



2018 ANNUAL REPORT



28 February 2019

The Honourable Grace Grace MP
Minister for Education and Minister for Industrial Relations
PO Box 15033
CITY EAST QLD 4002

Dear Minister

I am pleased to present the Annual Report 2018 and Financial Statements for Ipswich Grammar School. I certify that this Annual Report complies with:

- The prescribed requirements of the *Financial Accountability Act 2009 (FAA)* and the *Financial and Performance Management Standard 2009 (FPMS)*; and
- The detailed requirements set out in the *Annual Reporting Requirements for Queensland Government Agencies (ARP)*.

A checklist outlining the School's compliance with the Department of the Premier and Cabinet annual reporting requirements can be found at page 53 and 54 of this report.

Yours sincerely

Mr David Edwards
Chair of the Board of Trustees

Mr Richard Morrison
Headmaster/CEO

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Accessibility

Public Availability

This Annual Report can be located at www.ipswichgrammar.com

Copies of the Annual Report are also available in paper form and can be obtained from the Business Manager, Mr Matt McLoughlin.

The contact details of the Business Manager are Mr Matt McLoughlin at:

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Email: mmcloughlin@ipswichgrammar.com

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Interpreter Services

Ipswich Grammar School is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding this Annual Report, you can contact us on (07) 3813 9600 and we will arrange an interpreter to effectively communicate the report to you.



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2018 Highlights



38%
OP 1-5

\$1.3m



investment in
new equipment and
infrastructure



100%
Senior Secondary Academic
staff attending ATAR
Preparedness training

**Round
Square**



Prep to Year 12 Wellbeing
Framework established

233



place improvement in
Year 3 spelling NAPLAN
(compared to 2016)

17,214



boys enrolled
since 1863

155
years old



22%



more boys involved
in music programs



3
years of continuous
positive enrolment
growth



From the Chair

On the 7th October 1863, Ipswich Grammar School opened the doors to our first students. On that day, sixteen boys sat down to desks that were not yet stained with ink, the blackboard had not a trace of chalk dust and the roll not yet marked.

That day was the beginning of a legacy. A legacy borne from the thousands of boys who have walked through the gates of IGS every day since.

In 2018, we enrolled the 17,214th student. This boy, like so many of us who came before him, will experience something special as a student here. Once our boys don the striped blazer, they become Old Boys for life and join the ranks of men who have gone on to help shape their communities and the world.

We have reported positive enrolment growth for the third year in a row, which underpins a strong financial position. This is due to a strong strategic focus by the Board, the Leadership Team and our staff. Ultimately it means that more families can enjoy the results of our passion – educating boys.

Whether it is sport, debating, the arts, literacy, or the sciences, our boys are given the opportunity to excel in a wide range of disciplines. They are supported by staff from diverse backgrounds that bring world-class knowledge and experience to the classroom, playing field, and laboratories. These staff are an

integral part of our success and we support them with a robust professional development program designed to enhance and complement their skill sets.

Tradition and continuous improvement are important to us and shapes much of what we do. We must build on our history and look ahead as we continue to innovate. As a Board, we have approved* the construction of a state-of-the-art STEM teaching facility estimated to cost \$10 million. This investment will provide our boys with improved opportunities to pursue fulfilling careers and to make real differences in the world in the areas of Science, Technology, Engineering and Mathematics.

I offer my personal thanks to the hard work, dedication and advice of the Trustees and the Headmaster.

As an Old Boy of Ipswich Grammar School and Chair of the Board of Trustees I am proud to present the 2018 Annual Report knowing we are well positioned as a school for the future.

David Edwards

*(*pending appropriate approvals)*



From the Headmaster

It is my pleasure to share with the community the 2018 Annual Report for Ipswich Grammar School. Our school which is now in its 155th year continues to provide outstanding opportunities for our boys, through Prep to Year 12. We are proud to be Queensland's first secondary school, our state's first grammar school and a place where boys continue to thrive and excel as they have done since 1863.

In 2018 we continued our relentless implementation of the Ipswich Grammar School Strategic Plan (2016-2020).

The plan incorporates four priority areas;

- Our Boys;
- Our Teachers;
- Our Community; and
- Our School

Each priority is advanced through a series of 100 Day Plans with 2018 seeing the third round of the 100 day plans since the Strategic Plan moved into action phase in Semester Two, 2016.

We are pleased that a series of very positive outcomes have been derived from these strategic processes. The school has experienced significant improvement in its financial position in the last few years, continuous enrolment increase and greatly improved academic outcomes in all years including Year 12.

We continued our Explicit Teaching Program in 2018 and again the boy's literacy and numeracy improvement data in Prep to Year Four clearly demonstrated how effective this program has been to focus and sharpen our teaching and learning in the classroom and in providing both experienced and beginning teachers with a solid professional framework in which collaboration and shared practice are key elements.

Ipswich Grammar School became a Round Square school in 2018 and we were delighted to join the 150 Australian and International schools which base their well-being programs around the six ideals of renowned educationalist; Mr Kurt Hahn;

- Internationalism;
- Democracy;
- Environmentalism;
- Adventure;
- Leadership; and
- Service

Our entire school community and our boys have engaged strongly in this program and we look forward to further developing and refining our approach within Round Square as our work matures.

We launched a very exciting proposal to construct a new STEM (Science, Technology, Engineering and Mathematics) Centre during 2018 with plans for a three storey 'State of the Art' construction planned to begin in 2019 on our Woodend Road boundary. The STEM Centre will cater for the needs of our students and educators in this important cluster of subjects in a way that our current science building dating from 1985 cannot. Although the school has constructed new buildings in the Junior School this will be the first new building constructed in the secondary school for many years and as such it is a very strong sign of confidence in the future of Ipswich Grammar School.

Whilst we are energised by the improvements and refinements taking place at our school, we are also very aware that the essential element underpinning the school's success has always been and will always be, community. Again in 2018 the full wonder of boundless opportunities for our boys was made possible by the input of many individual parents, parent support groups and the strong backing provided by sponsors and benefactors, who all contribute to Ipswich Grammar School in so many ways.

In conclusion, I would like to thank our superb academic and support staff for their outstanding efforts in 2018. We are fortunate to have such a committed and talented team of people to ensure that the story of Ipswich Grammar School continues so positively.

Richard Morrison
Headmaster/CEO



General Information

Introduction

Ipswich Grammar School is the oldest grammar school in Queensland and a Prep to Year 12 independent day and boarding school. Our boys live and breathe our motto – Labore Et Honore – to work hard with honour and we challenge our staff and our boys to be exceptional performers every day.

Founded in 1863, Ipswich Grammar School has a proud history of educating boys in a supportive and encouraging environment. Over this time, we have developed and implemented innovative approaches to address the specific learning needs of boys with focused curriculum, specialist teachers and a unique approach to teaching called ‘Explicit Teaching’.

Every day for our boys is stimulating, unique and exciting. We tap into their sense of wonder and curiosity about the world around them. By tailoring programs and activities to meet our students’ specific needs, we ensure every boy has the opportunity to reach his full academic, cultural and social potential.

We foster an encouraging environment that delivers more than exceptional academic results. Whether it is sport, debating, the arts, literacy, or the sciences, our boys are given the opportunity to excel and network in any field. They are supported by staff from various backgrounds that bring world-class knowledge and experience to the classroom, playing field and laboratories.

School Role and Main Functions

Ipswich Grammar School is a statutory body that was established in 1863 under the *Grammar Schools Act 1860* and is now constituted under the *Grammar Schools Act 2016*.

The *Grammar Schools Act 2016* came into effect on 1 January 2017 and replaced the *Grammar Schools Act 1975* with modern legislation that aims to meet the contemporary needs of the school. The *Grammar Schools Act 2016* provides for the establishment and regulation of the school including the constitution of the Board of Trustees and the functions of the board. The *Grammar Schools Act 2016* did not alter the status or functions of the Board of Trustees or the Board’s responsibility for the governance of the school.

Planning and reporting for statutory bodies is legislated under the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*. Under the *Statutory Bodies Financial Arrangements Act 1982*, Ipswich Grammar School is subject to an annual audit by the Queensland Audit Office.

The Minister for Education and Minister for Industrial Relations is responsible for the administration of the *Grammar Schools Act 2016*.

Ipswich Grammar School principal location is Grammar School Hill, Darling Street, Ipswich QLD 4305. Other locations include the Grammar Sporting Fields at Pearse Drive, Brassall QLD 4305.

Telephone: (07) 3813 9600
Email: info@ipswichgrammar.com
Website: www.ipswichgrammar.com
CRICOS: 0004998

Ipswich Grammar School’s role and main functions are articulated through its strategic priorities which are linked to the fundamental values of the School. The values for each year will remain constant but the priorities will vary from year to year and this is further emphasised in the School’s Motto and Vision Statement as follows:

School Motto

“Labore et Honore” – Work and Honour

Vision Statement

Exceptional Performance – We will challenge ourselves and our boys to be exceptional performers. This is a statement of intent, an aspiration, and a call to action. We understand that we may falter at times but we are compelled to commit to this standard. In doing so we will generate the energy and purpose that are fundamental to great schools.

Operating Environment

The Strategic Plan for Ipswich Grammar School was reviewed and renewed through an extensive process involving a range of stakeholders including community members during 2016. This resulted in the release of an exciting Strategic Plan for the period 2016 – 2020. The School’s Vision is expressed through four strategic focus priority areas that form the basis of the School’s governance operations. The Strategic Plan priority areas are:

Our Boys

Ipswich Grammar School strives to develop the whole boy. His wellbeing is our core focus and our support processes demonstrate this. We create pathways where every boy is able to choose learning to best match his interests, skills and aspirations. In his endeavours we will help him perform to his full potential.

Every IGS boy will be nurtured, supported and challenged to achieve and develop at IGS. This will be achieved through a highly individualised support process for each boy, programs that will develop each boy towards manhood, advanced tracking of each boy’s social, emotional and academic wellbeing, celebrating individual and collective successes and innovative uses of data to continuously improve practices and outcomes.

Our Teachers

Ipswich Grammar School is committed to providing every boy with an exceptional education through outstanding curriculum, learning and teaching experiences. We want every boy to commit to creative, open-minded, lifelong learning and to develop an inquiring mind. We strive for every boy to be responsible for his own learning. He will be creative, able to discuss issues and to solve problems. Our teachers will work with every boy to enable him to meet his full potential. We will also build on the combined potential of the digital age, the latest education practices and an engaging curriculum that is designed to prepare our boys for a rapidly changing world.

Teachers at IGS are inspiring, innovative and responsive to our boy’s needs and emerging best practice. Since the early work on implementing a whole of school approach to teaching by the introduction of “The Art and Science of Teaching” by

Robert Marzano, the School has further enhanced the program especially targeting Literacy and Numeracy, by the introduction of the Explicit Teaching model by John Fleming. Teachers are also involved in the extra-curricular program of IGS.

Our School

Ipswich Grammar School’s strategic priority is to create a sustainable organisation that can then reinvest in top quality resources, facilities and assets.

IGS is continually working towards vibrant and innovative business plans that create positive financial outcomes. These plans are developed in accordance with supporting the continual development and sustainability of the school. The school will continue to do this by:

- Investing in growth strategies;
- Developing an entrepreneurial approach; and
- Implement major projects of strategic importance to improve infrastructure and the physical environment

Our Community

Ipswich Grammar School seeks to create a strong Community by fostering relationships and establishing productive partnerships.

Ipswich Grammar School will seek to have a vital and empowered Community forged through effective communication and shared commitment by:

- Engaging the Old Boys of Ipswich Grammar School;
- Being an active participant in the life of Ipswich and Brisbane;
- Streamlining internal and external communication;
- Adopting effective marketing strategies;
- Communicating the direction and achievements of the school with the broader community;
- Growing and fostering a culture of philanthropy; and
- Enriching and enhancing our boarding community

Strategic Risks, Opportunities and Challenges

Ipswich Grammar School faces the same risk of all independent schools which relates to receiving adequate funding from Governments and maintaining satisfactory enrolments in the current challenging economic and competitive conditions. These challenges have been recognized in the development of the Strategic Plan whereby the school recognises the focus areas necessary to see Ipswich Grammar School as the School of choice in our region for boys only education.

Board Meetings

The Board of Trustees of Ipswich Grammar School met for 11 monthly ordinary board meetings in 2018 between January and November.



Non-Financial Performance

Government Objectives for the Community

The Queensland Government has issued a statement of objectives for the community as follows:

- Create jobs in a strong economy;
- Give all our children a great start;
- Keep Queenslanders healthy;
- Keep communities safe;
- Protect the Great Barrier Reef; and
- Be a responsive government

Ipswich Grammar School contributes to these Government policies, strategies and objectives as follows:

- Building capacity in our employees via performance management and review systems and regular appraisal;
- Maintain safe, supportive professional work and learning practices and environments;
- Continuing with the 2016-2020 Strategic Vision Statement of 'Exceptional Performance' for all employees and students;
- Delivering updated infrastructure and development with refurbishment of facilities which provide employment to the local industries and are delivered on time and within budget;
- Introducing Explicit Teaching curriculum;
- Continued commitment to outstanding academic excellence by establishing professional learning programs designed to enhance teaching and learning practices for improving student literacy and numeracy results;
- Supporting apprentice skills Vocational Education training thereby opening up career pathways to students;

- Promoting an educational environment where every student has the opportunity and right to achieve their very best across all dimensions of their schooling thereby enhancing their personal and career development for adult integration into the workforce and society;
- Encouraging awareness and participation in community services and events;
- Maintaining strong relationships with the entire community including staff, Old Boys, parents, corporate parents and Parents and Friends; and
- Promoting international tourism with the undertaking of Study Tours from Asia.

School Objectives and Performance Indicators

The 100 Day Strategic Plan is an ongoing tool to see the School through to the year 2020. Results achieved to date are as follows:

Our Boys:

- Prep to Year 12 Round Square Wellbeing Framework established and successfully implemented

Our Teachers:

- Improvement in NAPLAN results – an average of 92 places across year levels/strands;
- Improvement in the Year 3 spelling State rank by 233 placed compared to 2016;
- 6 OP 1's of the cohort (9%); and
- OP 1-5 (38%)

Our School:

- Increased Operating Profit compared to prior years;
- \$1.3M investment in new equipment and infrastructure in 2018;
- Continued growth in enrolments with 927 enrolments in 2018 and 956 expected enrolments for 2019;
- Positive continuous enrolment growth over the past three years;
- 196 new enrolments in 2018, 186 new enrolments in 2019;
- Identification, selection and the initial implementation of an Asset Management System;
- Development of a preventative maintenance plan for the School; and
- Board approval for the construction of a state of the art STEM teaching facility costing \$9.5m

Our Community:

- Increased attendance at Old Boys' events; and
- Increased engagement by Old Boys' on electronic correspondence

Further objectives to be achieved in 2019 and 2020 and the School is on track to achieve these without any significant variances to the objectives. We will provide updates of these success measures on our website and will include them in future annual reports.

Academic Results

From a teaching and learning perspective, there were a number of highlights and excellent achievements in the School's strategic goals for 2018.

QCS Mean			
2018	IGS – 117.9	State – 107.7	+10.2
2017	IGS – 122.6	State – 115.5	+7.1
2016	IGS – 118.3	State – 107.6	+10.1
2015	IGS – 139.1	State – 118.4	+20.7
2014	IGS – 130.8	State – 116.8	+14.0
2013	IGS – 108.4	State – 109.2	-0.8
2012	IGS – 116.3	State – 110.2	+6.1
2011	IGS – 114.3	State – 108.5	+5.8
2010	IGS – 111.7	State – 109.3	+2.4

QCS Test 2018					
	A	B	C	D	E
IGS	27.7%	32.3%	29.2%	10.7%	0.0%
	60.0%				
State	15.6%	28.0%	34.9%	20.9%	0.7%
	43.6%				

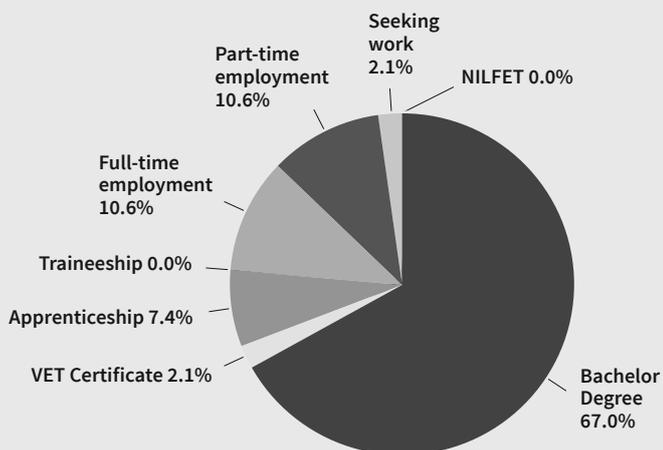
QCS Test 2017					
	A	B	C	D	E
IGS	25.3%	31.3%	36.1%	7.2%	0.0%
	56.6%				
State	18.0%	27.0%	34.0%	21.0%	0.3%
	45.0%				

OP Results									
OP Range	2018	2017	2016	2015	2014	2013	2012	2011	2010
1 - 5	38%	30%	26%	37%	33%	19%	23%	30%	22%
1 - 10	65%	66%	63%	85%	75%	45%	56%	55%	50%
1 - 15	94%	90%	97%	96%	99%	82%	85%	77%	76%

Destinations of the 2017 Year 12 Cohort in 2018

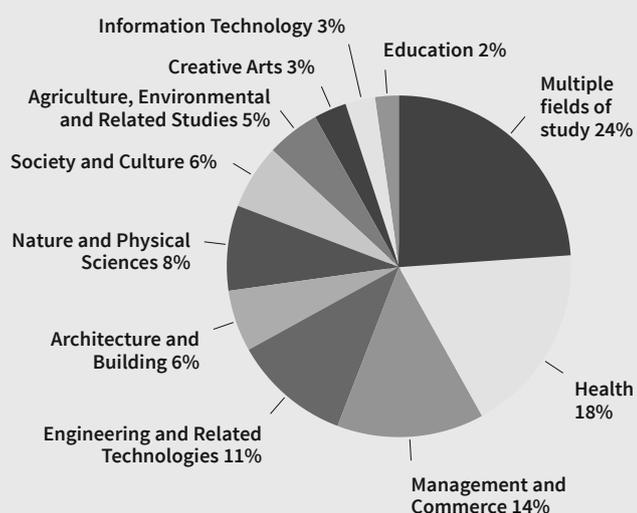
In 2017, 76.5% of young people who completed Year 12 at Ipswich Grammar School continued in some recognised form of education and training in the year after they left school, by way of Bachelor degree, VET Certificate or Apprenticeship.

Main Destination 2018



63 students from 2017 went on to further study in a Bachelor Degree in 2018. Their study field was as follows:

Study field of Bachelor Degrees



NAPLAN

Year 3 - NAPLAN	Average Score (IGS)	Average Score (QLD)
Reading	466	429
Writing	439	404
Spelling	464	411
G & P	458	429
Numeracy	439	398

Year 5 - NAPLAN	Average Score (IGS)	Average Score (QLD)
Reading	547	506
Writing	505	454
Spelling	528	497
G & P	560	501
Numeracy	551	487

Year 7 - NAPLAN	Average Score (IGS)	Average Score (QLD)
Reading	576	536
Writing	532	493
Spelling	585	541
G & P	597	542
Numeracy	595	540

Year 9 - NAPLAN	Average Score (IGS)	Average Score (QLD)
Reading	591	577
Writing	555	525
Spelling	599	580
G & P	590	579
Numeracy	625	588

School Service Areas and Service Standards

Ipswich Grammar School has been a specialist in boys' education since 1863. Adopting current research in the teaching of boys and by employing a specialist program, boys become responsible, effective, creative, enterprising, happy and healthy members of society. The school adopts well researched, innovative and resourced practices to achieve its goals.

The aim of Ipswich Grammar School is to create an open, happy, stimulating, mutually respectful community where young men develop the full range of their talents and abilities in a balanced, integrated and generous way. The Ipswich Grammar School staff ensure that the learning experience for each and every student encompasses a balanced approach to the mind, body and spirit which develops a lifelong desire for learning and moral reasoning and action.

In 2016 Ipswich Grammar School joined a select group of Australian and international schools who work closely with John Fleming and his team to improve the educational outcomes of their student's. The School has a strong literacy and numeracy program from Prep to Year 9. A significant educational "event" was the decision by the then Queensland Education Minister Hon Kate Jones to finally end the Overall Position or OP system, which had been part of senior schooling in Queensland since 1974. The change, effective from 2020, would see Queensland fall into line with all other Australian states in adopting the ATAR or Australian Tertiary Admission Rank. Furthermore, it heralded a return to external examinations comprising twenty-five percentage weight for most subjects and a fifty-percentage weight in the mathematics and sciences. In 2018, Ipswich Grammar School offered Year 10 students senior school electives that were introductory courses for the new generation of senior syllabuses being developed by the QCAA (Queensland Curriculum and Assessment Authority). Our dedicated and hardworking teaching staff also volunteered to be trial markers, syllabus writers and advisors so that we as a school were on the ground floor of the considerable changes occurring across the secondary schools' sector. Ipswich Grammar School has a holistic approach to education which focuses on exceptional performance in academics, the arts and sport, as well as, developing a set of core values in our students. With dedicated heads of years, a full-time counsellor and staff in student services areas, programs are in place to support students of all ages and abilities based on their individual needs.

Our Prep to Year 12 Student Wellbeing program ensures each student is known personally, and opportunities are offered for boys to grow and learn in ways that are responsive to their individual needs. Through our programs we encompass age-related issues confronting boys as they move through childhood to early adolescence and manhood. Ipswich Grammar School has been aligned with the Round Square program as our wellbeing framework from the beginning of 2018.

What is Round Square?

Round Square is a network of over 150 schools that share a holistic approach to learning based on the 6 ideals of renowned educationalist Kurt Hahn - Internationalism, Democracy, Environmentalism, Adventure, Leadership and Service. Hahn's philosophy was based on the belief that young people should be given an opportunity in leadership and service to help others and that they could learn and make a difference in the real world.

Ipswich Grammar School serves as a foundation for partnerships that are beneficial to students, families, businesses and government agencies. It is a school that actively fosters the value of community. In working in conjunction with families, the school provides opportunities to develop young men capable of making a positive contribution to the wider Ipswich region, Queensland and international communities.

Ipswich Grammar School has performed well in achieving its service standards as disclosed to the community with the highlights from 2018 including:

ANZAC Day March

Ipswich Grammar School as a whole proudly marched through the streets of Ipswich as part of the main Ipswich Ceremony, as well as, taking part in ceremonies across the Ipswich and western suburbs.

Community Programs

Our Year 7 to Year 12 students participated in various community programs throughout 2018. The fortnightly Community BBQ, run by Year 12 volunteers in Queens Park, continued throughout the year; a Year 7 to 12 door knock appeal to raise money for the Chicks in Pink Foundation was held in the Western suburbs of Brisbane and Ipswich; various Year 10/11 Music groups participated at Ipswich community events; the involvement in the National Day of Action against Violence and Bullying; Think Pink Day and September Blue were just some of the community programs in which IGS boys participated. Let's not forget the countless number of boys from Years 7 to 9 who earned points towards their John Edmondson Bronze Medal as well through community involvement.

Study Tours

Study Tours from China have added an extra dimension to the development of our Years 5 and 6 student's ability to interact with other cultures and help visitors to Australian schools learn about our country, our culture and our way of life. Our students are given the opportunity to learn and compare from other cultures during these experiences.

Financial Performance

Summary of Financial Performance

For the Year ended 31 December 2018

This financial summary provides an overview of Ipswich Grammar School's financial performance for the year of 2018. A comprehensive set of financial statements is provided in this report.

Income

Total operating income for the year was \$25.7 million. This included \$13.6 million of revenue for tuition and boarding fees and \$9.1 million from governments grants and contributions.

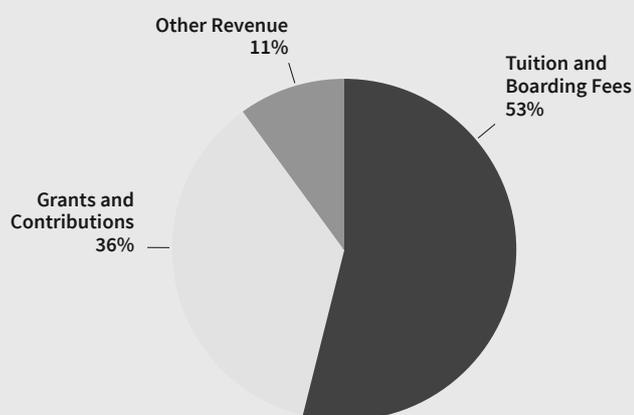


Figure 1: Income by category for the year ended 31 December 2018.

Operating results from continuing operations has increased significantly in 2018, by \$117K.

	2018 \$'000	2017 \$'000
Total income	25,758	23,933
Total expense	25,562	23,854
Operating result for the year	196	79

The School maintains a positive cashflow from operating activities and can pay all debts as and when they fall due and payable. Current ratio has increased by 0.28 from 2017 to 2018.

	2018 \$'000	2017 \$'000
Current assets	5,183	4,003
Current liabilities	3,502	3,333
Current ratio	1.48	1.20

Expenses

Total operating expenses were \$25.6 million, including:

Employee Expenses	\$14.6 million
Supplies and Services	\$8.3 million
Depreciation and Amortisation	\$2.2 million
Other Expenses	\$0.4 million

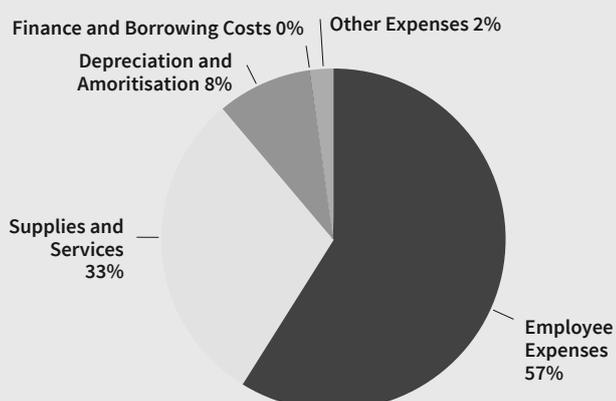


Figure 2: Expenses by category for the year ended 31 December 2018.



Governance – Management and Structure

Organisational Structure

Ipswich Grammar School is governed by a Board of Trustees which delegates directly to the Headmaster/CEO for all aspects of the day-to-day management of the school operations. In turn, the Headmaster/CEO oversees a number of subcommittees and working teams established within the School to assist in the management of all educational, pastoral and financial matters. All operational decisions are made by the Headmaster/CEO, however, all strategic decisions are ratified by the Board of Trustees for the Headmaster/CEO to implement and report progress.

The Board of Trustees of the Ipswich Grammar School consists of at least seven but no more than nine members appointed by the Governor in Council for a term of four years, of whom:

- Four are persons nominated by the Minister;
- Three are persons elected as prescribed under the Grammar Schools Act 2016; and
- Up to two additional members are chosen by the Board and nominated by the Minister.

The Senior Leadership Team is chaired by the Headmaster/CEO and consists of key senior executives who assist in the leadership and management of various aspects of the school's operations.

Executive Management

Senior Leadership Team

This team meets on a weekly basis and is chaired by the Headmaster/CEO. The function of this committee is to manage the day to day activities of the School in all areas of curriculum, academic, pastoral care, finance, administration and maintenance. The team is responsible for ensuring that the School is performing positively in relation to the strategic goals laid out in the IGS Strategic Plan 2016 – 2020.

The Senior Leadership Team for 2018 consisted of 7 key executive positions as follows:

Mr Richard Morrison	Headmaster/CEO
Mr Tony Dosen	Deputy Headmaster
Mr John Chalvatzis	Dean of Students
Mr Mark Douglas	Head of Junior School
Mr Ben Gates	Deputy Head of Junior School
Ms Susan Shaw	Dean of Teaching and Learning
Mr Matt McLoughlin	Business Manager/Secretary to the Board

Middle Management

The Middle Management staff members for 2018 consisted of 21 key people as follows:

Mr Nigel Lucas	Head of Year 12
Mr Michael Stjepcevic	Head of Year 11
Mr Robert Charles	Head of Year 10
Mr Alex McArdle	Head of Year 9
Mr Michael Wellings	Head of Year 8
Mr Mark Fancourt	Head of Year 7
Mr Nigel Greive	Director of Sport and Activities
Mr John Beaumont	Director of Boarding
Mrs Erin Sorrensen	Director of Marketing and Community
Mrs Vanessa Stein	Campus Administrator
Mr Jason Wan	Information Services Manager
Mrs Anne-Marie Turner	HOD Mathematics
Mrs Kate Pitty	HOD Humanities
Mrs Annette Joyce	HOD The Arts
Mr Steward Drinkeld	HOD HPE
Mr Robert Slider	HOD Science
Mr John Acutt	HOD English and Languages
Mr Steve Butterfield	HOD Technologies
Ms Jodie Milne	TIC Learning Enhancement
Mrs Harlie Thompson	Curriculum Co-ordinator -Junior School
Dr Mark Taylor	Counsellor

Middle Management met, along with senior leadership, on a bi-monthly basis to implement and action strategic objectives set by senior leadership along with reviewing current operational practices and policies.

The following committees also undertook various functions within the School to achieve the aims and objectives of Ipswich Grammar School's Strategic Goals.

100-day plan working teams

Each of the four areas outlined in the strategic plan for IGS is managed by a working team. Each team is chaired by members of the Senior Leadership and Middle Management teams. These plans are formulated and reviewed every 100 days and they have a direct focus on achieving outcomes linked directly to each of the strategic areas.

Boarding Committee

This committee meet monthly and is chaired by the Director of Boarding. The function of this committee is to address all aspects of managing the Boarding House and the pastoral care of the boarders.

Related Entities

The Board of Trustees of the Ipswich Grammar School established a Building Fund (Ipswich Boys Grammar School Centenary Building Fund) managed by the Board of Trustees and was established to assist the school (via tax deductible donations) in raising funds for capital expenditure programs for the School. Strategic decisions in relation to the undertaking of any building or maintenance enhancement at the School are ratified by the Board of Trustees. The financial performance of the Building Fund is monitored monthly by inclusion of the financial reporting in the monthly Board of Trustees meeting papers.

Government Bodies

The School is governed by the Board of Trustees of the Ipswich Grammar School in accordance with the *Grammar Schools Act 2016*. Refer to Government Bodies table accessible on website.

His Excellency the Governor, acting on the advice of the Executive Council and under the *Grammar Schools Act 2016*, approved the appointment of Ms Kellie McKenzie on 21 June 2018 for a term from 21 June 2018 up to and including 18 October 2021 and Dr Meg Hooper on 15 November 2018 for a term from 15 November 2018 up to and including 18 October 2021 to the Board of Trustees of the Ipswich Grammar School (the Board).

The membership of the Board of Trustees of the Ipswich Grammar School for 2018 was:

Ministerial Nominees

Mr David Edwards (Chair)	Projects Chief Executive
Mr Michael Glover	Accountant
Ms Karen Renton-Vedelago	Solicitor
Mrs Christine Went	CEO
Ms Kellie McKenzie	Partner
Dr Meg Hooper	Director/Principal Consultant

Ministerial members of the Board perform this role in a voluntarily capacity and receive no remuneration for this position.

Elected Members

Dr Michael Fanshawe	Anaesthetist
Mrs Sharon Carvolth	Risk Management
Mr Desmond Whybird (Deputy Chair)	Engineer (retired)

Elected members of the Board perform this role in a voluntary capacity and receive no remuneration for this position.

Headmaster/CEO

Mr Richard Morrison	Headmaster/CEO
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Secretary to the Board of Trustees

Mr Matt McLoughlin Business Manager/
Secretary to the Board

The Board of Trustees conducted 11 meetings during 2018. The number of Board Meetings attended by each trustee is listed below:

Trustee	No. of Board Meetings Attended
Mr David Edwards (Chair)	10
Mr Michael Glover	6
Ms Karen Renton-Vedelago	11
Mrs Christine Went	8
Dr Michael Fanshawe	10
Mrs Sharon Carvolth	10
Mr Desmond Whybird (Deputy Chair)	7
Ms Kellie McKenzie	3 (after appointment on 21 June 2018)
Dr Meg Hooper	1 (after appointment on 15 November 2018)

Achievements of the Board of Trustees 2018

Throughout 2018 the Board of Trustees were proactive in the IGS community, outlined is a summary of achievements in 2018:

- Formal acceptance of two new Board members by the State Government;
- Monitoring, reviewing and supporting progress with the IGS Strategic Plan 2016 – 2020;

- Recruitment and selection of a new Business Manager and Secretary to the Board;
- Overseeing of continual improvement in enrolments;
- Initiation of a Board review and planning process;
- Implementation of extensive risk management processes for the school;
- Commencement of the design, funding and development approvals process for the construction of a new STEM facility; and
- Effective implementation of sub committees to support the strategic direction of the school – Building Sub Committee/ Fundraising Sub Committee/Audit, Finance & Risk Sub Committee/Remuneration and Nominations Sub Committee.

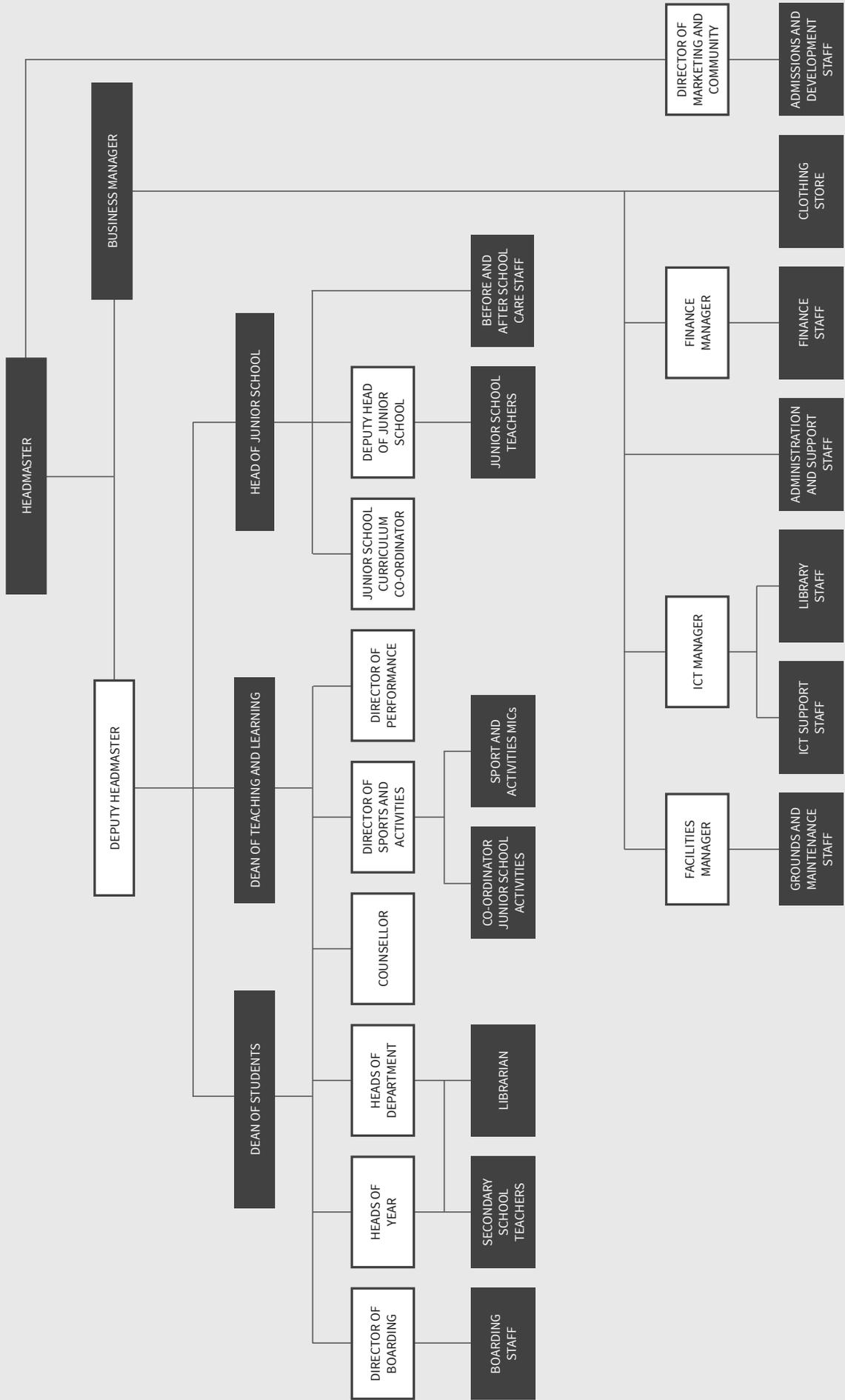
Public Sector Ethics Act 1994

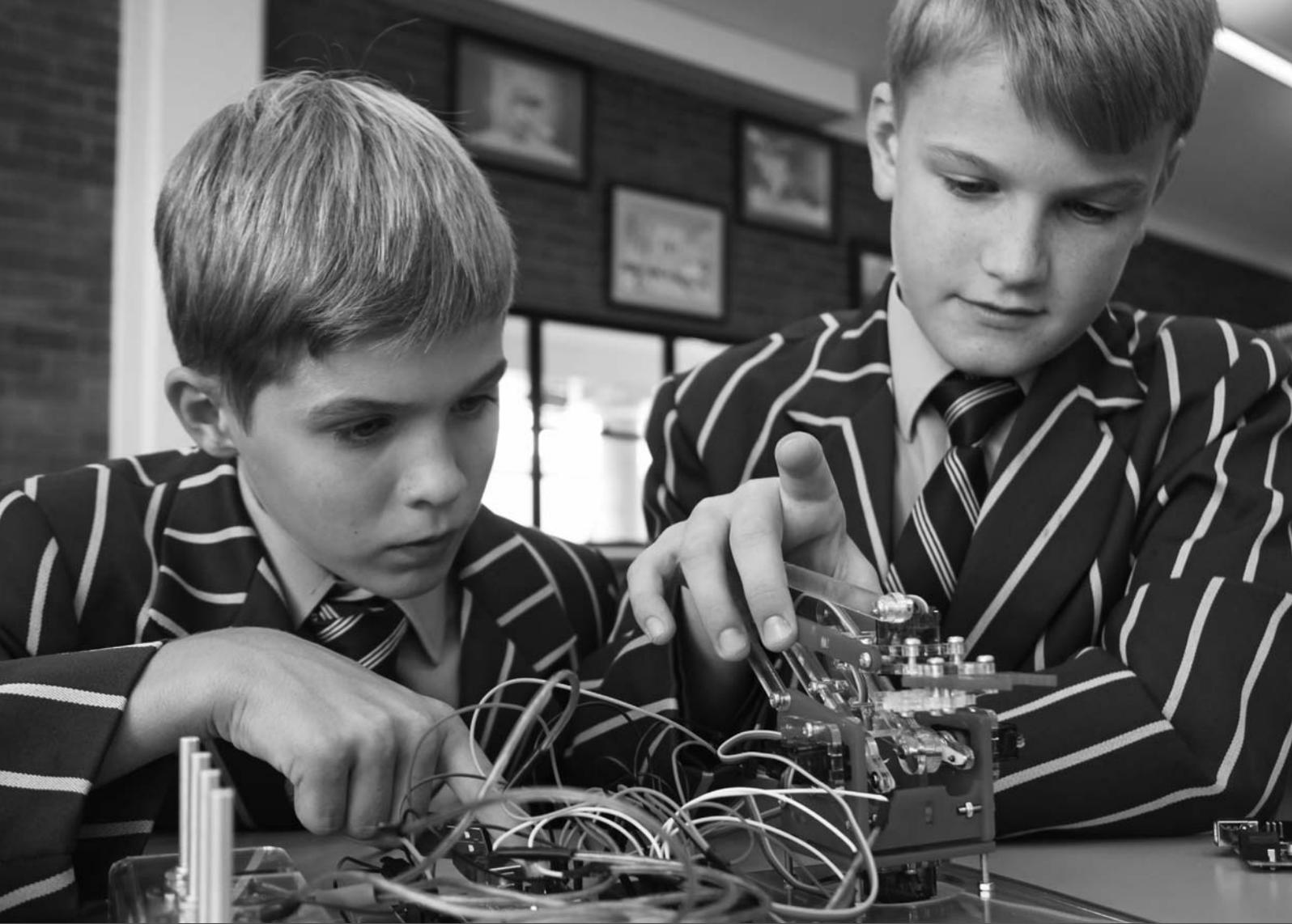
The *Public-Sector Ethics Act 1994* ('the Act') defines ethical principles, and obligations arising from those principles, that staff must observe. The administrative procedures and management practices of Ipswich Grammar School have proper regard to the ethics principles and values, the approved Code of Conduct and the standard of practice as it applies to the School. All staff are bound by the Code of Ethics for Teachers in Queensland and are annually reminded of the Code at Professional Development days at the commencement of the School year and at induction for new staff. The Code of Conduct is formulated around the four key ethical principles contained in the Act being:

- Integrity and impartiality;
- Promoting the public good;
- Commitment to the system of government; and
- Accountability and transparency



IPSWICH GRAMMAR SCHOOL ORGANISATIONAL CHART





Governance – Risk Management and Accountability

Risk Management

Ipswich Grammar School operates within its formal Risk Management System. The school has developed and reviewed a number of policies and procedures during the year including:

- Gift Policy;
- Privacy Policy;
- Naming Policy;
- Bus Driver Code of Conduct Policy;
- Records Retention & Disposal Policy;
- Asset Capitalisation Policy;
- Bad Debts Policy;
- Donations and Fundraising Policy; and
- Scholarship and Bursary Fund Policy

These policies are designed to minimise day-to-day risk and manage the risk exposure of the School environment.

Procedures continue to be implemented with regular Workplace Health and Safety meetings being conducted, Hazard reporting being utilised, and safety audits being conducted at required intervals. The school has fully implemented the extensive review and redesign of school's risk policy, process and structure.

Ipswich Grammar School regularly reviews its comprehensive Financial Management Practice Manual as required by S61 of the *Financial Accountability Act 2009*. The purpose of this manual is to provide detailed policy guidelines by which the School can operate effectively while providing a high level of accountability. The Board regularly reviews this manual and policies of the school which are tracked in a document control register.

Audit, Finance and Risk Committee

The Audit, Finance and Risk Committee has observed the terms of its charter and has due regard to the Committee's guidelines. The Audit, Finance and Risk Committee assess risk management and compliance responsibilities to assist and enable the Board of Trustees to fulfil its responsibilities to the school by reporting and monitoring on all risks across the school with particular focus on matters relating to:

- Financial Risk – minimise potential adverse effects on financial performance, including but not limited to financial policies, budgets, financial performance compared with budgets and strategic goals, assessing major transactions and programmes;
- Credit Risk – adopts a credit management strategy;

- Liquidity Risk – adopts a liquidity management strategy closely monitoring available cash;
- Interest Risk – limited exposure due to borrowings from QTC; and
- Data Risk – back up servers in place with yearly review of policy.

All material matters of risk management are reported to the Board of Trustees at the monthly Board meetings.

Committee Members

The Board of Trustees established a sub-committee of the following members, to represent the Audit, Finance and Risk Committee:

Mr Michael Glover (Chair)	Board Member
Mrs Sharon Carvolth	Board Member
Dr Michael Fanshawe	Board Member
Ms Kellie McKenzie	Board Member
Mr Richard Morrison	Headmaster/CEO
Mr Matt McLoughlin	Business Manager/Secretary to the Board

The Committee Members of the Audit, Finance and Risk Committee perform this role voluntarily and are not remunerated for this position.

The Audit, Finance and Risk Committee met quarterly and its primary responsibilities were as follows:

- Assist the Board of Trustees to fulfil their governance duties;
- Oversee the existence, maintenance and creation of internal controls and proper accountings systems;
- Oversee the completeness and accuracy of the financial reporting process;
- Ensure the effective, efficient and economic operation of the business;
- Oversee any risk management issues that may arise; and
- Participate in external audit arrangements regarding the Queensland Audit Office.

The achievements of the Audit, Finance and Risk Committee during 2018 were as follows:

- Preparation and approval of the budget for 2019;
- The review and implementation of the School’s risk infrastructure;
- Successful application and approval of grants for the construction of the proposed STEM building;
- Successful loan application for construction of the proposed STEM building;
- The review and update of the procurement policy;
- The review of the Scholarships and Bursary fund set of rules and its associated policy;
- Implementation of a new bad debts policy; and
- Strengthened internal controls over debtors.

Building Committee

The Building Committee is responsible for all capital works and maintenance at the School. All material matters are reported to the Board of Trustees at the monthly Board meetings.

Committee Members

The Board of Trustees established a sub-committee of the following members, to represent the Building Committee:

Mr Des Whybird (Chair)	Deputy Board Chair
Mrs Chris Went	Board Member
Mr Richard Morrison	Headmaster/CEO
Mr Matt McLoughlin	Business Manager/Secretary to the Board
Mr Tony Dosen	Deputy Headmaster
Mr Brendan Madders	Consultant Engineer
Mr Brett McKenzie	Parent
Mr James Long	Parent

The Building Committee meet as required based on activity the school is currently undertaking.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee is responsible for appointment, remuneration and performance review of the Headmaster/CEO and Secretary to the Board. All material matters are reported to the Board of Trustees at the monthly Board meetings.

Committee Members

The Board of Trustees established a sub-committee of the following members, to represent the Remuneration and Nominations Committee:

Mr David Edwards (Chair)	Board Chair
Mr Michael Glover	Board Member
Ms Kellie McKenzie	Board Member
Mrs Chris Went	Board Member

The Remuneration and Nominations Committee meets annually in November.

Fundraising Committee

The Fundraising Committee is responsible for overseeing all sponsorship and fundraising activity within the School. All material matters of are reported to the Board of Trustees at the monthly Board meetings.



Committee Members

The Board of Trustees established a sub-committee of the following members, to represent the Fundraising Committee:

Ms Karen Renton-Vedelago (Chair)	Board Member
Dr Michael Fanshawe	Board Member
Mr Richard Morrison	Headmaster/CEO
Mr Matt McLoughlin	Business Manager/ Secretary to the Board
Mr Greg Jensen	Consultant
Mrs Erin Sorrensen	Director of Marketing and Communications
Mr David Rosenthal	Community Development Manager

The Fundraising Committee meets periodically throughout the year depending on activity.

Internal Audit

There is no formal internal audit function established aside from the Audit, Finance and Risk Committee. Ipswich Grammar School has not established a formal internal audit function due to its size. The School has in place a number of practices that help it to confirm the appropriateness of its operations such as:

- Every five (5) years Queensland Non-State schools are required to participate in the Non-State Schools Accreditation Board's (NSSAB) cyclical review programme to ensure they are giving appropriate attention to meeting their legislated requirements for accreditation, through their organisational structure, policies and procedures. The School undertook this process in 2017; and
- The School's financial benchmarks are monitored and reviewed yearly by an independent external organisation.

External Scrutiny

The Board of Trustees is constituted and has powers to operate and function in accordance with the *Grammar Schools Act 2016*. Ipswich Grammar School accounts are audited annually by the Auditor-General or a firm authorised by the Auditor-General. The firm authorised for the 2018 year were Pitcher Partners.

All Grants received by the State and Federal Government are verified and an annual acquittal form forwarded to ISQ and the appropriate Government department for acquittal of grants received.

The Department of Education regularly meet with the School to discuss its financial performance and conduct a Financial Health Check on a yearly basis.

The audited annual financial statements for the year ended 31 December 2018 of the Board of Trustees of the Ipswich Grammar School are included at the end of this report.

Information Systems and Record Keeping

Ipswich Grammar School continually implements and improves record management procedures and processes to ensure compliance with the *Public Records Act 2002*.

The School maintains an integrated computerised Financial/ Administrative Reporting System, TASS, which has been designed specifically for the management of schools financial accounting and administrative operations. Ipswich Grammar School's records are managed until they have completed their lifecycle where they are archived and disposed of in accordance with the Queensland State Archives General Retention and Disposal schedule.

Staff training of record management is ongoing, ensuring that the School is reliably maintaining appropriate records of its activities. We are transitioning to digital and paperless records where feasible and are reviewing this periodically to increase efficiencies across the School.

Ipswich Grammar School's recordkeeping practices ensure our recordkeeping policy aligns with the following standards:

- Information Standard 40 & Recordkeeping; and
- Information Standard 31: Retention and Disposal of Public Records

The practices aim to ensure our records management practices are compliant with current legislation and best practice recordkeeping standards.



Governance – Human Resources

Workforce Planning, Attraction, Retention and Performance

One of the School's Strategic Plan focus areas is 'Our Teachers' whereby we strive to develop and employ teachers who are inspiring, innovative and responsive to our boys' needs and emerging best practice. The recruitment policies and procedures for Ipswich Grammar School have been developed to ensure the attraction of high quality, high performing, and passionate staff. Reference checks are undertaken in order to achieve the School's strategic goal to appoint high performing individuals with extensive experience in their field of expertise and with character attributes which contribute to the employment expectations at Ipswich Grammar School being professionalism, hard work and dedication to achieving the School's Strategic Goals.

The school has implemented policies and procedures to manage and develop the skills of all staff. Performance reviews are undertaken annually by Department Heads and managers, under the direction of the Headmaster/CEO, for both academic and non-academic staff. Where performance improvements are identified as necessary, the School encourages and assists staff members to attend professional development seminars and workshops appropriate to their specialised area of teaching or, for non-teaching staff, their profession. Further to this, internal staff training and professional development is undertaken in classroom teaching techniques and information technology skills.

The School is a continual learning community for all staff and accordingly, a leadership and management development

framework exist where vacancies which create a promotional opportunity are offered to existing staff members to apply. The introduction of a Leadership Development Program this year has supported our succession planning strategy. Successful recruitment from within the School allows suitable staff to expand their experience and credentials in undertaking a leadership role that encompasses duties that stretch their existing talent.

Ipswich Grammar School supports flexible workplace and family-friendly arrangements whilst endeavouring to assist staff to achieve work-life balances through:

- The availability of job share, part time and term time employment arrangements where possible;
- Flexibility in working hours for support staff during school vacation periods; and
- Greater access to personal, carers, emergent and special leave to cater for family situations.

The School's Enterprise Agreement 2018-2020 has been ratified by the Fair Work Commission earlier this year. The School also has a consultative committee to address issues such as workplace intensification.

The staffing summary for 2018 is as follows and clearly shows a high staff retention rate indicating Ipswich Grammar School is a preferred employer.



Teaching Staff	Full Time (FTE)	Part Time Casual (FTE)	Total (FTE)
Teachers	70.0	1.4	71.4
Student Counsellors	1.0	0.0	1.0
Resource Teachers	0.0	0.0	0.0
TOTAL	71.0	1.4	72.4

Ancilliary Staff	Full Time (FTE)	Part Time Casual (FTE)	Total (FTE)
Senior Executives	7.0	0.0	7.0
Admin and Clerical	15.0	21.2	36.2
Building, Grounds and Transport	8.0	0.0	8.0
TOTAL	30.0	21.2	51.2

TOTAL FTE			123.6
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Early Retirement, Redundancy and Retrenchment

Retention/Separation	Full Time (FTE)	Part Time Casual (FTE)	Total (FTE)	Retention %	Separation %
Regular	12.0	0.4	12.4	-	10.03%
Retired	2.0	0.6	2.6	-	2.10%
Redundancy	3.0	0.6	3.6	-	2.91%
TOTAL	17.0	1.6	18.6	84.95%	15.05%

Teaching	14.0	0.4	14.4	88.35%	11.65%
Non-Teaching	3.0	1.2	4.2	96.60%	3.40%

Open Data

Open Data

This disclosure of the following additional information is available on the School's website at www.ipswichgrammar.com and the Queensland Government's Open Data website at <https://data.qld.gov.au>

- Consultancies
- Overseas Travel





Financial Statements

For the year ended 31 December 2018

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General information

These financial statements cover Ipswich Grammar School, the Ipswich Boys Grammar School Centenary Building Fund, the Ipswich Grammar School Scholarship & Bursary Fund and the Ipswich Grammar School Library Fund.

Ipswich Grammar School is a Statutory Body established under the *Grammar Schools Act 2016*.

The School is controlled by the State of Queensland which is the ultimate parent.

The principal location is Grammar School Hill, Darling Street, Ipswich QLD 4305.

The principal activity of Ipswich Grammar School is to provide specialised education to male students.

For information in relation to Ipswich Grammar School's Financial Statements, please call Mr Matt McLoughlin on 3813 9621 or email mmcloughlin@ipswichgrammar.com or visit www.ipswichgrammar.com.

Statement of Comprehensive Income

For the year ended 31 December 2018

	Notes	2018 \$ '000	2017 \$ '000
Income from Continuing Operations			
Tuition and Boarding Fees	2	13,648	12,962
Grants and Contributions	3	9,064	8,768
Gain on Disposal of Land		273	-
Other Revenue	4	2,773	2,203
Total Income from Continuing Operations		25,758	23,933
Expenses from Continuing Operations			
Employee Expenses	5	14,631	14,347
Supplies and Services	7	8,346	7,279
Depreciation and Amortisation	8	2,180	1,938
Finance and Borrowing Costs	9	13	31
Other Expenses	10	392	259
Total Expenses from Continuing Operations		25,562	23,854
Operating Results from Continuing Operations		196	79
Other Comprehensive Income			
Increase/(Decrease) in Asset Revaluation Surplus	21	(1,771)	2,658
Total Other Comprehensive Income		(1,771)	2,658
Total Comprehensive Income		(1,575)	2,737

The accompanying Notes form part of these Financial Statements.

Statement of Financial Position

For the year ended 31 December 2018

	Notes	2018 \$ '000	2017 \$ '000
Current Assets			
Cash and Cash Equivalents	11	3,478	2,628
Receivables	12	1,015	450
Inventories		376	267
Other Current Assets	14	314	182
Current Assets		5,183	3,527
Non-Current Assets Held for Sale	15	-	476
Total Current Assets		5,183	4,003
Non-Current Assets			
Other Financial Assets		9	9
Property, Plant and Equipment	16	57,339	59,945
Total Non-Current Assets		57,348	59,954
TOTAL ASSETS		62,531	63,957
Current Liabilities			
Payables	17	1,046	565
Other Financial Liabilities	18	46	190
Accrued Employee Benefits	19	1,743	1,969
Other Current Liabilities	20	667	609
Total Current Liabilities		3,502	3,333
Non-Current Liabilities			
Other Financial Liabilities	18	15	61
Accrued Employee Benefits	19	109	83
Total Non-Current Liabilities		124	144
TOTAL LIABILITIES		3,626	3,477
NET ASSETS		58,905	60,480
Equity			
Accumulated Surplus		14,495	14,299
Asset Revaluation Surplus	21	44,410	46,181
TOTAL EQUITY		58,905	60,480

The accompanying Notes form part of these Financial Statements.

Statement of Changes in Equity

For the year ended 31 December 2018

	Accumulated Surplus \$ '000	Asset Revaluation Reserve Surplus (Note 21) \$ '000	Total \$ '000
Balance as at 1 January 2017	14,220	43,523	57,743
Operating Result from Continuing Operations	79	-	79
<i>Total Other Comprehensive Income</i>			
- Increase/(Decrease) in Asset Revaluation Reserve	-	2,658	2,658
- Transfer to Accumulated Surplus	-	-	-
Balance as at 31 December 2017	14,299	46,181	60,480
Balance as at 1 January 2018	14,299	46,181	60,480
Operating Result from Continuing Operations	196	-	196
<i>Total Other Comprehensive Income</i>			
- Increase/(Decrease) in Asset Revaluation Reserve		(1,771)	(1,771)
- Transfer to Accumulated Surplus	-	-	-
Balance as at 31 December 2018	14,495	44,410	58,905

The accompanying Notes form part of these Financial Statements.

Statement of Cash Flows

For the year ended 31 December 2018

	Notes	2018 \$ '000	2017 \$ '000
Cash Flows from Operating Activities			
Inflows:			
Tuition and Boarding Fees		13,285	12,611
Grants and Contributions		9,064	8,768
GST Input Tax Credit from ATO		845	743
GST Collected from Parents		553	542
Interest Income		131	95
Other		2,002	2,107
Outflows:			
Employee Expenses		(14,831)	(14,517)
Supplies and Services		(7,942)	(7,774)
Finance and Borrowing Costs		(13)	(31)
GST Paid to Suppliers		(924)	(795)
GST Reimitted to ATO		(528)	(471)
Net Cash provided by (used in) Operating Activities		1,642	1,278
Cash Flows from Investing Activities			
Inflows:			
Sales of Property, Plant and Equipment		749	10
Outflows:			
Payments for Property, Plant and Equipment		(1,351)	(339)
Net Cash provided by (used in) Investing Activities		(602)	(329)
Cash Flows from Financing Activities			
Outflows:			
Finance lease Payments		(190)	(310)
Net Cash provided by (used in) Financing Activities		(190)	(310)
Net Increase / (Decrease) in Cash and Cash Equivalents		850	639
Cash at the Beginning of the Year		2,628	1,989
Cash and Cash Equivalents at end of Financial Year	11	3,478	2,628

The accompanying Notes form part of these Financial Statements.

Notes to and forming part of the Financial Statements 2018

Objectives and Principal Activities

The objective of Ipswich Grammar School is to provide specialised education to male students.

Note 1	Summary of Significant Accounting Policies
Note 2	Tuition and Boarding Fees
Note 3	Grants & Contributions
Note 4	Other Revenue
Note 5	Employee Expenses
Note 6	Key Management Personnel and Remuneration
Note 7	Supplies and Services
Note 8	Depreciation and Amortisation
Note 9	Finance and Borrowing Costs
Note 10	Other Expenses
Note 11	Cash and Cash Equivalents
Note 12	Receivables
Note 13	Movement in the Provision for Impairment Loss
Note 14	Other Current Assets
Note 15	Non-Current Assets Held for Sale
Note 16	Property, Plant & Equipment
Note 17	Payables
Note 18	Other Financial Liabilities
Note 19	Employee Benefits
Note 20	Other Current Liabilities
Note 21	Asset Revaluation Surplus
Note 22	Related Party Transactions
Note 23	Commitments for Expenditure
Note 24	Contingencies
Note 25	Events occurring after Balance Sheet
Note 26	Trust Transactions and Balances

Note 1: Summary of Significant Accounting Policies

(a) Statement of Compliance

The Financial Statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*.

These Financial Statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, Ipswich Grammar School has applied those requirements applicable to not-for-profit entities as Ipswich Grammar School is a not-for-profit organisation. Except where stated, the historical cost convention is used.

(b) The Reporting Entity

The Financial Statements include the value of all revenues, expenses, assets, liabilities and equity of Ipswich Grammar School.

Ipswich Grammar School, consists of the School together with Ipswich Boys Grammar School Centenary Building Fund, The Ipswich Grammar School Scholarship and Bursary Fund, The Ipswich Grammar School Library Fund, The Clothing Store operations and The Before and After School activities.

All transactions and balances internal to the School and the above-mentioned funds have been eliminated in full.

(c) Impairment of Non-Current Assets

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, Ipswich Grammar School determines the recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in profit and loss, 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.

When 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 is treated as a revaluation increase. [Refer Note 16]

(d) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

The fair value of assets and liabilities must be measured for recognition and disclosure purposes. Fair value measurement of non-financial assets is based on the 'highest and best use' of the asset.

Ipswich Grammar School considers market participant's ability to generate economic benefits by using the assets in their highest and best use. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

(e) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when Ipswich Grammar School becomes a party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and Cash Equivalents – held at fair value through profit or loss
- Receivables – held at amortised cost
- Payables – held at amortised cost
- Borrowings – held at amortised cost

Borrowings are initially recognised at fair value, plus any transactions costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or, when appropriate, a shorter period) to the net carrying amount of that instrument.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are classified as non-current liabilities to the extent that Ipswich Grammar School has an unconditional right to defer settlement until at least 12 months after reporting date.

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

Ipswich Grammar School does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, Ipswich Grammar School holds no financial assets classified at fair value through profit or loss.

(f) Insurance

Ipswich Grammar School's non-current physical assets and other risks were insured through:

Policy Type	Insurer
Combined General Liability	Berkshire Hathaway Specialty Insurance
Industrial Special Risks	AAI Limited trading as Vero Insurance
Management Liability	AAI Limited trading as Vero Insurance
Motor Vehicle Fleet	AAI Limited trading as Vero Insurance
Professional Indemnity	AAI Limited trading as Vero Insurance
Special Contingency	Special Contingency Risk Pty Ltd
Excess Public Liability Layer 1	Berkshire Hathaway Specialty Insurance
Excess Public Liability Layer 2	CGU Insurance - Schools
Excess Public Liability Layer 3	AIG Australia Limited
Crime	Richard Oliver Underwriting Managers Pty Limited
Travel - Corporate	Berkshire Hathaway Specialty Insurance
Personal Accident - Group	Berkshire Hathaway Specialty Insurance
Voluntary Workers	Berkshire Hathaway Specialty Insurance

Premiums are paid on a risk assessment basis. In addition, Ipswich Grammar School pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(g) Taxation

Ipswich Grammar School is a State body as defined under the 'Income Tax Assessment Act 1936' and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by Ipswich Grammar School. GST credits receivable and GST payable to the ATO are recognised in the Statement of Financial Position.

(h) Issuance of Financial Statements

The Financial Statements are authorised for issue by the Chair and Headmaster/CEO on behalf of the Board of Trustees at the date of signing the Management Certificate.

(i) Accounting Estimates and Judgements

The preparation of Financial Statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgement 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.

Estimates and assumptions that have a potential significant effect are outlined in the following Financial Statement notes:

- Valuation of Property, Plant and Equipment – Note 16
- Accrued Employee Benefits – Note 19
- Provision for Doubtful Debts – Note 12

(j) Other Presentation Matters

Amounts included in the Financial Statements are in Australian Dollars and have been rounded to the nearest \$1,000 or where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the School does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

(k) New and Revised Accounting Standards

The School did not voluntarily change any of its accounting policies during 2018. AASB 9 Financial Instruments applies to the school for the first time in the 2018 financial year. The initial application of the standard has not resulted in any changes to the classification of the School's financial instruments. The school has amended its policy for provisioning for impairment of receivables to align with the simplified approach to measuring expected credit losses prescribed under AASB 9, which has resulted in an increase in the provision for doubtful debts recognised – refer note 13.

NOTE 2: Tuition and Boarding Fees

	2018 \$ '000	2017 \$ '000
Tuition Fees	12,648	12,263
Boarding Fees	2,513	2,534
Full Fee Paying Overseas Students	748	560
Enrolment & Confirmation Fees	165	141
Capital Levy	154	-
Less: Bursaries and Discounts	(2,580)	(2,536)
Total Tuition & Boarding Fees	13,648	12,962

Accounting Policy**Fee Revenue**

Fees controlled by Ipswich Grammar School are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related services and/or recognition of accrued revenue.

NOTE 3: Grants and Contributions

	2018 \$ '000	2017 \$ '000
State	1,963	1,957
Commonwealth	6,889	6,549
Endowment	22	22
Special Purposes	190	240
Total Grants and Contributions	9,064	8,768

Accounting Policy**Grants and Contributions**

Grants, contributions, donations and gifts that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return) are recognised as revenue in the year in which Ipswich Grammar School obtains control over them. Where Grants are received that are reciprocal in nature, revenue is recognised over the terms of the funding arrangements.

NOTE 4: Other Revenue

	2018 \$ '000	2017 \$ '000
Clothing Store Sales	437	414
Chartered Bus & Ancillary Fees	461	483
Donations	263	328
Interest Revenue	131	95
Other Revenue	1,481	883
Total Other Revenue	2,773	2,203

NOTE 5: Employee Expenses

	2018 \$ '000	2017 \$ '000
Employee Benefits		
Wages and Salaries	12,443	12,175
Annual Leave & Long Service Leave	562	577
Employer Superannuation Contribution	1,418	1,397
Other Employee Benefits	88	69
Employee Related Expenses		
Workers' Compensation Premium	120	129
Total Employee Expenses	14,631	14,347
Number of FTE Employees	125	124

Accounting Policy**Employee Benefits**

Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.

Worker's compensation insurance is a consequence of employing employees but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised separately as employee related expenses.

Wages, Salaries and Sick Leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

As the School expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at their undiscounted values.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Superannuation

Employer superannuation contributions are expensed in the period in which they are paid or payable.

NOTE 6: Key Management Personnel and Remuneration

Ipswich Grammar 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 below.

Position	Responsibilities	Contract Classification and Appointment Authority	Date Appointed to the Position/ (Date Resigned from the Position)
Elected Trustee	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	19/10/2017
Government Appointed Trustee		Appointed by the Governor in Council	19/10/2017
Headmaster/CEO	The Headmaster/CEO is responsible for the implementation of plans and strategies as approved by the Board of Trustees.	Five-year contract – Appointed	01/01/2016
Deputy Headmaster	The Deputy Headmasters support the Headmaster/CEO in the implementation of plans and strategies as delegated by the Headmaster/CEO in the areas of curriculum, students and operations.	Annual contract	01/01/2016
Business Manager	The Business Manager supports the Headmaster/CEO in the implementation of plans and strategies in relation finance, administration and Government reporting.	Five-year contract	27/08/2018
Dean of Students	The Dean of Students supports the Headmaster/CEO in the implementation of plans and strategies in relation to the student welfare & pastoral care.	Annual contract	01/01/2012
Head of Junior School	The Head of Junior School supports the Headmaster/CEO in the implementation of plans and strategies in relation to the Junior School.	Annual contract	04/10/2016
Deputy Head of Junior School	The Deputy head of Junior School supports the Head of Junior School and Headmaster/CEO in the implementation of plans and strategies in relation to the Junior School.	Three-year contract	01/01/2018
Dean of Teaching & Learning	The Dean of Teaching & Learning supports the Headmaster/CEO in the implantation of plans and strategies in relation to Teaching & Learning.	Annual contract	13/06/2016

The remuneration and other terms of employment for key executive management personnel are specified in their individual employment contracts and comprise of the following components:

- Short term employee benefits which include:
 - o Base: consisting of base salary, allowances and leave entitlements earned and expensed 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,
 - o Non-monetary Benefits: consisting of provision of school fees and motor vehicles together with FBT applicable to the benefit,

Notes to and forming part of the Financial Statements 2018

- Long term employee benefits – mainly long service leave entitlements earned and expensed;
- Post-employment benefits – mainly superannuation contributions;
- Termination payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payments in lieu of notice on termination, regardless of the reason for termination,
- No performance bonuses were paid.

2018						
Position	Short Term Employee Benefits		Total Long Term Employee Benefits \$'000	Post Employee Benefits \$'000	Termination Benefits \$'000	Total Expenses \$'000
	Monetary Expenses \$'000	Non-Monetary \$'000				
Elected Trustees	-	-	-	-	-	-
Ministerial Appointed Trustees	-	-	-	-	-	-
Headmaster / CEO	424	7	10	52	-	493
Deputy Headmaster	190	-	5	24	-	219
Business Manager	106	-	2	11	-	119
Dean of Students	144	3	3	18	-	168
Head of Junior School	157	1	4	14	-	176
Deputy Head of Junior School	120	-	3	11	-	134
Dean of Teaching and Learning	145	-	3	18	-	166
TOTAL	1,286	11	30	148	-	1,475

Footnote: Business Manager contract ended on 21.04.2018 and new contract commenced on 27.08.2018.

2017						
Position	Short Term Employee Benefits		Total Long Term Employee Benefits \$'000	Post Employee Benefits \$'000	Termination Benefits \$'000	Total Expenses \$'000
	Monetary Expenses \$'000	Non-Monetary \$'000				
Elected Trustees	-	-	-	-	-	-
Ministerial Appointed Trustees	-	-	-	-	-	-
Headmaster / CEO	421	8	14	53	-	496
Deputy Headmaster	187	-	4	23	-	214
Business Manager	218	-	4	18	-	240
Dean of Students	142	1	3	18	-	164
Head of Junior School	139	1	3	13	-	156
Deputy Head of Junior School	-	-	-	-	-	-
Dean of Teaching and Learning	137	-	3	17	-	157
TOTAL	1,244	10	31	142	0	1,427

Footnote: Business Manager contract ended on 06.10.2017 and new contract commenced on 03.10.2017.

Key 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.

NOTE 7: Supplies and Services

	2018 \$ '000	2017 \$ '000
Advertising and Promotional	324	320
Boarding House Food Provisions	660	707
Computer Expenses	248	255
Consultants and Contractors	148	248
Motor Vehicle Expenses	1,519	1,431
Electricity and Gas	395	427
Rates	214	235
Repairs and Maintenance and Cleaning Expenses	1,287	1,095
Cost of Clothing Store Goods Sold	337	330
Other Expenses*	3,214	2,231
Total Supplies and Services	8,346	7,279

*As disclosed in note 24, during or subsequent to the year ended 31 December 2018, the school has made or agreed to make payments in settlement of a number of matters amounting to \$250,000, net of insurance recoveries. Expenditure in relation to settlements is only recognised when it can be measured reliably.

NOTE 8: Depreciation and Amortisation

	2018 \$ '000	2017 \$ '000
Buildings	1,775	1,541
Plant and Equipment	178	167
Plant and Equipment Under Finance Lease	196	195
Land Improvements	31	35
Total Depreciation and Amortisation	2,180	1,938

Accounting Policy

Depreciation

Land is not depreciated as it has an unlimited useful life.

Buildings and Plant and Equipment are depreciated on a straight-line basis so as to allocate the net costs or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to Ipswich Grammar School. Residual value reflects consideration receivable for an asset at the end of its useful life to the School and does not include potential savings from the re-use of in-situ material.

Notes to and forming part of the Financial Statements 2018

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity when construction is complete, and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within Property, Plant and Equipment.

Where assets have separately identifiable components that are subject to regular replacements, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the School.

For each class of depreciable asset, the following depreciation rates are used:

Class	Rate %
Buildings & Building Improvement (including Heritage assets)	1.5%-25%
Land Improvements	1.25%-20%
Plant & Equipment	10%-40%
Leased Assets	25%-33%

NOTE 9: Finance and Borrowing Costs

	2018 \$ '000	2017 \$ '000
Interest Paid (Net of Administration Costs)	13	31
Total Finance and Borrowing Costs	13	31

NOTE 10: Other Expenses

	2018 \$ '000	2017 \$ '000
Audit Fees	31	37
Insurance Premiums	138	126
Impairment Losses on Trade Receivables	223	96
Total Other Expenses	392	259

*Total audit fees paid to the Queensland Audit Office relating to the 2018 Financial Statements are estimated to be \$30,600 (2017: \$30,000). There are no non-audit services included in this amount.

NOTE 11: Cash and Cash Equivalents

	2018 \$ '000	2017 \$ '000
Imprest Accounts	3	3
Clothing Store Cash	5	6
BASC Cash	1	22
Cash at Bank	3,469	2,597
Total Cash and Cash Equivalents	3,478	2,628

Accounting Policy**Cash and Cash Equivalents**

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received at 31 December as well as deposits at call with financial institutions.

NOTE 12: Receivables

	2018 \$ '000	2017 \$ '000
Trade Debtors	910	529
Less: Allowance for Impairment Loss	(402)	(181)
	508	348
Other Debtors	507	102
Total Receivables	1,015	450

Accounting Policy**Receivables**

Trade debtors are recognised at the amounts due at the commencement of each term based on student enrolments at pre-determined fees per the fee structure as ratified by the Board of Trustees. Settlement of these amounts is required by the end of each Term.

The school applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. For purposes of determining the allowance for impairment losses, the school uses a provision matrix which applies historical default rates based on the type of debtor and the aged out outstanding receivables. This reflects the increasing probability of default occurring the longer trade receivables remain outstanding. In previous periods an allowance for impairment loss in respect of each individual debtor balance was only recognised where a loss event occurred in respect of that debtor, that is, where objective evidence existed to suggest the debtor balance may not be recovered in full.

Other debtors generally arise from transactions outside the usual operating activities of Ipswich Grammar School and are recognised at their assessed values. The terms of payment are 30 days from date of invoice, no interest is charged and no security is obtained.

NOTE 13: Movements in the Provision for Impairment Loss

	2018 \$ '000	2017 \$ '000
Balance at the beginning of the year	181	129
Amounts Written Off during the year	(1)	(45)
Increase/(Decrease) in Provision	222	97
Balance at the end of the year	402	181

NOTE 14: Other Current Assets

	2018 \$ '000	2017 \$ '000
Prepayments	313	181
Refundable Bonds	1	1
Total Other Current Assets	314	182

NOTE 15: Non-Current Assets Held for Sale

	2018 \$ '000	2017 \$ '000
Land & Buildings	-	476
Total Non-Current Assets Held for Sale	-	476

Accounting Policy

Non-current assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, for which their sale is highly probable within the next twelve months.

In accordance with AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations*, when an asset is classified as held for sale, its value is measured at the lower of the asset's carrying amount and fair value less costs to sell. Any restatement of the asset's value to fair value less costs to sell (in compliance with AASB 5) is a non-recurring valuation. Such assets are no longer amortised or depreciated upon being classified as held for sale

NOTE 16: Property, Plant and Equipment

	2018 \$ '000	2017 \$ '000
Land		
At Fair Value	8,395	8,395
	8,395	8,395
Buildings		
At Fair Value	95,770	95,497
Less: Accumulated Depreciation	(48,973)	(45,731)
	46,797	49,766
Land Improvements		
At Fair Value	917	1,268
Less: Accumulated Depreciation	(317)	(637)
	600	631
Work in Progress at Cost	472	112
Leased Assets		
Leased Assets	1,052	1,051
Less: Accumulated Depreciation	(887)	(690)
	165	361
Plant and Equipment		
School Site - At Cost	4,908	4,836
Brassall Sporting Complex - At Cost	270	240
Less: Accumulated Depreciation	(4,268)	(4,396)
	910	680
Total Property, Plant and Equipment	57,339	59,945

Accounting Policy**Property, Plant and Equipment**

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:

Land	\$1
Buildings	\$1,000
Plant and Equipment	\$1,000

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

Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear etc.) is expensed.

Acquisitions of Assets

Actual cost is used for the initial recording of all non-current physical asset 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, including architects' fees and engineering design fees. Any training costs are expensed as incurred.

Revaluations of Non-Current Physical Assets

Land, buildings and infrastructure are measured at their fair value in accordance with *AASB 116 Property, Plant and Equipment*, *AASB 13 Fair Value Measurement* and *Queensland Treasury Non-Current Asset Policies for Queensland Public Sector*. In respect of these asset classes, the cost of items acquired during the financial year has been judged by management of Ipswich Grammar School to materially represent their fair value at the end of the reporting period.

All other items of Property, Plant and Equipment are measured at cost in accordance with the *Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector*.

At each balance date the school assesses whether the carrying value of land, buildings and infrastructure assets materially differs from its carrying value. Materiality concepts (according to the *Framework for the Preparation and Presentation of Financial Statements*) are considered in determining whether the difference between the carrying amount and the fair value of an asset is material. The School considers the cumulative changes in fair value of greater than 3% since the last comprehensive valuation are material.

Revaluations based on comprehensive valuations prepared by an independent professional valuer are undertaken at least once every five years. However, if a class of asset experiences significant and volatile changes in fair value (ie: where indicators suggest that the value of the class of asset may have changed by 20% or more from one reporting period to the next), it is subject to such revaluations in the reporting period, where practicable, regardless of the timing of previous such methods of revaluation.

Where indices are used in the revaluation process, Ipswich Grammar School ensures that the application of such indices would result in a valid estimation of the asset's fair value of reporting date.

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 Asset 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.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Independent valuations of land and buildings were most recently performed as at 31 December 2017 by AssetVal Pty Ltd using 'fair value' principles. The valuation of land and residential buildings is based on publicly available data on sales of similar land/buildings in nearby localities in the 12 months prior to 31 December 2017. School buildings and site improvements are valued applying current replacement cost, due to the specialised nature and lack of an active market for these assets. Replacement costs for components of buildings and site improvements is determined using published indicative unit construction costs as well as information from AssetVal's internal data base. Replacement cost is then adjusted by an accumulated depreciation determined based on factors such as the age, internal features and physical condition of the assets.

At 31 December 2018, AssetVal provided indices for the following asset categories:

LAND	(2.66%)
BUILDINGS AND SITE IMPROVEMENTS	
- Replacement Costs	2.30%
- Fair Value	(0.82%)
TOTAL FAIR VALUE	(1.31%)

Notes to and forming part of the Financial Statements 2018

The above indices represent the cumulative estimated change in fair value since the last comprehensive valuation. These indices were less than the materiality measurement of 3%, therefore no adjustments were made to the fair value of asset categories at 31 December 2018. The only exception resulting in a revaluation was due to the reduction of the useful life of buildings that will be impacted by the STEM project. These buildings were revalued based on their useful life being reduced to 6 months as at 31 December 2018.

Additional Disclosures

Ipswich Grammar School has been granted a Deed of Grant pursuant to the Alienation of Crown Lands Act 1860 over Crown land reserves 832 and 833. The land is retained by the Crown, however the economic benefits of this land accrue to Ipswich Grammar School and is administered by the School. The fair value of this land is \$2,000,000 as at 31 December 2018.

In assessing land held under a DOGIT structure, the highest and best use must be taken into account, however this does not mean that the land is valued without having regard to current restrictions, as typically DOGIT land brings with it restriction upon the free use of the land which are not encountered on other fee simple lands.

The valuer has applied their experience in valuing DOGIT land, research regarding adjustments for restrictions, and applicable historical case law in deriving the valuation of the DOGIT land.

PROPERTY, PLANT AND EQUIPMENT RECONCILIATION	Land \$'000	Buildings \$'000	Land Imps. \$'000	Work in Progress \$'000	Leased Assets \$'000	Plant & Equipment \$'000	Total \$'000
Carrying Amount as at 1 Jan 2018	8,395	49,766	631	112	361	680	59,945
Acquisitions	-	296	-	641	-	414	1,351
Disposals	-	-	-	-	-	(6)	(6)
Transfer between asset classes	-	281	-	(281)	-	-	-
Revaluations Increase/ (Decrease)	-	(1,771)	-	-	-	-	(1,771)
Depreciation	-	(1,775)	(31)	-	(196)	(178)	(2,180)
Carrying Amount as at 31 Dec 2018	8,395	46,797	600	472	165	910	57,339

NOTE 17: Payables

	2018 \$'000	2017 \$'000
Trade Payables	368	475
Other Payables and Accruals	678	90
Total Payables	1,046	565

Accounting Policy

Payables

Trade creditors and other payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on a 30-day term.

NOTE 18: Other Financial Liabilities

	2018 \$ '000	2017 \$ '000
Current		
Finance Leases	46	190
Total Current Financial Liabilities	46	190
Non-Current		
Finance Leases	15	61
Total Non-Current Financial Liabilities	15	61
Total Financial Liabilities	61	251

* Refer Lease Liabilities in Note 23

All borrowings are in \$A denominated amounts and no interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the borrowing agreements during the period. Interest rates on borrowing ranged from 3% - 6% on the overdrafts.

An unsecured bank overdraft facility with the Queensland Treasury Corporation was extended with a limit of \$1,500,000, expiring on 31 December 2020. This facility was not utilised as at 31 December 2018. The undrawn balance of \$1,500,000 is available for use in the next reporting period. The current overdraft interest rate is 1.65% (ie: RBA base rate 1.50% plus 0.15%).

Lease Liabilities are effectively secured as the right to the leased assets revert to the lessor in the event of default (refer Note 16). For the remaining leases, the average lease term is 4 years and implicit interest rates range from 4.02% to 9.51% (4% to 9.51% in 2017).

Accounting Policy**Leases**

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all risks and benefits incidental to ownership, and operating leases, under which the lessor retains substantially all risks and benefits.

Where a non-current physical asset is acquired by means of a finance lease, the asset is recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the period in which they are incurred.

NOTE 19: Employee Benefits

	2018 \$ '000	2017 \$ '000
Current		
Annual Leave	295	272
Long Service Leave	1,448	1,697
Total Current Accrued Employee Benefits	1,743	1,969
Non-Current		
Long Service Leave	109	83
Total Non-Current Accrued Employee Benefits	109	83
Total Employee Benefits	1,852	2,052

Accounting Policy**Annual Leave and Long Service Leave**

Annual Leave and Long Service Leave are accounted for as short-term employee benefits and disclosed as current liabilities to the extent that Ipswich Grammar School does not have an unconditional right to defer settlement of the liability beyond twelve months of balance date.

In accounting for leave provisions, the school applies both AASB 119 Employee Benefits and Queensland Treasury's Financial Reporting Requirements (FRRs).

Entitlements expected to be paid within the 12 months following balance date are recognised at their undiscounted values. Entitlements expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on government bonds, with terms to maturity that match the expected timing of cash flows. Changes in the measurements of the liability are recognised in the surplus or deficit.

Long service leave liabilities are estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years of qualifying service, the probability that they will reach the required minimum period of service has been taken into consideration in estimating the long service leave liability.

All directly associated on-costs (e.g. employer superannuation contributions and workers' compensation insurance) are also recognised as liabilities, where these on-costs are material.

NOTE 20: Other Current Liabilities Benefits

	2018 \$ '000	2017 \$ '000
Unearned Revenue	667	609
Total Other Current Liabilities	667	609

NOTE 21: Asset Revaluation Surplus

	2018 \$ '000	2017 \$ '000
Balance 1 January	46,181	43,523
Revaluation Increments / (Decrements)	(1,771)	2,658
Balance 31 December	44,410	46,181

NOTE 22: Related Party Transactions

Disclosure of “ordinary citizen transactions” with related parties is not made. These are transactions typically entered into in the ordinary course of business of the School and include, for example, school fees or hire of facilities, to the extent that these occur on the same terms as extended to non-related parties.

All transactions that occur with related parties are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The School engaged Ernst & Young to provide advice during 2018. Ms Kellie McKenzie is a Partner of the firm, and a Board Member of the School. The School was invoiced on commercial terms for the work completed.

There were no related party transactions in the current or previous financial years.

NOTE 23: Commitments for Expenditure

	2018 \$ '000	2017 \$ '000
(a) Finance Lease Liabilities		
Current	46	190
Non-Current	15	61
Total	61	251
Commitments under finance leases:		
Not later than one year	46	223
Later than one year and not later than five years	15	67
	61	290
Less: Anticipated Input Tax Credits	(2)	(23)
Less: Future Finance Charge	(2)	(16)
	57	251
(b) Non Cancellable Operating Lease		
Commitments under operating leases:		
Not later than one year	260	310
Later than one year and not later than five years	63	385
Total Operating Lease	323	695

Finance leases are entered into as a means of funding the acquisition of certain plant and equipment. Lease payments are generally fixed.

No leases have escalation clauses other than in the event of payment default. A small number of leases have renewal or purchase options. Where such options exist, they are all exercisable at market prices.

No lease arrangements create restrictions on other financing transactions.

Operating leases are entered into as a means of acquiring access to computer hardware equipment and laptops. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

NOTE 24: Contingencies

In the ordinary course of Ipswich Grammar School activities, issues arise which may involve the entity in commercial negotiation. At the date of this report, the School is aware of a number of matters that have not yet reached a stage where management considers that it is possible to reliably estimate the outcome of the matters or the amount of any potential settlement. Further information in relation to these is not disclosed on the basis that it may unreasonably prejudice the School in its dealings with these ongoing matters and any future matters of a similar nature which may arise. The total value of claims settled or in the process of being settled as at 31 December 2018 are noted at Note 7.

NOTE 25: Events Occurring after Balance Sheet

There has been no matter or circumstance which has arisen since 31 December 2018 that has significantly affected or may significantly affect the operations of the school, the results of those operations, or the state of affairs of the school.

NOTE 26: Trust Transactions and Balances

The School acts as trustee for and manages a number of trusts established by benefactors.

As the School performs only a custodial role in respect of these transactions and balances, they are not recognised in the Financial Statements but are disclosed in these notes for the information of users.

	2018 \$ '000	2017 \$ '000
Current Assets		
Cash	525	521
Total	525	521
Trust Revenue & Expenses		
Revenues		
Interest & Prizes	13	12
Deposits Received	27	32
Total	40	44
Expenses		
Prizes	4	-
Deposit Refunds	28	27
Paid to School	4	15
Total	36	42

*Cash represents the following:

- Prizes Trust Fund consisting of funds pledged for prize recipients at the School Awards night and includes interest earned.
- Deposits Held in Trust are funds received for confirmation of enrolment of students.
- The Funds Owed to School consist of deposits made into the trust account for school fees paid in advance. These fees are payable to the School.

Accounting Policy

Trust Transactions and Balances

The School undertakes certain trustee transactions. As the School acts only in a custodial role in respect of these transactions and balances, they are not recognised in the Financial Statements.

Management Certificate

For the year ended 31 December 2018

These 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. In accordance with Section 62(1)(b) of the Act, we certify that in our opinion:

- (a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) The Financial Statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Ipswich Grammar School for the financial year ended 31 December 2017 and of the Financial Position of the entity as at 31 December 2018.

Signed in accordance with a resolution of the Board of Trustees on 28 February 2019.



Mr David Edwards
Chair of the Board of Trustees
Ipswich Grammar School



Mr Richard Morrison
Headmaster/CEO
Ipswich Grammar School

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Ipswich Grammar School

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Board of Trustees of the Ipswich Grammar School.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 31 December 2018, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards – Reduced Disclosure Requirements.

The financial report comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Other information

Other information comprises the information included in the Board of Trustees of the Ipswich Grammar School's annual report for the year ended 31 December 2018, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.



In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the entity for the financial report

The Board of Trustees is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards – Reduced Disclosure Requirements, and for such internal control as the Board of Trustees determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board of Trustees is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.



- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 31 December 2018:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

A handwritten signature in black ink, appearing to read "Melissa Fletcher".

Melissa Fletcher
as delegate of the Auditor-General

28 February 2019

Queensland Audit Office
Brisbane

Glossary

ACARA	The Australian Curriculum Assessment and Reporting Authority
ACT	The Grammar Schools Act 2016
ARR	Annual Report Requirements for Queensland Government Agencies
ATAR	Australian Tertiary Admission Rank
BYOT	Bring Your Own Technology
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students
DET	Department of Education and Training
DGR	Deductible Gift Recipient
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation
EOWA	Equal Opportunity for Women Association
FAA	Financial Accountability Act 2009
FTE	Full Time Equivalent
FRR's	Financial Reporting Requirements
FMF	Queensland Government Financial Management Framework
FPMS	Financial and Performance Management Standard 2009
GPA	Grade Point Average
HOD	Head of Department
ICT	Information and Communication Technology
ISQ	Independent Schools Queensland
ISSN	International Standard Serial Number
KPI	Key Performance Indicators
OP	Overall Position
PCBU	Person in Charge of a Business or Undertaking
PI	Pastoral Indicators
QAO	Queensland Audit Office
QCST	Queensland Core Skills Test
QCT	Queensland College of Teachers
QSA	Queensland Studies Authority
QTC	Queensland Treasury Corporation
TASS	The Alpha School System

Compliance Checklist 2018

Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	• A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7 Page 2
Accessibility	• Table of contents	ARRs – section 9.1 Page 3
	• Glossary	Page 52
	• Public availability	ARRs – section 9.2 Page 4
	• Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3 Page 4
	• Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4 Page 4
	• Information Licensing	<i>QGEA - Information Licensing</i> ARRs – section 9.5 Not applicable
General information	• Introductory information	ARRs – section 10.1 Page 5 - 8
	• Agency role and main functions	ARRs – section 10.2 Page 8 and 9
	• Machinery of Government changes	ARRs – section 31 and 32 Not applicable
	• Operating environment	ARRs – section 10.3 Page 9
Non-financial performance	• Government's objectives for the community	ARRs – section 11.1 Page 10
	• Other whole-of-government plans / specific initiatives	ARRs – section 11.2 Page 10
	• Agency objectives and performance indicators	ARRs – section 11.3 Page 10
	• Agency service areas, and service standards	ARRs – section 11.4 Page 13
Financial performance	• Summary of financial performance	ARRs – section 12.1 Page 14
Governance – management and structure	• Organisational structure	ARRs – section 13.1 Page 15 - 18
	• Executive management	ARRs – section 13.2 Page 15 - 16
	• Government bodies (statutory bodies and other entities)	ARRs – section 13.3 Page 16
	• <i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4 Page 17
	• Queensland public service values	ARRs – section 13.5 Not applicable

Summary of requirement	Basis for requirement	Annual report reference	
Governance – risk management and accountability	• Risk management	ARRs – section 14.1	Page 19 - 20
	• Audit committee	ARRs – section 14.2	Page 19 - 20
	• Internal audit	ARRs – section 14.3	Page 21
	• External scrutiny	ARRs – section 14.4	Page 21
	• Information systems and recordkeeping	ARRs – section 14.5	Page 21
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	Page 22
	• Early retirement, redundancy and retrenchment	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> Directive No.16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (from 20 May 2016) ARRs – section 15.2	Page 22 - 23
Open Data	• Statement advising publication of information	ARRs – section 16	Page 24
	• Consultancies	ARRs – section 33.1	Page 24
	• Overseas travel	ARRs – section 33.2	Page 24
	• Queensland Language Services Policy	ARRs – section 33.3	www.data.qld.gov.au
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	Page 50
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	Page 51

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*

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