year. The middle school data team regularly distributed professional reading materials to ensure all middle school staff members were engaged in the data-analysis process. There were also regular workshops presented to staff. Data team members were assigned individual analysis tasks that then contribute to a whole team analysis. Each data team was set specific projects and targets and generally kept on track reaching their goals. Individual members of both teams assumed responsibility and shared the work.

Increasingly data has been used to improve student academic performance in measurable, identifiable ways. Core teacher meetings and middle school staff meetings were used to focus on data-analysis, including the modelling of good practice currently in evidence in the School. This involved drawing on the experience and expertise of staff in the Senior School and Middle School to model good practice in order to build the capacity of other staff. Middle school teachers worked collaboratively on the development, implementation and review of National Curriculum units. Regular collaborative teaching and/or expert demonstration opportunities were encouraged. The Coordinator of Middle School Curriculum

directed teachers to report on particular units / topics / lessons in collaborative forums. Curriculum development opportunities have been supported through the provision of dedicated planning and meeting time and the provision of expert assistance from senior school Heads of Department.

Middle school core teacher meetings had regular collaborative discussions about the School's pedagogical frameworks (DoL). There were explicit attempts to revitalise middle school DoL metalanguage and audits on newly developed units of work were carried out. Significant gains were made in blended learning approaches to teaching and learning as per the Deputy Headmaster -Teaching and Learning strategic update. Year 8 core teachers were innovators in this area.

h) Community Development

The School values its community which is made up of current, future and past parents and current, future and past students of the School.

During 2013 a number of activities were undertaken to (a) develop the connections between these groups and the School; and (b) give these groups the opportunity to develop their own understandings and expertise.

The School remains committed to and grateful to the large number of parent volunteers who make up the Brisbane Grammar School Parents and Friends' Association (Inc.). These parents contribute much to the School and to the boys through their volunteer efforts in a diverse range of activities including activity support groups, the Moogerah Support Group and the Parents and Friends' Auxiliary.

The latter group, the Auxiliary, provides a significant service to the School and the students through the operation of the tuckshop and the Grammar Shop which retails textbooks, stationery items and uniform requirements. The School's support of the Auxiliary continued during 2013 with the maintenance of regular two way communication between the executive of the Auxiliary and the Senior Leadership Team at the School. In addition, in 2013, the School was pleased to be able to assist the Auxiliary in the relocation and refurbishment of the tuckshop. In a collaborative endeavour, the School worked closely with volunteers and paid members of the Auxiliary in the design of the tuckshop and work commenced on construction late in 2013 with completion anticipated in early 2014. Accompanying this move the School is supporting the Auxiliary's implementation of a cashless transaction system for the tuckshop to further streamline the volunteers' efforts in the tuckshop and supporting parents' overview and support of their sons' purchases.

As well as the School's appreciation and support of parents through the P&F Association, it also aims to build an authentic partnership between the School and parents to provide the best possible opportunities and education for the students. During 2013 a number of opportunities were provided for parents including the Drug and Alcohol Parent Information Evening presented by Paul Dillon and the Cyber-Safety Parent Information Evening presented by Brett Lee. As well, a number of parent-focused evenings are hosted by the School to assist parents in understanding and contributing to various aspects of their sons' education including Subject Selection Parent Briefings, the Parents' Tertiary Education Briefing and the Careers Information Evening.

The Middle School in particular host a number of social and information sessions for parents including welcome social functions for parents entering the School in Years 6 or 8. For Year 8 students commencing our mobile computer program, a number of parent information

sessions were held to assist parents in developing an understanding of the use of the machines in our teaching and learning program.

The parents of boarders at the School were also afforded a number of opportunities, including dinners, social functions and regular publications to make closer ties with parents of other boarders and the school personnel who have such an important responsibility with their sons. Members of the P&F Auxiliary were also enlisted to provide feedback on the School's examination of the advantages of positive psychology for students at the School.

For parents of future students, the School continues to provide a number of avenues for them to become more involved and participatory members of the community. These avenues include regular publications of the future family newsletter *his future*, invitations to school events including Open Days at the Spring Hill campus as well as the Northgate Playing Fields and an invitation to attend weekly tours of the School's main campus.

During 2013, the School continued to assist with the coordination of functions for Parents of Past Students (POPS). During 2013 five functions were planned for POPS and interest in attending these functions continues to grow.

i) Changes in the law, economic climate or other factors that affected, or may affect, the School:

- a) We continue to carefully monitor the impact of financial pressures and volatility which have been occurring over the last few years. Whilst there is no definitive indications that economic pressures have impacted negatively on our enrolments, or the capacity of parents to meet fee obligations, the School will continue to operate on a prudent financial basis and any fee increases will be comparable to the independent education sector norm.
- b) In December 2011 an application was lodged for the addition of Year 5, to commence in 2014. The School's application to the NSSAB (Non-State Schools Accreditation Board) for accreditation and funding eligibility was approved in 2012 and the necessary planning for the curriculum, staffing and infrastructure needs, led by the Business Manager and the Head of Middle School, have been completed and the first intake of Year 5 have commenced.
- c) Brisbane Grammar School has in place a comprehensive approach to ensuring that all legislated requirements in the area of child protection are complied with. This approach is fully documented in the School's Child Protection Policy. This document is available on the School's website as well as on MyGrammar (the School's online content management system), in the Student Record Book and is included in the Staff Handbook. This document is also referred to regularly in the school newsletter and at school staff training days. Changes to the legislation surrounding child protection resulted in the School updating its Child Protection Policy during 2013. The policy was changed to include specific mention in the law of 'likely sexual abuse' along with a number of other changes. The policy was reviewed by the School's legal advisors and released to all staff. In addition, a more reader accessible version specifically for a student audience was developed as a companion piece to the policy.
- d) As Brisbane Grammar School has five or more employees, the Person Conducting a Business Undertaking (PCBU) established a Health and Safety Committee in accordance with *Work Health and Safety Act 2011*. Minutes of the Workplace Health and Safety Committee are presented at the monthly meetings of the Board of Trustees. The PCBU has also maintained the appointment of a Workplace Health and Safety Officer. This

person provides leadership and advice on Workplace Health and Safety matters in order that due diligence is met. In-servicing of senior leadership team members and other key staff was carried out on the changes to the law and its possible impact on the School.

j) Human Resource Issues

The School is committed to attracting, developing and retaining high quality staff and during 2013 employed a number of strategies to assist with this endeavour.

All vacant academic positions at the School are advertised widely and during 2013 we were fortunate to receive applications from a number of suitable and worthwhile candidates for all positions which were advertised. Our interview and mandatory reference checking processes served us well and during 2013 we were able to employ high calibre teachers. We continue to provide a number of measures within our Industrial Agreement which recognise and reward high quality staff.

During 2013, in conjunction with members of the teaching staff, members of the School’s Senior Leadership Team and experts in the field, we commenced a significant project to describe differential standards associated with teaching at the School. Work on this framework for teaching at BGS will continue during 2014 and will assist with understanding teacher competence and providing professional development guidelines and opportunities.

Staffing	Full time	Part time	Total
Teaching Staff	115	11	126
Non-teaching:			
Specialist support	11	1	12
Administrative and clerical	39	8	47
Building operations, maintenance and other staff	36	11	47

The School did not provide any packages to employees with respect to redundancies, early retirement schemes or retrenchment during 2013. The School received no public interest disclosures, in accordance with the *Public Interest Disclosure Act 2010*.

6. REVIEW OF PROGRESS TOWARDS ACHIEVING GOALS AND DELIVERING OUTCOMES

The Board of Trustees meets annually with the Headmaster and other senior managers at a weekend retreat in order to review the annual strategic plan for the School and to identify and discuss future focused strategic issues.

The strategic retreat held on the Saturday 21 September 2013 devoted itself to reviewing the following: the relationship with BGS in 2013 and potential future synergies; community engagement through digital and social media; the wider educational landscape and its likely impact on Brisbane Grammar; master planning and the School’s short, medium and long term infrastructure needs; financial projections, fundraising and the potential of a BGS Foundation; the ‘Healthy Schools’ agenda.

The Board examines the ongoing progress of management in delivering the School's strategic objectives at each of its monthly meetings. At each meeting the Board receives reports from management covering:

- academic, extracurricular and student welfare issues
- staffing and community relations
- property maintenance and planning
- finance and fund raising
- development and marketing
- risk management (including Workplace, Health and Safety).

While many of the School's strategic goals and outcomes for students do not easily lend themselves to quantifiable measurement, the following areas of performance provide some valid indicators or review mechanism of progress achieved in 2013. The School continues to attract strong interest from the parents of potential students and currently patterns of enrolment extend to 2025 and indicate that this situation will continue into the foreseeable future.

Student enrolment numbers are monitored closely by the Board of Trustees and all changes to enrolments are reported to meetings of the Board of Trustees as a standing item. Total student enrolment in August of 2013 was 1436 students (Commonwealth) census, consistent with recent patterns and representing the full capacity of the School.

The overall academic results for the senior cohort of 2013 were consistent with our result trends since 1992 (when the OP system was introduced) and represent what might be described as a 'typical' set of results historically, being very close to the mean or median at all the usual points of measure. All 2013 Year 12 students, as usual, remained OP eligible; the percentage of students in the range OP 1-5 was 48.4%, at 1-10 78.7% and at 1-15 was 92%. The median score was 6, the same as in 2010, 2009, 2007, 2005, 1999, 1998, 1996 and 1994. The results, measured at significant OP markers and benchmarked against the state, are tabulated below:

(Percentage)	OP 1-2	OP 1-7	OP 1-13	OP 1-15
BGS 2013	26.2	61.9	88.9	92
State 2013	6.2	31.0	67.6	79

Administered by ACER, NAPLAN is a national program of standardised testing of student competence in four domains: reading, writing, language conventions and numeracy. While it is necessarily a 'point in time' test, the design of the assessment instruments allows for statistically valid tracking and comparison of student achievement data over time. Students are tested in Years 3, 5, 7 and 9 and the results of student achievement are reported to parents and schools. The School's 2013 NAPLAN results, which are very strong, are tabulated relative to the standard benchmarks below:

Year	Cohort	Reading		Writing		Spelling		Grammar/ Punctuation		Numeracy		Total
		Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	
7	Qld.	533	93.6%	515	88.7%	542	93.1%	532	89.9%	539	95.6%	2661
	Aust.	540	94.2%	517	89.3%	549	93.6%	535	90.6%	542	95.1%	2683
	BGS (108)	612	99%	604	99%	615	100%	640	99%	640	100%	3111
9	Qld.	572	92.5%	548	81.5%	578	92.3%	568	87.4%	573	90.0%	2839
	Aust.	580	93.4%	554	82.6%	583	92.1%	573	88.1%	584	90.6%	2874
	BGS (239)	643	100%	631	100%	640	100%	676	100%	697	100%	3287

Throughout the year the School requires students to participate in major external academic competitions. The results in 2013 were commensurate with, and in many cases better, than comparable results in recent years. A total of seven students (one in English, three in Science, two in Maths and one in Computer Skills) were awarded gold medals for scoring the highest result in Queensland in their age group. Of particular note also is the large number of students earning High Distinctions (awarded to the top 1% of performers) and Distinctions (awarded to the next 10%) in the competitions.

The table below summarises the performances in these ranges and indicates the total number of Brisbane Grammar School students who sat the tests in each subject:

Subject	High Distinction (top 1%)	Distinction (next 10%)
English (1187 students)	4.6%	18.3%
Mathematics (1186 students)	4.5%	23.5%
Science (935 students)	8.8%	24.7%

The tests also provide valuable ongoing data about student performance, particularly when used as part of a larger data profile that includes NAPLAN and ACER test results.

The School participates each year in the competitions for sports and activities of the Great Public Schools' Association of Queensland Inc. (GPS), Years 8 to 12 and the Combined Independent Colleges (CIC), Years 6 to 7. The School also competes in a number of other competitions, including, but not limited to Queensland Debating Union (QDU), and Independent Schools Fencing. In addition to a very large sporting program, the School operates a broad cultural and club program that ensures the extracurricular life of the School offers diverse opportunities.

The School enjoyed extraordinary success in the Extracurricular Program through the course of 2013. Choral and instrumental ensembles enjoyed many performance opportunities in school-based concerts as well as at interstate venues. It is of particular note that the School played host to a large and important event in the Combined Schools Music Festival. The culminating concert was at the Conservatorium and was of an extraordinary calibre. Large ensemble casts performed quality student theatre at the middle, junior and senior school levels and boys continued to enjoy, not only, the curricular Art Program but a busy and diverse Art Extension Program after school.

Seven GPS premierships were recorded in tennis, volleyball, gymnastics, sailing, debating, cricket and chess. Further to this, the Premier chess team placed second in the Australian Schools Championship; the Senior A debating team won the Queensland Debating Union competition; the senior volleyball and Under 15 teams won gold medals in the Australian Volleyball Schools Cup in Melbourne; and the Cricket First XI won the Queensland Schools T20 competition.

One of the achievements the School is proudest of is its very high student participation levels in the Extracurricular Program. The target in 2013 was once again to have not more than 10% of any year group cohort not involved at some level in the program. Once more this target was comfortably achieved, indicating not only genuine motivation and enthusiasm on behalf of the student population, but also a program that boasts genuine depth and breadth with an array of activities that appeal to a very wide cross-section of boys. The program continues to play host to boys who have elite aspirations all the way through to those who merely want to enjoy an activity with their friends.

The School continues to receive and be receptive to requests from other schools and tertiary educational institutions (local, national and international) to have their staff visit to engage in professional conversations about Brisbane Grammar School's educational programs and to inspect its physical facilities. Interest in 2013 focused on the School's digital platforms and integration of learning frameworks.

Brisbane Grammar School's strategic imperatives and significant operations represent clear alignment with the government's stated objectives for the community. The School's demonstrated commitment to high academic standards, particularly in literacy and numeracy, and the explicit pursuit of a data-driven strategic agenda to continually improve outcomes in these areas remains exemplary. Similarly, the substantial investment made by the School in staff professional learning and in ICT (Information and Communication Technologies) infrastructure aligns clearly with government's objectives regarding growth and planning, just as the School's strong systems of governance and sound financial management aligns with the government's improved accountability measures. Finally, the strong links built by the School with the wider Queensland community, particularly in the areas of opportunity for Indigenous and needs-based bursarial assistance students and in community service projects, reinforce the School's commitment to this objective.

7. PROPOSED FORWARD OPERATIONS

The Board of Trustees and the School's leadership team early in 2011 finalised the strategic plan that will operate through to 2015. The major strategic imperatives for 2013 were identified as being:

- increase and diversify the School's revenue streams
- continue the planning for the growth and expansion of the School
- institutionalise data-analysis and research based innovation in teaching and learning, specifically in blended learning initiatives
- attract, develop and retain good people
- maintain and enhance our infrastructure complementary to the desired future positioning of the School.

Significant advances have been made in all these imperatives, as the extensive master planning, curriculum preparation, infrastructure development and employment of new staff undertaken attests.

8. **FINANCIAL OPERATIONS AND EFFECTIVENESS**

Financial Goals

The School includes among its ongoing financial objectives the following:

- (i) capacity to provide for the continuing operation of the School at the highest levels of maintenance and performance
- (ii) capacity to achieve improvements in physical facilities and human resourcing so as meet new targets in standards of provisions and outcomes for its educational programs that will keep the School in a leading position in the marketplace in which it operates
- (iii) projections of forward planning of the School's financial capacity to address the Board's plans for physical and other developments
- (iv) setting fees annually at a level that keeps the School competitive with its marketplace, while still allowing high quality to be maintained and improvement to be pursued
- (v) monitoring regularly the financial environment in which the School must operate
- (vi) seeking to consolidate and to expand the financial resources that will ensure the long-term future of the School.

Financial Benchmarks

As a result of the review of the *Grammar Schools Act 1975* which occurred in 2003, a number of financial indicators were suggested, through the Grammar Schools' Association, as providing information regarding a Grammar School's financial viability. These are provided below:

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Working Capital Ratio	0.71	1.25	0.87	1.11	1.60	1.96
Debt per Student	\$7,786	\$19,204	\$20,932	\$18,713	\$9,885	\$8,233
Reinvestment Ratio	115%	359%	157%	18%	5%	51%

Financial Cost-Effectiveness

The School's financial effectiveness is assessed by management and the Board of Trustees using a variety of mechanisms, including regular monthly reports to the Finance Committee, together with more detailed reviews as part of the budget process and at the Board's strategic retreat.

An assessment of the financial effectiveness of the School's operations must be undertaken with reference to the fact that the School operates in exceptional circumstances. Although subject to the requirements of the *Grammar Schools Act 1975*, other State Government legislation and scrutiny, the School's operations are unlike the majority of Government instrumentalities in that it is also required to operate as a *Non-State* School operating in a competitive market. In addition to the Board of Trustees' responsibilities for financial performance, the financial effectiveness of the School's operations is also subject to both public and private-sector influences to maintain its financial viability and continued existence.

9. **SYSTEMS FOR OBTAINING INFORMATION ABOUT FINANCIAL AND OPERATIONAL PERFORMANCE**

Financial Performance

The Board of Trustees reviews the School's financial and operating systems by means of comprehensive monthly management reports. The Finance Committee meets monthly prior to the Board meetings.

Financial, audit and risk management issues are overseen by the Finance Committee, consisting of two Trustees, the Headmaster and the Business Manager. Financial outcomes are measured against operating budgets and forecasts. Due to the relatively small finance and accounting office of Brisbane Grammar School, a separate internal audit function is not maintained. However, the School complies with adequate contemporary internal control procedures as required by the Queensland Audit Office and its contract auditors, Pitcher Partners.

Operational Performance

- External data provided through annual public performances in the academic arena, including but not limited to: Year 12 exit results, such as student OP distributions and comparative Australian Tertiary Admission Rank (ATAR) performance; NAPLAN testing, measured against like schools and state and national means; national, state and regional competitions in English, Mathematics, Science and other subject areas.
- The School uses ACER standardised testing of student academic capacity (the Measure of Student Development (MSD) suite of tests, including the well normed PAT Reading and Maths tests) at all entry points for students new to the School to allow for better tracking, monitoring and positive intervention in student performance. In addition, the ACER Social and Emotional Wellbeing Survey is used at selected points to monitor the social and emotional health of particular cohorts of students.
- Regular internal data-gathering about and evaluation of the School's operational performance in all areas, including: whole school audits of students at risk or of student perceptions of bullying; the Learning Survey of all Years 6 and 8 students conducted annually, which is reviewed and subject specific data is provided by way of feedback to Heads of Department and teachers; class surveys of teacher performance conducted as part of the teacher appraisal processes; curriculum audits identifying the scope, sequence and depth of coverage of complex reasoning processes across units of work.
- Regular reporting by management to Board sub-committees (e.g. finance, house and grounds) and monthly to the full Board of Trustees.
- Use of external consultants to advise on, monitor and/or evaluate specific aspects of school operations. Areas where consultants provided advice or expertise have included: Positive psychology and the development of a 'growth mindset' learning framework in the Student Wellbeing Program; risk management and WPHS; the provision of disability services to students and the School's legislative compliance; school policies on social networking and drug education; blended learning and the flipped classroom model.
- External statutory requirements (e.g. Queensland Studies Authority monitoring and moderation processes) and resultant feedback and reports on school academic program implementation and effectiveness.
- The My School website, which ensures the School's academic performance relative to defined benchmarks, is available in the public domain.
- Exit interviews with parent stakeholders to seek feedback and identify possible areas of improvement in the Schools' operational performance.

A number of Parents and Friends' committees provide support to the School in its operations and these also provide a feedback mechanism to management on these operations. These committees meet regularly throughout the year and each is attended by either the Headmaster or his nominated representative. Copies of minutes of all these groups are sent to the Headmaster.

Information systems and recordkeeping

Brisbane Grammar School uses data collected from a range of sources to inform its decision making processes and also fulfil its statutory obligations in relation to reporting to external entities. The School stores both structured and unstructured data that fulfils the purposes identified above but relies most heavily on an information system called Synergetic.

Synergetic is a school management system provided and supported by an organisation called Computer Directions Australia (CDA). The following points relate specifically to the Schools implementation of Synergetic:

- The School now collects attendance data on a per period basis to ensure an improved standard of care for our students. This has been facilitated via a Smart phone app or the Windows Synergetic client software.
- The School converts all paper based enrolment records to digital form via a scanner which converts the document to a pdf file. This allows the electronic record to be associated electronically with the relevant community member.
- A strategy has been initiated to extend this process to other areas of the School, HR functions, for example, have also implemented a similar process.
- Management and support of the Schools Information Systems is the responsibility of the Director of ICT. This individual is supported by a team of professionals who specialise in information systems, including the Manager of Information Systems and Digital Engagement and a database administrator. These individuals are responsible for supporting the infrastructure but also ensuring compliance with the processes and protocols that have been implemented to ensure accurate record keeping and data storage is maintained.
- All information systems are subject to hourly and daily backup regimes plus archived to tape. An offsite backup and recovery site is currently being implemented to provide an additional level of redundancy for this data set.
- There have been no known breaches of information security protocol and all user activity on the information system is logged and audited. Password changes are forced on a regular scheduled basis and relevant staff are regularly reminded of information security obligations.

10. RISK MANAGEMENT

A framework and a system of protocols are in place to ensure that appropriate risk management strategies are functional at Brisbane Grammar School. The framework was substantially reviewed by the School's senior management team in 2012 and approved by the Board of Trustees in September of that year. The formal risk reporting process to the Board in 2013 has followed the revised guidelines and the institution's risk profile across seven areas of strategic importance and school operations has been deemed to be currently satisfactory and sustainable. The School's exposure across the seven risk categories is regularly monitored and assessed by the School's leadership team in terms of consequence and likelihood and an

overall rating (using a 25 point scale) is assigned to each so as to construct a whole school risk profile. The protocols in place to manage and mitigate risk include:

- (i) a risk management framework that includes: identified and rated strategic and operational risks, including inherent and residual risk ratings rated in each category; designated risk 'owners' managing the controls in their sectional areas of responsibility; requirements for authorisation from management for new or altered activities with a high or greater level of risk; annual in-servicing for all staff on the School's risk management framework and professional development provided in the production of appropriate risk assessment documents for school activities; periodic review of the risk framework and register is undertaken by the Senior Leadership Team; following major risk incidents, the effectiveness of identified controls is rated and systems or protocols are revised as required
- (ii) a standing item for monthly board meetings involving the listing and reporting of any issue that has arisen that may constitute an insurable risk for the School; a complete table of the School's strategic risks, summarising the current risk inherent and residual risk ratings and trends and the relevant controls and treatments in place, is reported to the Board annually
- (iii) school policies are developed collaboratively with wide stakeholder consultation prior to implementation; new policies receive legal review and are presented to the Board of Trustees for approval prior to implementation; staff expectations in the following and enforcement of school policies form part of the regular cycle of professional development activities and policies are published on the School's network; the Dean of Administration and Curriculum ensures that school policies and procedures are compliant with statutory requirements (e.g. working with children or 'Blue Card' checks) or recommendations of governing bodies (e.g. sports safety training)
- (iv) regular written reports provided from the School's Workplace Health and Safety Committee that are tabled at meetings of the House and Grounds Committee and reported to the Board
- (v) review of issues that contain financial risk by meetings of the Finance Committee
- (vi) regular review by the Finance Committee of the School's progress with regard to income and expenditure against budget
- (vii) established procedures within the Finance Committee for review of any expenditure that exceeds \$1000 and requirement for all larger items of expenditure to obtain more than one quotation
- (viii) review by the Finance Committee of the School's cash position, investments, loans and repayments, debtors and creditors payments.

11. CARERS (RECOGNITION) ACT 2008

CARERS

Brisbane Grammar School supports the Queensland Carers Charter as detailed in the *Carers (Recognition) Act 2008*, through the flexible work practices and remote access facilities available to our staff and students. The School ensures that students and staff are provided with relevant information and support as required.

The School is committed to supporting staff who are carers and has a number of processes to sympathetically consider and respond to individual staff member requests including specific leave provisions (paternity, maternity and personal leave) and flexible work practices such as part time work and remote access to staff work stations.

DISABILITY MANAGEMENT

Regular activities were undertaken during the year to further expand the provisions for students with disabilities or who require care. These include making both physical, program and timetable provisions for students with ongoing mobility disabilities requiring the use of wheelchairs and other forms of mobility aids. In addition special provision has been made for the various students primary carers to have particular vehicular access to the School's grounds.

During 2012 a disability assessment of the School's environment was undertaken as we became aware of future enrolled students who are disabled and are scheduled to enter the School in the next couple of years. This included students with significant physical and hearing impairments. Many of the recommendations of the 2012 assessment were enacted during 2013 including the purchase of mobility lifts and hoists, physical environment changes and the employment of a specific support staff member experienced in disability. In addition, professional development was provided to staff members who had direct contact with students with disabilities. Presently, we are engaged in the installation of equipment to facilitate FM transmission for students with cochlear and other hearing aids.

12. PUBLIC SECTOR ETHICS ACT 1994

During 2013 we continued to review the draft *Code of Conduct*, and a revised *Code of Conduct* is being prepared.

Brisbane Grammar School and its staff have high standards of professionalism which are informed by the Australian Institute of Teaching and School Leadership's professional standards for teachers and school leaders. These standards ensure high quality practices by the teaching staff who are also bound by the Queensland College of Teachers Code of Ethics for Teachers in Queensland. In addition Brisbane Grammar School has negotiated and agreed a school ethos standard with all of the staff at the School, both teachers and non-teachers. In agreeing to this standard, the School and the staff are committed to sustaining and enhancing the School's culture through actively advocating the values and ethos of the School through their actions and communication both within the School and the wider community. The School and employees know and are committed to the purpose and values of the School and this will be demonstrated by employees' practice which is guided by and demonstrates leadership and respect, among other values.

13. PUBLIC INTEREST DISCLOSURE ACT 2010

The *Whistleblowers Protection Act 1994* has been repealed, replaced by the *Public Interest Disclosure Act 2010*. Commencing 1 January 2011 agencies are now required to report public interest disclosures to the Public Service Commission (PSC). During this period no public interest disclosures were made.

14. EXPENDITURE ON CONSULTANCIES

Human Resources	\$9,938.50
Professional/Technical	\$2,400.00
	\$12,338.50

15. OVERSEAS TRAVEL

2013 Overseas Travel				
Name of officer/member and position	Destination	Reason for travel	Agency cost	Contribution from other agencies or sources
Derek McDowall (Head Teacher)	USA	Professional Development	\$7,390.94	-
Kate Stevenson (Teacher)	USA	Professional Development	\$5,662.11	-
Greg Howes (Teacher)	USA	Professional Development	\$4,025.82	-
Tanya Neilsen (Teacher)	France/UK	Professional Development	\$2,774.51	-
Michael Lowbridge (Director of ICT)	India	International Exchange	\$1,950.98	-
Brian Short (Headmaster)	New Zealand	Professional Development	\$1,255.56	-
Julia Bruerton (Teacher)	Singapore	International Exchange	\$1,227.24	-
Tim Croxford (Teacher)	Singapore	International Exchange	\$940.00	-

16. REPORT AVAILABILITY

This report is available for viewing by contacting the Secretary to the Board of Trustees.

Phone: (07) 3834 5281

Fax: (07) 3834 5287

Email: reception@brisbanegrammar.com

Website: www.brisbanegrammar.com

Url: <http://www.brisbanegrammar.com/NewsandEvents/Pages/Publications.aspx>

17. GLOSSARY

ACER	Australian Council for Educational Research
ASCD	Association for Supervision and Curriculum Development
ATAR	Australian Tertiary Admission Rank
BCC	Brisbane City Council
BGGS	Brisbane Girls Grammar School
BGS	Brisbane Grammar School
CIC	Combined Independent Colleges
CDA	Computer Directions Australia
CRP	Complex Reasoning Processes
DEECD	Department of Education and Early Childhood Development
DOL	Dimensions of Learning
GPS	Great Public Schools' Association of Queensland Inc.
ICAS	International Competitions and Assessments
ICT	Information and Communications Technologies
IOI	International Olympiad Informatics
ISTE	International Society for Technology in Education
MSD	Measures of Student Development
NAIDOC	National Aborigines and Islanders Day Observance Committee
NAPLAN	National Assessment Program - Literacy and Numeracy
NSSAB	Non-State Schools Accreditation Board
OP	Overall Position
P&F	Parents and Friends
PAT	Progressive Achievement Tests
PCBU	Person Conducting A Business Undertaking
PD	Professional Development
PE	Physical Education
POPS	Parents of Past Students
PPC	Pedagogical Practices Committee
PSC	Public Service Commission
QDU	Queensland Debating Union
SOPs	Standard Operating Procedures
SOWN	Save our Waterways Now

**CHAIRMAN OF THE BOARD OF TRUSTEES
2013 SPEECH DAY ADDRESS**

Guest Speaker Li Cunxin, Headmaster Brian Short and Pauline Short, Principal of BGGGS Jacinda Euler, President of the P&F Auxiliary Genevieve Kenny-Fowler, President of the P&F Craig Whip, President of the Old Boys' Association Stuart Rees and other special guests, my fellow trustees, teachers, parents, and boys of Brisbane Grammar.

Firstly, to the boys, the effort you put in in the classroom, in your teams, and at home is the key to your success, and the schools success. We are proud of what you have done this year, and in turn you can and should be proud of the part you have played to make your school what it is today. The history and reputation of the School is the collective history and reputation of the boys who have passed through it.

Neither our boys nor the School can achieve what we do without the huge support we both get from our parent community. You are your boy's first educator, and the good alignment we have at Grammar between school and our parent community is so important in achieving what we do. Thank you again for your untiring support, not just for your own boy, but for what many of you give to all our boys through the key P&F structures which you unfailingly maintain year after year. You are our back-bone.

To our school leaders, including our retiring Headmaster- about whom I will say something more later – thank you for another year of outstanding effort. All our leaders are important and there are many of them. They set our tone and our culture. They set the bar on what 'good' looks like. But it is probably fair this year to single out Jacqui Zervos and her team for the huge effort to get ready for a group of 100 ten year olds who will excitedly yet apprehensively begin our new Year 5 at Grammar next year. It will look and feel different!

But to get things done requires leadership from lots of people making a difference at every level, and of course none more so than our teachers.

We have heard far too much this past year about schools and school funding from politicians and the various political systems they represent, which are, unfortunately, unable to combine to fix what is wrong. Money alone will not fix it. It is what happens in the classrooms in good schools which is where making a difference begins. It is all about the quality of the teachers, the workplace and the work-processes of the teacher, and the students who are the teacher's co-workers in each classroom.

So, we must invest in things which are going to improve learning. We not only need to equip our teachers with the relevant data, but with the ability to assess where every learner is at, and the skills to bring them up to the next level. The classroom and the lesson are inherently difficult to manage, and we will need to continue to support our teachers and play our part in the workplace reform which is necessary. Which will include improving our remuneration structures for the teachers who reach what will be the ever more demanding standards we will need to achieve these outcome. And this in the context of parents who rightly expect a lot. It will need effort and trust on both sides.

For centuries the optimists and pessimists have argued over the condition of the world, when any sensible analysis shows clearly that the world is progressively getting better, decade by decade, across almost all important criteria- health, gender, air/water pollution, war, bio-diversity –you name it- Luckily at Grammar we can include the quality of our education in this trend. We are in a good place at Grammar at present, the detail of which the Headmaster will address. And I am optimistic about the future as well, because we also are getting better. As we must, when we now face not only national, but international performance comparisons.

Some things do not last very long today without constant attention, and must be managed for ever faster change. We must be mindful that performance today can bear little resemblance to where we will need to be tomorrow if they are to continue to be successful.

Of *Fortune Magazine's* top 50 of 'The World's Most Admired Companies', only two are more than 100 years old. But relevantly they do point out that the three oldest – Coke, IBM and Disney – had what was described as enormously strong brands and 'titanium strength cultures'.

And so some things at Grammar must also be managed for continuity. What it means to be a Grammar boy, not only while you are there, but when you leave. And again the Headmaster has some pertinent things to say about this in his address later today.

Of course we must also continue to invest to ensure that our teaching and learning is augmented by what modern facilities can provide. Accordingly we have decided that our highest priority development project is now the replacement of our aged science and technology facilities, built in the Menzies era in the 1960s. They are inadequate in a field of learning upon which we place great emphasis. Investigation and planning will proceed during 2014, and targeted timing for project commencement will then become clear and able to be announced. In the shorter term, our long suffering tennis community can realistically expect announcement of details of a new tennis centre to be built on that which remains of our Normanby Oval, with the project to commence once use of our land for the construction of the Legacy Way Tunnel is no longer required which is scheduled for the end of next year.

To the Year 12s who are leaving us, you are ready to begin make your own way in the world, no doubt with a natural tinge of apprehension mixed in with your excitement. The road ahead may not yet be obvious to you yet, and it may well take some twists and turns before you know what you want to commit to, but you are well equipped to find your way. Come back when you are ready, we will need you.

To our retiring Headmaster: it is appropriate today to record our appreciation for the huge contribution Brian Short has made to our school over more than 40 years. From student, to teacher and coach, to Head of Department, to Deputy Head and then to the School's 11th Headmaster. It is something which will likely always stand unique in Grammars history. It has not happened by accident. Like all of us he had his disappointments along the way, but a continuing striving for excellence, combined with traditional Grammar persistence, produced quality leadership across so many of the School's activities, sporting and academic, culminating in eight years leadership of the School in one of its most successful eras. He has been instrumental in strengthening the key learning culture amongst our staff and boys which, I think, sets Grammar apart.

Good leaders have a feeling for the past which enables them to dissect the present, and then shape the future. Brian has had all that.

It will not be goodbye. It would be negligent to allow you simply to walk away with your accumulated wisdom, and both Anthony and the School are delighted that you have agreed to continue to contribute to our future in material ways over the coming years.

You leave the School in a preeminent position in its market, and confident of its future. We applaud you and thank you.

Mr Howard Stack
Chairman of the Board of Trustees

HEADMASTER'S 2013 SPEECH DAY ADDRESS

Mr Li Cunxin , Mr Howard Stack and Mrs Stack, Members of the Board of Trustees, the Principal of Brisbane Girls Grammar School, Ms Jacinda Euler, Members of Staff, Distinguished Old Boys, Parents, Friends and Students of Brisbane Grammar School, it is my pleasure to present the one hundred and forty-fourth Annual Report of Brisbane Grammar School.

We are delighted to welcome to our Speech Day and Prize-giving as our special guest, Mr Li Cunxin. Mr Li is an iconic figure whose memoir *Mao's Last Dancer* captured world attention. His life is an inspiring story of determination, passion, integrity and success. I know he has a compelling message for our audience today and particularly our graduating students.

I report to the community on a year of resounding achievement in all arenas, of significant preparation for the school's growth and of continuing research and development to strengthen the School's educational provisions.

The 2013 scholastic year has been marked by student achievement of the highest order.

In January I was delighted to announce the results of the 2012 Year 12 cohort which were, in a word, exceptional. A total of fifty-one OP 1s were awarded, representing 20.6% of the cohort, the school's best ever outcome, while 97% of our seniors scored in the OP 1-15 range, also a record historically. 29.8% of students scored an OP 1 or 2, the third best result of its kind recorded, while the median OP of 5 is an equal best result. Twenty-six of the 2012 senior cohort received scholarships to tertiary institutions, including seven Vice Chancellors scholarships at major Australian universities, the total value of which sits at over \$1.3 million. Ten students won an Australian Student Prize.

Similarly, the NAPLAN results of the 2013 Year 7 and Year 9 cohorts were again extremely good and further reflect the overall strong academic culture of the school and the quality of our literacy and numeracy teaching. The 2013 NAPLAN results represent an aggregate overall improvement and once again are the school's highest since national testing commenced. Of particular note are the areas in which deliberate and structured instructional intervention has been undertaken: the prioritising of grammar and punctuation in the literacy domain and the explicit emphasis on number facts in the numeracy domain. Both have significantly improved. As well as the exceptional scores in numeracy relative to state and national means, the Year 9 grammar and punctuation results are the highest in the state. This is an especially fine achievement by an all boys' cohort in an area that historically has favoured girls.

Other noteworthy performances were achieved in the annual University of New South Wales International Competitions and Assessments for Schools tests this year. Grammar students won seven gold medals, with boys from across the Middle and Senior schools scoring the highest results in the state in Maths, English, Science and Computing.

Wide-ranging and well-balanced participation and competitive excellence have characterised the extracurricular arena- both in cultural performance spaces and on the sporting fields.

The cultural year has witnessed many highlights.

The dramatic performances of George Orwell's *Animal Farm* and Alana Valentine's *Run Rabbit Run* were challenging but superbly executed.

In a year of many quality musical performances, standouts included our own Grammar in Concert, the Senior Strings Festival and the wonderful Australian Combined Schools Music Festival which we proudly and professionally hosted. These fine musicians were stimulated and challenged by expert

conductors; and the Festival collaboration of 350 young musicians in choir, concert band and orchestra delivered a final concert that will be long remembered by the large audience.

Our student art exhibitions showcased our very talented painters, sculptors, photographers and drawers. This year our Year 12s displayed their artwork to coincide with the Open Day Art Show- a welcome initiative.

2013 has been not only our best year ever in the GPS sports and activities competition but the best by any school.

Grammar had great early success in Term 1 winning the volleyball, for an incredible 11th year in succession, the sailing, and after a long 30 year drought, the cricket.

In Term 2 we captured an undefeated GPS debating crown and shared a third consecutive premiership in tennis with two other schools.

In Term 3, the Premier chess team defied the odds and a more credentialed opponent to win their 5th consecutive competition.

In a strong finish in Term 4, the gymnasts won their third successive premiership and the track and field team came third.

In addition to these GPS premierships, our fencers again won the Brisbane Schools Teams Championships and registered many fine results at state and national level and our debaters earned the right to be called the champion school in Queensland by winning on the same night, the Senior A, 12.1 and 11.1 QDU competitions.

While we draw great satisfaction and pride from our students' academic and extracurricular outcomes, our educative mission is far broader than this. We place increasing importance on the development of civic character in our students, and on the School as an environment that promotes a culture of service and engagement (Shields, 2011, 52). Civic character can be defined as responsible moral action that serves the common good (Boston, 2005).

The progress in this arena is heartening.

Large numbers of students are extensively involved in community service projects as diverse as record fundraising for Shave for a Cure, global sponsorship of children, tutoring refugee children in the Homework Club, a service element in the Kokoda trek and an international community service project that included building infrastructure to support Cambodian schools and orphanages.

Our Indigenous agenda reached new heights this year. Highlights have included: constructive work by the student led Closing the Gap Committee; the graduation of two indigenous students (Trey Kemp and Isaiah Cummings); life and community-changing speeches by both boys at the NAIDOC Day/Week Assembly combined with a traditional dance afterwards by all our Indigenous students in the Centenary Courtyard before a massive and supportive audience of their fellow students.

And there's the wonderful generosity of a past Grammar family who have offered a fully-funded five year scholarship for a deserving Indigenous boy to attend the School commencing in 2014.

Finally, Brisbane Grammar hosted the 5th International Young leaders Forum with visiting schools from Singapore, China, Korea and Indonesia. Pleasingly Brisbane Girls Grammar School attended the Forum and will be a full member of the group in 2014. The aim of the Forum is to create opportunities for the student leaders to interact and form new networks; to strengthen their knowledge of global issues and to learn to work co-operatively with global partners on shared inter-disciplinary problems.

Organisation for the expansion of the School to include Year 5 in 2014 and to increase the size of Year 7 in 2015 has been a major focus of the year. Significant infrastructure projects include the relocation of the Boarders' Kitchen and Dining Room, the Maths Faculty and the Tuckshop; refurbishment of the top floor of H Block and the bottom floor of the Centenary Building into specialist Middle School

classrooms, and the construction of a social space designed for Years 5 and 6 students. Major reviews have established the structure of the Years 5 to 10 academic and student wellbeing curricula for introduction in 2014. The 2014 shift to a Years 5 to 12 GPS competition will present enhanced extracurricular opportunities for our middle school students. Pivotal, quality new staff have been appointed, orientated and involved in curriculum development. Ms Jacqui Zervos' unflagging leadership efforts have us well prepared for this historic change in the School's offering. Preparation for new students has not distracted us from the research and development initiatives critical to strengthening the School's future offerings.

Major initiatives addressed student learning and wellbeing programs.

The School's commitment to advancing blended learning at Grammar (a disruptive but critical innovation) has been zealously taken up by a multi-department staff team. They're busily exploring and experimenting with methods of incorporating ICT enabled learning into the School's curriculum. In particular, the fashionable educational practice of 'flipping' the classroom has been thoroughly examined, reviewed and trialled in Year 8 classes. There's been extremely positive feedback from students and teachers alike about the way this effectively transforms lessons via the freeing up of time for more purposeful and individual practice and mastery.

Like all good schools, in addition to graduating academically proficient and civic-minded students, BGS is also committed to enhancing students' intrapersonal and interpersonal competencies. We want to ensure they're optimally prepared for engaged postsecondary education, worthwhile careers, constructive citizenship and a connected life (Dymnicki, Sambolt, & Kidron, 2013 and National Research Council, 2012). Rigorous scientific research validates the positive effect of high-quality, well-implemented social and emotional learning on both students and schools (Durlak et al., 2011).

We are therefore constantly looking to improve our personal development program. The field of positive education is a promising and increasingly evidence-based approach; it's based on the skills of positive psychology, a blend of traditional skills and the skills of wellbeing. Psychologist and academic Martin Seligman, the founder of positive psychology, believes wellbeing should be taught in schools – as an antidote to depression, as a vehicle for increasing life satisfaction, and as an aid to better learning and more creative thinking (Seligman, et. al., 2009, p. 295).

This year the Coordinator of Student Wellbeing Programs has explored the potential of character strengths and growth mindset, both significant sub-branches of positive psychology. Progress has been most encouraging with convincing evidence from students and teachers that this approach is both worthwhile and will integrate very well with our existing learning frameworks – Dimensions of Learning and Habits of Mind. We will now be moving to fuller implementation confident that these interventions will strengthen and enhance teaching, learning and wellbeing at Brisbane Grammar School in the future.

Many people contribute significantly to the successful education of the students of Brisbane Grammar School.

None are more important than our teachers. Their academic capacity, their willingness to continually learn and grow and their strong identification with the School's purpose and values are the foundations of our success.

My special thanks go to the members of the Senior Leadership Team. One of the great satisfactions of my headmastership has been to witness their professional growth and to admire their individual and collective contribution to Grammar's advancement.

Finally, I want to thank the support staff for their critical and much appreciated contribution to the School's efficient operation.

We farewelled valued colleagues this year.

On a sad note, the School lost a great servant with Neil Girdham's tragic and sudden passing during the year. A member of staff since 1989, Neil Girdham was a pioneering career educator, a committed teacher of mathematics, a gifted sports coach in tennis and AFL, a dedicated mentor for the SRB but, above all, a colleague who cared deeply for the both the students and staff of Brisbane Grammar. Several long-serving members of staff leave in 2013.

Mr Stewart Service, in a most influential twenty year career at his old school, has shaped art education at BGS, energetically participated in student welfare and extracurricular programs and made a broad professional contribution throughout Queensland. Neither outdoor education nor Duke of Edinburgh excursions at BGS will feel the same after Peter Trehearn leaves the Pepperina Hill Centre after 29 years of enthusiastic and passionate service. We wish them both well in the next stage of their lives.

Members of the support groups have again made wonderful contributions to both Grammar's programs and social fabric in 2013.

I particularly thank Mr Craig Whip, President of the Parents and Friends' Association; Mrs Genevieve Kenny-Fowler, President of the P and F Auxiliary, and Mr Stuart Rees, President of the Old Boys Association for their unstinting efforts in important community leadership roles. In particular, I want to acknowledge the generous financial assistance of the Auxiliary to The Lilley Centre and now the infrastructure works necessary for the additional Years 5 and 7 students.

The trustees are a critical element in Grammar's success. Apart from their essential responsibility for good governance, their overall expertise and experience complement but also challenge the work of the Senior Leadership Team. For over two decades, the Chairman, Mr Howard Stack, has provided the leadership stability, vision and drive that have enabled BGS to prosper in both smooth and stormy seas. Today, I express my personal gratitude to the Chairman and members of the Board who have given me unequivocal support and encouragement during my headmastership.

I wish to offer congratulations and best wishes to the departing Year 12s. They have been a most cohesive, inclusive and influential year group who have vigorously but sensitively moulded the year's events.

Special mention must be made of the outstanding contribution of the School's 2013 leaders: Mike Cavaye, Tim Sapsford, Matt Singer and Lincoln Ebzery. Different in style but unified in purpose, their personal achievements, influential role modelling, connection with the student body and passionate espousal of the School's values have inspired the student body.

We wish the graduating Year 12s well in the future; confident they have fully grasped the lessons of their Grammar education and are well equipped for the next stage in their life.

In conclusion, at this important moment of transition, I hand over to my successor, Mr Anthony Micallef, a school confident in the principles that have both defined and underpinned its success.

First, this is a school firmly committed to the provision of a broadly based liberal education. Under this umbrella, we have pursued and achieved outstanding academic outcomes, meaningful innovation in teaching and learning and an emphasis on the development of student intellectual capacities and dispositions for life-long learning.

Second, this is a school driven by what has been called 'an ethic of excellence' (Berger, 2003). The members of this community have pride in what they do, seek to make their efforts the best possible and understand the importance of hard work, attention to detail and persistence to achievement (Shields, 2011, 52).

Third, this school seeks to graduate young men who will effectively participate in civic life in order to improve the public good and who will be guided by principles of integrity and an ethic of care (Oakes, et al., 2005).

Finally, this school draws strength and identity from a strongly connected community that is proud of its diversity, embraces its history and traditions and is enriched by its spirit of volunteerism and intergenerational loyalty.

I wish the School and the new Head, Mr Micallef, all the very best for 2014 and beyond.

Thank you

Brian R Short
Headmaster

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BOARD OF TRUSTEES
OF THE
BRISBANE GRAMMAR SCHOOL

FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

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BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 (\$'000)	2012 (\$'000)
Income from continuing operations			
Fees	2	30,847	29,453
Grants	3	8,033	7,552
Interest	4	406	302
Donations	5	1,071	714
Other revenue	6	1,435	18,295
Total income from continuing operations		<u>41,792</u>	<u>56,316</u>
Expenses from continuing operations			
Employee expenses	7	24,473	23,396
Supplies and services	8	10,355	9,601
Depreciation and amortisation	9	3,179	2,964
Borrowing costs expense	10	942	3,243
Other expenses	11	876	833
Total expenses from continuing operations		<u>39,825</u>	<u>40,037</u>
Operating result for the Year		<u>1,967</u>	<u>16,279</u>
Other comprehensive income			
<i>Items that will not be reclassified subsequently to Operating Result</i>			
Increase in asset revaluation surplus	21	3,183	242
Remeasurements of defined benefit liability	25	868	(883)
Total other comprehensive income		<u>4,051</u>	<u>(641)</u>
Total comprehensive income		<u>6,018</u>	<u>15,638</u>

The Statement of Comprehensive Income should be read
in conjunction with the notes to the financial statements.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	2013 (\$'000)	2012 (\$'000)
Current assets			
Cash and cash equivalents	12	6,447	6,646
Trade and other receivables	13	586	730
Other financial assets	14	6,411	5,603
Other current assets	15	547	520
Total current assets		13,991	13,499
Non-current assets			
Property, plant and equipment	16	122,492	119,420
Total non-current assets		122,492	119,420
Total assets		136,483	132,919
Current liabilities			
Trade and other payables	17	1,842	842
Short term borrowings	18	2,200	3,169
Provisions	19	1,748	2,995
Other liabilities	20	1,354	1,409
Total current liabilities		7,144	8,415
Non-current liabilities			
Long term borrowings	18	9,622	11,025
Provisions	19	3,113	2,893
Total non-current liabilities		12,735	13,918
Total liabilities		19,879	22,333
Net assets		116,604	110,586
Equity			
Asset revaluation surplus	20	51,106	47,923
Accumulated surplus		65,498	62,663
Total equity		116,604	110,586

The Statement of Financial Position should be read
in conjunction with the notes to the financial statements.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	Revaluation Reserve (\$'000)	Restricted Reserve (\$'000)	Accumulated Surplus (\$'000)	Total (\$'000)
Balance at 31 December 2011		47,681	678	46,589	94,948
Profit		-	-	16,279	16,279
Other comprehensive income					
Asset revaluation surplus		242	-	-	242
Remeasurements of defined benefit liability	25	-	-	(883)	(883)
Total other comprehensive income		242	-	(883)	(641)
Total comprehensive income for the year		242	-	15,396	15,638
Transfer to Restricted Reserve		-	90	(90)	-
Transfer Restricted Reserve to Accumulated Surplus		-	(768)	768	-
Balance at 31 December 2012		47,923	-	62,663	110,586
Profit		-	-	1,967	1,967
Other comprehensive income					
Asset revaluation surplus	16	3,183	-	-	3,183
Remeasurements of defined benefit liability	25	-	-	868	868
Total other comprehensive income		3,183	-	868	4,051
Total comprehensive income for the year		3,183	-	2,835	6,018
Balance at 31 December 2013		51,106	-	65,498	116,604

The Statement of Changes in Equity should be read
in conjunction with the notes to the financial statements.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 (\$'000)	2012 (\$'000)
Cash flows from Operating Activities			
<i>Inflows:</i>			
Fee income		30,819	29,974
Grants and other contributions		8,003	7,559
Interest		407	302
Donations		1,162	819
Other income		600	19,100
GST input tax credits from ATO		1,279	1,034
GST collected from customers		578	491
<i>Outflows:</i>			
Employee expenses		(24,504)	(22,637)
Supplies and services		(10,325)	(11,571)
Borrowings costs		(947)	(3,252)
Other expenses		(869)	(756)
GST remitted to ATO		(563)	(515)
GST paid to suppliers		(1,186)	(1,329)
Net cash provided by operating activities		<u>4,453</u>	<u>19,219</u>
Cash flows from Investing Activities			
<i>Inflows:</i>			
Proceeds from sale of property, plant & equipment		-	46
<i>Outflows:</i>			
Payments for property, plant & equipment		(2,279)	(1,040)
Net cash (used) in investment activities		<u>(2,279)</u>	<u>(994)</u>
Cash flows from Financing Activities			
<i>Inflows:</i>			
Proceeds from borrowings		1,042	1,124
<i>Outflows:</i>			
Repayment of borrowings		(1,385)	(13,178)
Repayment of leases		(1,058)	(1,041)
Net cash (used) in financing activities		<u>(1,401)</u>	<u>(13,095)</u>
Net increase / (decrease) in cash and cash equivalents		773	5,130
Cash and cash equivalents at the beginning of the year		<u>5,674</u>	<u>544</u>
Cash and cash equivalents at the end of the year		<u><u>6,447</u></u>	<u><u>5,674</u></u>

The Statement of Cash Flows should be read
in conjunction with the notes to the financial statements.

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BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2013

Note 1:	Statement of significant accounting policies
Note 2:	Fees
Note 3:	Grants
Note 4:	Interest
Note 5:	Donations
Note 6:	Other Income
Note 7:	Employee Expenses
Note 8:	Supplies and services
Note 9:	Depreciation and amortisation
Note 10:	Borrowing costs expense
Note 11:	Other expenses
Note 12:	Cash and cash equivalents
Note 13:	Trade and other receivables
Note 14:	Other financial assets
Note 15:	Other current assets
Note 16:	Property, Plant and Equipment
Note 17:	Trade and other payables
Note 18:	Borrowings
Note 19:	Provisions
Note 20:	Other current liabilities
Note 21:	Asset revaluation surplus by class
Note 22:	Lease commitments
Note 23:	Capital expenditure commitments
Note 24:	Contingent liabilities and contingent assets
Note 25:	Superannuation
Note 26:	Financial instruments
Note 27:	Subsequent events
Note 28:	Key management personnel and remuneration

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with s43 of the *Financial and Performance Management Standard 2009*, Australian Accounting Standards - Reduced Disclosure Requirements and Australian Accounting Interpretations, where applicable to not-for-profit entities. In addition, the financial statements comply with Treasury's Minimum Reporting Requirements and other authoritative pronouncements.

The financial statements are a general purpose financial report and cover the Board of Trustees of the Brisbane Grammar School as an individual entity. The Board of Trustees of the Brisbane Grammar School is a statutory body formed under the *Grammar Schools' Act 1975*. It operates as a Queensland independent school and is located at Gregory Terrace, Brisbane in Australia.

The following summary presents material accounting policies adopted by the Board of Trustees of the Brisbane Grammar School in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial statements have been prepared on an accruals basis. Except where stated, the historical cost convention is used.

Accounting Policies

(a) Revenue

Interest revenue is recognised on a proportional basis, taking into account the interest rate applicable to the financial assets.

Revenue from the rendering of services, being tuition and boarding, is recognised upon delivery. Revenue from enrolments and non-refundable confirmation fees is recognised when received.

Government grants are recognised as revenue on receipt where the grant is non-reciprocal, otherwise, if reciprocal, the grant revenue is recognised progressively over the grant term.

The School also receives contributions of assets from the government and other parties. These assets are recognised at fair value on the date of acquisition in the Statement of Financial Position, with a corresponding amount of revenue recognised in the Statement of Comprehensive Income.

Where the fees for services are paid in advance, a liability called Fees in Advance is recognised. This liability is amortised once the fees are earned.

(b) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and at bank, and short term deposits at call with a maturity of less than 3 months, net of outstanding bank overdrafts. For the purpose of the Statement of Financial Position, bank overdrafts have been recognised as a short term borrowing.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(c) Trade and Other Receivables

Trade debtors are recognised at the nominal amount due at the time of sale or service delivery. Fee income is paid in accordance with the schedule of fees. For other debtors, payment is required within thirty (30) days from invoice date. The collectability of receivables is assessed periodically, with provision being made for impairment. All known bad debts were written-off at 31 December each year.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the School becomes a party to the contractual provisions of the instrument, which for financial assets, is equivalent to the date that the School commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case, transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are measured at either fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, relevant valuation methodologies are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value, with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation methodologies are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Financial assets at fair value through profit or loss are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch, or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value, with changes in carrying value being included in profit or loss.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

(d) Financial Instruments (continued)

Non-derivative financial liabilities are subsequently measured at amortised cost.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the School assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are immediately recognised in profit or loss. In addition, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party, whereby the School no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e) Property, Plant and Equipment

Property, plant and equipment has been accounted for in compliance with Queensland Treasury's Non-Current Asset Accounting Policies for the Queensland Public Sector.

Actual cost is used for the initial recording of all non-current physical acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use.

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings and improvements	\$10,000.
Land	\$1.
Plant and equipment	\$5,000.
Heritage and cultural assets	\$5,000.

Items with a lesser value are expensed in the year of acquisition.

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(f) Land and Buildings

As at 31 December 2013, the School's land and buildings were revalued by independent valuers, AssetVal Pty Ltd in accordance with AASB 116 *Property, Plant and Equipment* and Queensland Treasury's Non-current asset policies for the Queensland Public Sector. Land and Buildings are shown at their fair value, being the amount for which an asset could be exchanged between an knowledgeable willing parties in arm's length transaction, less subsequent depreciation for Buildings and Improvements. The Board of Trustees commissions an independent valuation of the School's land and buildings on a regular basis, at least once every five years. In years where an independent valuation is not performed, the valuation is performed by the Board of Trustees. The Board of Trustees reviews the carrying value of property, plant and equipment at each balance date, to confirm that these assets are still held at fair value.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

(g) Land

The School campus land at Spring Hill and Normanby, with a total value of \$18,610,000, is held under Deed of Grant of Land in Trust (DOGIT). The land is retained by the Crown, however, the economic benefit of this land accrues to the Board of Trustees of the Brisbane Grammar School and the land is administered by the School. Independent valuation of these assets has special regard to the fact that the property held under DOGIT is considered an inferior title to freehold due to the restrictive covenants.

(h) Impairment of Non-Current Assets

At each reporting date, the School reviews the carrying value of its non-current physical assets, to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and the asset's depreciated replacement cost, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is recognised in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(h) Impairment of Non-Current Assets - continued

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case, the reversal of the impairment loss is treated as a revaluation increase.

(i) Depreciation and amortisation

Items of plant and equipment and building are depreciated over their estimated useful lives to the School on a straight line basis. Estimates of remaining useful lives are made on a regular basis for all assets.

Plant and equipment subject to a finance lease is amortised on a straight line basis over the term of the lease.

Depreciation commences from the date an asset is controlled, serviceable and ready for use. For each class of depreciable asset, the following depreciation and amortisation rates are used:

Plant and Equipment	10 – 30%.
Heritage and Cultural Assets	2%.
Leased Assets	25 – 33.3%
Buildings	1.67 – 9%.

The residual values and useful life of all assets are reviewed and adjusted, if applicable, at each reporting date.

(j) Gains and Losses on Disposal

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. The gain or loss is included in the statement of comprehensive income. When revalued assets are sold, amounts included in the asset revaluation reserve relating to the asset are transferred to retained earnings.

(k) Trade and Other Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount. Amounts owing are unsecured and are generally settled on 30 day terms.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(l) Leases

The lease of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Board of Trustees of the Brisbane Grammar School, are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the School will obtain ownership over the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(m) Employee Benefits

Wages, salaries, annual leave and long service leave due but unpaid at reporting date are recognised in the statement of financial position at the remuneration rates expected to apply at the time of settlement and include related on costs such as WorkCover premiums and employer superannuation contributions.

Employee benefits disclosed as current are expected to be settled within one year based on the legal and contractual entitlements and assessments, having regard to staff departures and leave utilisation. Non-current employee benefits have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the School to defined contribution employee superannuation funds and are charged as expenses when incurred.

Defined Superannuation Plan

In respect of the School's defined benefit plan, the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted every three years, with interim valuations performed on an annual basis. Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

The liability recognised in the statement of financial position represents the present value of the defined benefit obligations, adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. Any asset recognised is limited to unrecognised actuarial losses, plus the present value of available refunds and reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other comprehensive income. The School determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligations at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(m) Employee Benefits – Defined Superannuation Plan - continued

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The School recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(n) Borrowing Costs

Unless borrowing costs are incurred in the construction of a qualifying asset, they are recognised as expenses in the period in which they are incurred.

(o) Taxation

Income Tax

No provision for income tax has been raised as the School is exempt from income tax.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(p) Comparative Figures

Comparative information has been restated, where necessary, to be consistent with changes in presentation for the current year.

Following retrospective changes implemented through AASB 119 *Employee Benefits* all remeasurements to the defined benefit liability have been reclassified from Expenses from continuing operations to Other comprehensive income. Quantatively, this has reduced Total expenses from continuing operations in 2012 from \$40,920,262 to \$40,037,262.

(q) Issuance of Financial Statements

The financial statements are authorised for issue by the Board of Trustees and the Secretary to the Board of Trustees at the date of signing of the Certificate of Board of Trustees of the Brisbane Grammar School.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(r) Key Executive Management Personnel and Remuneration

Key management personnel and remuneration disclosures are made in accordance with section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury and Trade.

The School has assessed the key executive management personnel positions in context of the School being constituted under the Grammar Schools Act 1975. Refer to Note 30 for the disclosures on key executive management personnel and remuneration.

(s) Judgement and Assumptions

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have that potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and, in future periods, as relevant.

Recoverable amount of plant and equipment and intangible assets

The School assesses impairment at each reporting date by evaluating conditions specific to the School that may lead to impairment of assets. Where an impairment indicator exists, the recoverable amount of the assets is determined. No impairment indicators were noted during the last two financial years.

Fair Value of Land, Buildings and Improvements

The School has Land, Buildings and Improvements with a carrying value of \$117,977,500 (2012: \$116,958,339) representing estimated fair value. The aggregate carrying amount is based upon a combination of independent valuations and Board of Trustee's valuations. An independent valuation of the School was issued as at 31 December 2013.

In determining the fair value, either the direct comparison approach or the depreciated replacement cost approach has been taken depending upon the availability of sales data. The main assumptions for the depreciated replacement cost are:

- Weighted average replacement cost per square metre of \$3,692;
- Weighted average useful life of 49 years; and
- Weighted average remaining useful life of 34 years.

(t) Contributions

The School receives non-reciprocal contributions from other parties from time to time for no or nominal value. These contributions are recognised at the fair value on the date of acquisition, at which time, an asset is taken up in the statement of financial position and revenue in the statement of comprehensive income.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(u) New and revised accounting standards

AASB 1053 *Application of Tiers of Australian Accounting Standards* applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two Tiers of reporting requirements - Australian Accounting Standards (commonly referred to as 'Tier 1'), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as 'Tier 2'). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the Tier 1 and Tier 2 requirements is that Tier 2 requires fewer disclosures than Tier 1.

Pursuant to AASB 1053, and in accordance with Queensland Treasury and Trade's policy, the School has chosen to adopt Tier 2 requirements for their general purpose financial statements. As also permitted by Queensland Treasury and Trade, the School voluntarily adopted AASB 1053 earlier than its effective date. The School has elected to apply AASB 1053 as from the reporting period 1 January 2013 to 31 December 2013.

Details of which disclosures in standards and interpretations are not required under Tier 2 reporting are set out in amending standards AASB 2010-2, AASB 2011-2, AASB 2011-6 and AASB 2011-11 which also apply from reporting periods beginning on or after 1 July 2013. However, Treasury and Trade's Financial Reporting Requirements effectively do not allow application of AASB 2011-6 in respect of controlled entities, associates or interests in jointly controlled entities.

On this basis, key disclosures that the School no longer needs to include are:

- The disclosure in this note regarding the expected implication for the School of Australian Accounting Standards and Interpretations that have been issued but are not yet effective;
- A Statement of Financial Position as at the beginning of the earliest comparative period, if an accounting policy is applied retrospectively, if a retrospective restatement of items is made in the financial statements, or if an item is reclassified in the financial statements;
- The reconciliation of the carrying amount of property, plant and equipment for the comparative period;
- The reconciliation of the School's operating result to its net cash from operating activities; and
- Many of the disclosures required in relation to financial instruments, particularly all disclosures that convey information about the various risks the School is exposed to from its financial instruments.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

(u) New and revised accounting standards - continued

The School is not permitted to early adopt a new or amended accounting standard ahead of its specified commencement date unless approval is obtained from Queensland Treasury and Trade. Therefore, no other accounting standards and interpretations that have been issued but are not yet effective have been adopted by the School ahead of their effective dates. The School will apply these standards and interpretations once they become effective.

Australian Accounting Standard changes applicable for the first time from 2013 have had the following impacts on the School's financial statements:

- AASB 2011-9 *Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]* applies as from reporting periods beginning on or after 1 July 2012. The only impact for the School will be that, in the Statement of Comprehensive Income, items within the 'Other Comprehensive Income' section will need to be presented in different sub-sections, according to whether or not they are subsequently re-classifiable to the operating result. Whether subsequent re-classification is possible depends on the requirements or criteria in the accounting standard/interpretation that relates to the item concerned.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
2. Fees		
Boarding fees	1,352	1,352
Tuition fees	28,634	26,815
Enrolment fees	323	325
Confirmation fees	538	961
Total fees	<u>30,847</u>	<u>29,453</u>

3. Grants ¹		
Recurrent Grants		
Commonwealth grants	5,047	4,776
State grants	2,612	2,739
Capital Grants		
Commonwealth Grants ²	371	36
State grants	3	1
Total grants	<u>8,033</u>	<u>7,552</u>

1 All grants are non-reciprocal grants, see Note 1 (a).

2 Commonwealth funds of \$371,409 (2012: \$36,154) were received as part of the Digital Education Revolution program.

4. Interest		
General account	386	299
Building fund	14	1
Endowment fund	5	2
Library fund	1	-
Total interest	<u>406</u>	<u>302</u>

5. Donations		
General funds	73	216
Building fund	845	401
Endowment fund	144	90
Library fund	6	5
Restricted reserve	3	2
Total donations	<u>1,071</u>	<u>714</u>

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
6. Other income		
Property income	108	120
Facility hire	211	195
Other income	168	17,282 ¹
Investment income	358	245
Gain on financial assets at fair value through profit or loss	476	453
Proceeds from insurance claims	114	-
Total other income	1,435	18,295

¹ The School made application in the Land Court of Queensland, pursuant to the Acquisition of Land Act 1967, for compensation in respect of land resumed by Brisbane City Council for the construction of Brisbane's Inner City Bypass and Legacy Way. In 2012, the School and Brisbane City Council reached a confidential agreement on the compensation for the resumptions which settled all outstanding applications. The settlement, less any costs incurred in relation to it, has been included in Other Income.

7. Employee expenses

Salaries and wages		
Tuition	13,043	12,356
Marketing and development office	298	279
Administration	2,370	1,881
Boarding	812	767
Sports and coaching	670	720
Buildings, operations and maintenance	2,275	2,194
Total salaries	19,468	18,197
Salaries and wages oncosts		
Superannuation	2,601	2,690
Annual leave	1,604	1,572
Long service leave	524	640
Workers' compensation premium	252	214
Other employee expenses	24	83
Total employee expenses	24,473	23,396

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
8. Supplies and services		
Tuition and extracurricular expenses	3,686	3,172
Repairs and maintenance	2,322	2,309
Minor plant and equipment	959	1,053
Professional fees	309	172
Contractors	520	540
Motor vehicle expenses	139	137
Administration expenses	883	823
Utilities	977	901
Other supplies and services	560	494
Total supplies and services	10,355	9,601
9. Depreciation and amortisation		
Buildings	2,164	2,158
Heritage and Cultural Assets	7	7
Leased Assets	10	7
Plant and Equipment	998	792
Total depreciation and amortisation	3,179	2,964
10. Borrowing costs expense		
Interest	942	3,243
Total borrowing costs expenses	942	3,243
11. Other expenses		
Audit fees	31	43
Bad and impaired debts	49	13
Lease and rentals	15	13
Fringe benefits tax	274	238
Insurance	261	225
Bank charges	207	187
Loss on disposal of property, plant and equipment	-	77
Other expenses	39	37
Total other expenses	876	833

Remuneration of the Auditor

External audit fees paid to the Queensland Audit Office relating to the 2013 financial statements are estimated to be

31	33
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There are no non-audit services included in this amount.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
12. Cash and cash equivalents		
Petty cash	1	1
Accountable advances	5	5
Cash at bank	1,621	-
Building fund	1,372	529
Endowment fund	631	979
Library fund	87	80
Restricted Reserve	48	44
Short term investment	2,682	5,008
Total cash and cash equivalents	6,447	6,646

Refer Note 14. for an explanation of the purpose of fund and reserve accounts.

13. Trade and other receivables

Current

Fees outstanding	161	250
Allowance for impairment losses	(77)	(47)
	<u>84</u>	<u>203</u>
GST receivable	370	463
GST payable	(164)	(149)
	<u>206</u>	<u>314</u>
Sundry debtors	50	49
Accrued revenue	246	164
Total trade and other receivables	586	730

Movements in the allowance for impairment loss for trade debtors

Balance at 1 January	47	44
Amounts written off during the year	(25)	(16)
Increase/decrease in allowance	55	19
Balance at 31 December	<u>77</u>	<u>47</u>

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
14. Other financial assets		
Queensland Investment Corporation Investment Fund - at fair value:		
Building Fund ¹	7	6
Endowment Fund ²	5,089	4,448
Library Fund ³	486	425
Restricted Reserve ⁴	829	724
Total other financial assets	6,411	5,603

Changes in fair values of other financial assets are recorded in profit or loss.

1 *The Building Fund* is a Deductible Gift Recipient established to raise money for School building projects.

2 *The Endowment Fund* uses non-refundable confirmation fees paid by parents to fund needs based Bursaries. It also contains the Scholarship sub-fund, which is a Deductible Gift Recipient established to provide scholarships from donations.

3 *The Library Fund* is a Deductible Gift Recipient established to raise money for School library resources.

4 *The Restricted Reserve* comprises bequests and donations, where the funds received are used for the purposes specified by the donor. In 2012, this Reserve was transferred to Accumulated Surplus, but the funds remain invested with Queensland Investment Corporation.

15. Other current assets

Prepayments	547	520
Total other current assets	547	520

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
16. Property, plant and equipment		
Land - at fair value	40,491	38,786
	<u>40,491</u>	<u>38,786</u>
Buildings - at fair value	129,327	127,730
less accumulated depreciation	<u>(51,840)</u>	<u>(49,676)</u>
	77,487	78,054
Plant and equipment - at cost	10,511	9,691
less accumulated depreciation	<u>(8,309)</u>	<u>(7,368)</u>
	2,202	2,323
Leased Assets - at cost	107	32
less accumulated amortisation	<u>(17)</u>	<u>(7)</u>
	90	25
Heritage and Cultural Assets - at cost	377	351
less accumulated depreciation	<u>(126)</u>	<u>(119)</u>
	251	232
Work in Progress - at cost	1,971	-
Total property, plant and equipment	<u><u>122,492</u></u>	<u><u>119,420</u></u>

As at 31 December 2013, the School's Land, Buildings and Improvements were revalued, resulting in an increment in the carrying value. This independent valuation of land was performed by AssetVal Pty Ltd based on the valuer's assessment of the land having regard to available sales evidence of freehold title properties comparing the zoning, size and topography. Buildings were valued using the depreciated replacement cost approach, or direct comparison approach depending upon the availability of sales data.

In December 2012, the School performed market research to determine the fair value of the land. The cumulative change in the index for non-residential construction in Queensland was used to calculate the impact of any change on the fair values of buildings. Based on this research, the Board of Trustees determined that the carrying value at 31 December 2012 approximated their fair value. As such, no change in the carrying value was recognised.

The proportional restatement method, regarding the treatment of accumulated depreciation at the date of revaluation, has been applied.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

16. Property, plant and equipment - movement reconciliation

2013

Description	31 December 2012 \$'000	Purchases \$'000	Disposals \$'000	Transfer \$'000	Depreciation \$'000	Revaluation \$'000	31 December 2013 \$'000
Land	38,786	-	-	-	-	1,705	40,491
Buildings	78,054	-	-	119	(2,164)	1,478	77,487
Plant and equipment	2,323	996	-	(119)	(998)	-	2,202
Leased assets	25	75	-	-	(10)	-	90
Heritage and Cultural Assets	232	26	-	-	(7)	-	251
Work in progress	-	1,971	-	-	-	-	1,971
Total	119,420	3,068	-	-	(3,179)	3,183	122,492

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
17. Trade and other payables		
Current		
Trade payables	1,356	492
Other accrued employee benefits	486	350
Total trade and other payables	<u>1,842</u>	<u>842</u>
18. Borrowings		
Current		
Bank overdraft - unsecured	-	972
Queensland Treasury Corporation Loans - unsecured	1,394	1,292
Chattel Mortgage - secured	204	-
Hire purchase & lease liability - secured	602	905
Total current borrowings	<u>2,200</u>	<u>3,169</u>
Non-current		
Queensland Treasury Corporation Loans - unsecured	9,197	10,588
Chattel Mortgage - secured	269	-
Hire purchase & lease liability - secured	156	437
Total non-current borrowings	<u>9,622</u>	<u>11,025</u>
Total borrowings	<u>11,822</u>	<u>14,194</u>

Hire purchase liabilities are secured over the assets to which they relate. The carrying value of leased assets is \$90,291 (2012: \$25,082). If the individual item to which the hire purchase liabilities relate are below the capitalisation threshold, they will be written off in the period the items are purchased.

19. Provisions

Current

Accrued annual leave	1,115	981
Accrued long service leave	475	386
Sabbatical leave	108	108
Other employee provisions (note 25)	50	1,520
Total current provisions	<u>1,748</u>	<u>2,995</u>

Non-current

Accrued long service leave	3,113	2,893
Total non-current provisions	<u>3,113</u>	<u>2,893</u>

Total provisions

	<u>4,861</u>	<u>5,888</u>
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BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
20. Other current liabilities		
Fees in advance	1,354	1,409
Total other current liabilities	1,354	1,409

21. Asset revaluation surplus by class

	Land	Buildings	Total
Balance 1 January 2012	31,238	16,443	47,681
Revaluation increments	503	-	503
Revaluation decrements	-	(261)	(261)
Impairment losses through equity	-	-	-
Impairment reversals through equity	-	-	-
Balance 31 December 2012	-	-	-
	31,741	16,182	47,923
Balance 1 January 2013	31,741	16,182	47,923
Revaluation increments	1,705	1,478	3,183
Revaluation decrements	-	-	-
Impairment losses through equity	-	-	-
Impairment reversals through equity	-	-	-
Balance 31 December 2013	-	-	-
	33,446	17,660	51,106

22. Lease commitments

(a) Finance leases liabilities, hire purchase loans and chattel mortgages

Liabilities recognised in the Statement of Financial Position

Current	806	905
Non-Current	425	437
Total finance lease liabilities	1,231	1,342

Commitments under Finance leases liabilities, hire purchase loans and chattel mortgages at reporting date are inclusive of GST and are payable as follows:

- Not later than one year	855	966
- Later than one year but not later than five years	468	454
Total	1,323	1,420

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013 (\$'000)	2012 (\$'000)
22. Lease commitments - continued		
(b) Non-Cancellable Operating leases		
Commitments under operating leases at reporting date are inclusive of GST and are payable as follows:		
- Not later than one year	68	57
- Later than one year but not later than five years	65	52
- Minimum lease payments	<u>133</u>	<u>109</u>

Finance leases on equipment are between 28 month to 48 month leases, with an option to purchase at the end of the lease life.

Operating leases are held between 24 months and 36 months, with terms to maturity carrying out to 24 months or 36 months.

A lease agreement with Brisbane City Council requires \$15,000 in repairs and maintenance to buildings and grounds to be performed by the expiration of the lease. This amount has not been included in the lease amounts set out in Note 22.

23. Capital expenditure commitments

Property plant and equipment	<u>7,192</u>	-
	<u>7,192</u>	-

The School has commenced major capital works to accommodate Year 5 students commencing in 2014 and increased number of Year 7 students commencing in 2015. Refer to Note 16. for Capital Work in Progress incurred this year.

24. Contingent liabilities and contingent assets

(a) Proceedings for damages against the School by former students have been served upon the School. The School is defending the claims and, at the date of these accounts, a number of settlements remain outstanding. It is not possible to determine the extent of any liability which may arise from these matters. The School is preparing an insurance claim to recover some of the costs incurred to date. Any recovery is uncertain at this time.

(b) Pursuant to the lease of airspace over land adjoining the School, Brisbane Grammar School has issued a \$12,000 guarantee to the Department of Natural Resources, Mines and Water.

(c) The School has no other known contingent assets or liabilities at balance date.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013	2012
	(\$'000)	(\$'000)

25. Superannuation

(a) Superannuation plan

Certain employees of the School are entitled to benefits from the School's superannuation plan on retirement, disability or death. The School has one plan, with a defined benefit section and a defined contribution section.

The defined benefit section provides lump sum benefits based on years of service and final average salary.

The defined contribution section receives contributions from the School and the School's legal or constructive obligation is limited to these contributions.

The following disclosures are details in respect of the defined benefit section only, as the School carries no residual responsibility in regard to the defined contributions section.

(b) Balance sheet amounts

The amounts recognised in the balance sheet as at 31 December 2013 are determined as follows:

Present value of the defined benefit obligation	4,274	7,861
Fair value of defined benefit plan assets	(4,224)	(6,341)
Net liability in the balance sheet	50	1,520

The School has no legal obligation to settle this liability with an immediate contribution or additional one off contributions. The School intends to continue to contribute to the defined benefit section of the plan at a rate of 12.75% of salaries, plus a lump sum at the time of retirement / resignation of each defined benefit member, in line with the actuary's latest recommendations.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013	2012
	(\$'000)	(\$'000)

25. Superannuation - continued

(c) Movement in net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances of the net defined benefit liability and its components.

	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability (asset)	
	2013	2012	2013	2012	2013	2012
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Balance at 1 January	7,861	5,910	(6,341)	(5,363)	1,520	547
Included in profit						
Current service cost	233	319	-	-	233	319
Past service credit	-	77	-	-	-	77
Interest cost (income)	269	142	(216)	(129)	53	13
	<u>502</u>	<u>538</u>	<u>(216)</u>	<u>(129)</u>	<u>286</u>	<u>409</u>
Included in OCI						
Remeasurement loss (gain)						
- Actuarial loss (gain)	(387)	1,502	(354)	(289)	(741)	1,213
- Return in plan assets excluding interest income	-	-	(127)	(330)	(127)	(330)
	<u>(387)</u>	<u>1,502</u>	<u>(481)</u>	<u>(619)</u>	<u>(868)</u>	<u>883</u>
Other						
Contributions	-	-	(888)	(319)	(888)	(319)
Benefits paid	(3,702)	(89)	3,702	89	-	-
	<u>(3,702)</u>	<u>(89)</u>	<u>2,814</u>	<u>(230)</u>	<u>(888)</u>	<u>(319)</u>
Balance at 31 December	<u>4,274</u>	<u>7,861</u>	<u>(4,224)</u>	<u>(6,341)</u>	<u>50</u>	<u>1,520</u>

(d) Plan assets profile

	2013	2012
	(\$'000)	(\$'000)
The major categories of plan assets are as follows:		
Cash and cash equivalents	211	254
Debt instruments	549	825
Equity instruments	2,197	3,424
Property	380	571
Alternative investments	887	1,268
Total plan assets	<u>4,224</u>	<u>6,342</u>

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	2013	2012
	(\$'000)	(\$'000)
25. Superannuation - continued		

(e) Principal actuarial assumptions

The principal actuarial assumptions used (expressed as weighted averages) were as follows:

Nominal discount rate	2.9%	2.4%
Expected return on plan assets	14.0%	14.0%
Nominal future salary increases	5.0%	5.0%

The expected rate of return on assets, based on the 2013 actuarial valuation, was based on historical and nominal future expectations of returns for each of the major categories of asset classes, as well as the expected and actual allocation of plan assets to these major categories.

(f) Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Discount Rate	2.9%	2.4%
Salary Growth Rate	5.0%	5.0%

The sensitivity of the defined benefit obligation to changes in the significant assumptions is:

	Impact on defined benefit obligation				
	<u>Change in Assumption</u>	<u>Increase in assumption</u>		<u>Decrease in assumption</u>	
Discount Rate	0.5%	Decrease by	2.5%	Increase by	3.0%
Salary Growth Rate	0.5%	Increase by	2.3%	Decrease by	1.8%

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

	Note	2013 (\$'000)	2012 (\$'000)
26. Financial instruments			
(a) Categorisation of Financial Instruments			
The School has the following categories of financial assets and financial liabilities:			
Category			
Financial Assets			
Cash and cash equivalents	12	6,447	6,646
Receivables	13	586	730
Other financial assets:			
Fair value through profit or loss	14	6,411	5,603
Total financial assets		<u>13,444</u>	<u>12,979</u>
Financial Liabilities			
Financial liabilities measured at amortised cost:			
Payables	17	1,842	842
Other financial liabilities	18	11,822	14,194
Total financial liabilities		<u>13,664</u>	<u>15,036</u>

(b) Financial risk management

The School's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable. The School does not have any derivative instruments at 31 December 2013, nor has the School traded in any derivative instruments during the year.

27. Subsequent events

On 31 December 2013, Mr Brian Short retired as the School's Headmaster and was succeeded by Mr Anthony Micallef. Otherwise, since the end of the year, there have been no events subsequent to balance date that have occurred that are required to be disclosed.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

28. Key management personnel and remuneration

a) Key management personnel

The School has assessed the key executive management personnel positions in context of the School being constituted under the Grammar Schools Act 1975. Details of executive management personnel positions, responsibilities, appointment date and remuneration are set out in the following table.

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the School during 2013.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position
Elected Trustee (Three positions)	To supervise, maintain and control the conduct of the School. To make rules with regards to the management and control of the School.	Elected position through roll of electors and appointed by the Governor in Council	15 December 2011
Government Appointed Trustee (Four positions)		Appointed by the Governor in Council	15 December 2011
Headmaster	The Headmaster is responsible for the implementation of plans and strategies as approved by the Board of Trustees	Six year contract	January 2006
Secretary to the Board of Trustees and Business Manager	The Secretary/ Business Manager supports the Headmaster in implementation of plans and strategies as delegated by the Board.	Three and half year contract	July 2005
Deputy Headmaster (Five positions)	The Deputy Headmasters support the Headmaster in implementation of plans and strategies as delegated by the Headmaster.	Five year contract	May 2009 January 2008 January 2008 January 2011 January 2012

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

28. Key management personnel and remuneration – continued

b) Remuneration

The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts.

For the 2013 year, increases to the remuneration of key executive management personnel were based on performance assessments. The percentage increases are tied to the achievement of pre-determined individual performance targets.

Remuneration packages for key executive management personnel comprise the following components:

- Short term employee benefits, which include:
 - Base remuneration - consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
 - Non-monetary benefits, which include provision of motor vehicles and remission for School fees, together with fringe benefits tax applicable to the benefits.
- Long term employee benefits, which include long service leave accrued.
- Post employment benefits, which include superannuation contributions.
- No redundancy payments were paid.
- No performance bonuses were paid.

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base	Non-Monetary Benefits				
2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Headmaster ¹	319	77	6	50		452
Secretary to the Board of Trustees	250	9	8	29		296
Head of Middle School	156	19	7	23		205
Deputy Headmaster – Staff & Community Relations	167	28	(7)	24		212
Deputy Headmaster – Extracurricular	156	19	6	16		197
Deputy Headmaster – Students	156	44	7	23		230
Deputy Headmaster – Teaching & Learning	156	22	6	23		207
	1,360	218	33	188	-	1,799

¹ Brian Short was Headmaster of the School until 31 December 2013, when he retired.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

28. Key management personnel and remuneration – continued

Position 2012	Short Term Employee Benefits		Long Term Employee Benefits \$'000	Post Employment Benefits \$'000	Termination Benefits \$'000	Total Remuneration \$'000
	Base \$'000	Non-Monetary Benefits \$'000				
Headmaster	301	78	39	525 ²		943
Secretary to the Board of Trustees	246	8	33	28		315
Head of Middle School	147	19	7	21		194
Deputy Headmaster – Staff & Community Relations	175	27	(21)	25		206
Deputy Headmaster – Extracurricular	151	18	6	15		190
Deputy Headmaster – Students	151	38	7	22		218
Deputy Headmaster – Teaching & Learning	147	21	5	21		194
	1,318	209	76	657	-	2,260

2. The former Headmaster, Brian Short, was a member of the defined benefit section within the School's superannuation plan. This section of the plan provides lump sum benefits based on years of service and final average salary. In recent years, the School has contributed at a rate of 12.75% of salaries, plus an additional amount of \$150,000 per annum to address the retirement liability for the participants in this part of the superannuation fund. However, the growth in plan assets, invested in the Sunsuper Balanced Fund, had not matched the increasing liability. Accordingly, with the Headmaster's retirement settlement imminent in March 2013, the School made full provision for this liability in its financial statements as at 31 December 2012 for the present value of his defined benefit obligation less his proportion of the fair value of the plan's assets. Previously, past service costs were recognised when incurred to the extent that benefits were vested, and were amortised on a straight-line basis over the vesting period. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts.

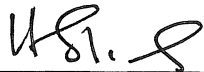
CERTIFICATE OF BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

The foregoing annual financial statements have been prepared in accordance with the Financial Accountability Act 2009 and other prescribed requirements and we certify that:

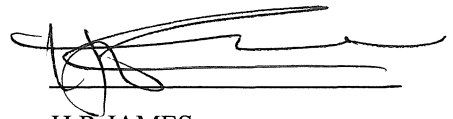
- a) The foregoing general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act) relevant sections of *the Financial and Performance Management Standard 2009* and other prescribed requirements.
- b) In accordance with section 62(1)(b) of the Act, we certify that in our opinion:
 - i) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
 - ii) The statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Board of Trustees of the Brisbane Grammar School for the year 1 January 2013 to 31 December 2013 and of the financial position of the School at the end of year.

26th February 2014

Date



H L STACK
Trustee
Brisbane Grammar School



H R JAMES
Secretary to the
Board of Trustees

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Brisbane Grammar School

Report on the Financial Report

I have audited the accompanying financial report of the Board of Trustees of the Brisbane Grammar School which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Trustee and the Secretary of the Board of Trustees.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards – Reduced Disclosure Requirements. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

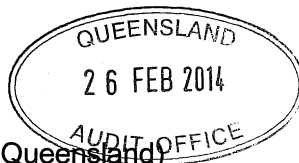
- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards – Reduced Disclosure Requirements, of the transactions of the Board of Trustees of the Brisbane Grammar School for the financial year 1 January 2013 to 31 December 2013 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



J WELSH FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane